

**CHILDREN-AT-RISK
EMPOWERMENT ASSOCIATION
(CARE SINGAPORE)**

[Unique Entity No. T00SS0043E]

[IPC No. IPC000150]

[Registered under the Societies Act
(Chapter 311) in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2013**

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STATEMENT BY THE MANAGEMENT COMMITTEE

In the opinion of the Management Committee, the financial statements as set out on pages 5 to 22 are drawn up so as to give a true and fair view of the state of affairs of Children-At-Risk Empowerment Association (CARE Singapore) (the "Society") as at 30 April 2013 and of its results of financial activities, the changes in funds and cash flows of the Society for the year then ended; and

At the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

The Management Committee, comprising the following, authorised the issue of these financial statements on **19 NOV 2013**

President	Jeffrey Neo Kheng Leong
Vice President	Rudy Pierre Low
Honorary Secretary	Ester Gerber
Honorary Treasurer	Pan Kok Keong, Kenneth
Committee Member	Mei Lin Siregar
Committee Member	Neo Kah Yean
Committee Member	Darren Lai
Committee Member	Wong Yew Chong

For and on behalf of the Management Committee,



Jeffrey Neo Kheng Leong
President



Pan Kok Keong, Kenneth
Honorary Treasurer

Singapore, **19 NOV 2013**

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Independent auditors' report to the members of:

CHILDREN-AT-RISK EMPOWERMENT ASSOCIATION (CARE SINGAPORE)

[Unique Entity No. T00SS0043E]
[IPC No. IPC000150]
[Registered under the Societies Act (Chapter 311) in the
Republic of Singapore]

Report on the Financial Statements

We have audited the accompanying financial statements of **Children-At-Risk Empowerment Association (CARE Singapore)** (the "Society") set out on pages 5 to 22, which comprise the statement of financial position as at **30 April 2013**, the statement of financial activities, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37) and Charities Accounting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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(CONT'D)

Independent auditors' report to the members of:

CHILDREN-AT-RISK EMPOWERMENT ASSOCIATION (CARE SINGAPORE)

[Unique Entity No. T00SS0043E]

[IPC No. IPC000150]

[Registered under the Societies Act (Chapter 311) in the
Republic of Singapore]

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37) and Charities Accounting Standards so as to give a true and fair view of the state of affairs of the Society as at 30 April 2013, and the results, changes in funds and cash flows of the Society for the financial year ended on that date.

Report on other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the regulations enacted under the Societies Act (Chapter 311) to be kept by the Society have been properly kept in accordance with the provisions of the Act.

During the course of our audit, nothing has come to our attention that the 30% cap mentioned in Regulation 15 (1) of the Charities Act, Cap. 37 (Institutions of a Public Character) Regulations 2007 and as amended by Charities (Institutions of a Public Character) (Amendments) Regulations 2008 has been exceeded.

The use of donation money is in accordance with the objectives of the Society.



Fiducia LLP

Public Accountants and
Chartered Accountants of Singapore

Singapore, 19 NOV 2013

STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2013

	Note	2013 S\$	2012 S\$
ASSETS			
Current assets			
Cash and cash equivalents	4	2,452,061	2,196,513
Other receivables	5	45,124	154,952
		<u>2,497,185</u>	<u>2,351,465</u>
Non-current assets			
Property, plant and equipment	6	28,096	47,302
		<u>2,525,281</u>	<u>2,398,767</u>
LIABILITIES			
Current liabilities			
Accruals	7	16,055	37,834
		<u>16,055</u>	<u>37,834</u>
NET ASSETS		<u>2,509,226</u>	<u>2,360,933</u>
FUNDS			
Unrestricted funds			
Accumulated general fund	8	2,487,300	2,339,007
Designated funds			
Building fund	9	21,926	21,926
TOTAL FUNDS		<u>2,509,226</u>	<u>2,360,933</u>

The accompanying notes form an Integral part of these financial statements.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

	Note	General funds 2013 S\$	General funds 2012 S\$
INCOME			
Voluntary income			
Donations – Non-tax exempt		261,940	42,496
Donations – Tax exempt		374,970	498,412
Donations – Others		15,000	27,129
		<u>651,910</u>	<u>568,037</u>
Income from fundraising activities			
Fundraising income		9,457	37,495
<u>Services rendered</u>			
- Conference income		116,272	41,150
- Miscellaneous services		65,353	0
- Workshop fees		27,560	83,529
		<u>218,642</u>	<u>162,174</u>
Income from charitable activities			
Counselling fees		3,050	1,275
Enhanced Step – Up grant		139,920	170,760
NCSS grant		320,742	224,497
Other ad hoc grants		131,233	269,443
Outreach activities		148,426	68,160
Miscellaneous services		26,486	3,625
Programme fees		700,200	483,290
		<u>1,470,057</u>	<u>1,221,050</u>
Investment income			
Bank interest		1,034	2,109
Fixed deposit interest		18,723	10,497
		<u>19,757</u>	<u>12,606</u>
Total income		<u>2,360,366</u>	<u>1,963,867</u>
EXPENDITURE			
Cost of fundraising activities			
Fundraising activities		0	7,043
Conference expenses		150,299	380
Workshop expenses		20,134	30,723
		<u>170,433</u>	<u>38,146</u>
Cost of charitable activities			
Camp supplies		21,752	42,984
Counselling expenses		498	619
Depreciation on property, plant and equipment	6	19,206	21,966
Outreach activities		9,856	9,043
Balance carried forward		<u>51,312</u>	<u>74,612</u>

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013 (CONT'D)

	General funds 2013 S\$	General funds 2012 S\$
EXPENDITURES (CONT'D)		
Cost of charitable activities (Cont'd)		
Balance brought forward	51,312	74,612
Printing and stationery	1,383	6,432
Public relations / Education materials	2,237	12,905
Rental of premise	16,949	16,949
Repairs and maintenance	10,777	4,353
Resource books and materials	5,759	2,857
Rewards/Incentives to students	18,249	11,429
Services and conservancies	0	770
Specific assistance to clients	33,607	286
Telephone and internet	6,872	14,415
Transport claims	54,007	28,660
Utilities	11,966	11,983
Volunteer expenses	298	164
	<u>213,416</u>	<u>185,815</u>
Governance and other administrative costs		
Accounting fees	2,215	8,401
Audit fees	7,500	11,000
Bank charges	1,000	200
General expenses	1,912	1,532
Insurance	10,546	8,017
Office expenses	5,324	1,362
Petty cash expenses	2,240	0
Professional services	3,096	796
	<u>33,833</u>	<u>31,308</u>
Staffing costs		
CPF, SDL and FWL contributions	207,218	165,024
Medical and dental claims	9,891	11,057
Salaries and bonuses	1,437,496	1,228,337
Staff insurance	64,520	9,001
Staff welfare	18,406	9,143
Recruitment expenses	253	0
Transport allowances	16,700	17,250
Training and development	39,907	53,435
	<u>1,794,391</u>	<u>1,493,247</u>
Total expenditures	<u>2,212,073</u>	<u>1,748,516</u>
NET INCOME FOR THE YEAR	148,293	215,351
TOTAL FUNDS BROUGHT FORWARD	<u>2,360,933</u>	<u>2,145,582</u>
TOTAL FUNDS CARRIED FORWARD	<u>2,509,226</u>	<u>2,360,933</u>

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

	Unrestricted Accumulated general fund S\$	Designated Building fund S\$	Total funds S\$
2013			
Balances brought forward	2,339,007	21,926	2,360,933
Net income for the year	148,293	0	148,293
Balances carried forward	2,487,300	21,926	2,509,226
	Unrestricted fund Accumulated general fund S\$	Designated fund Building fund S\$	Total funds S\$
2012			
Balances brought forward	2,119,656	25,926	2,145,582
Net income / (expenditures) for the year	219,351	(4,000)	215,351
Balances carried forward	2,339,007	21,926	2,360,933

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

	Note	2013 S\$	2012 S\$
Cash flows from operating activities			
Net income / (expenditures) for the year			
- Accumulated general fund	8	148,293	219,351
- Building fund	9	<u>0</u>	<u>(4,000)</u>
		148,293	215,351
Adjustments for:			
- Depreciation	6	19,206	21,996
- Fixed deposit interest		(18,723)	(10,497)
- Interest income		<u>(1,034)</u>	<u>(2,109)</u>
Operating cash flow before working capital changes		147,742	224,711
Changes in operating assets and liabilities			
- Other receivables		109,828	5,725
- Accruals		<u>(21,779)</u>	<u>1,773</u>
Cash generated from operations		235,791	232,209
Interest received		<u>1,034</u>	<u>2,109</u>
Net cash generated from operating activities		<u>236,825</u>	<u>234,318</u>
Cash flows from investing activities			
Purchases of property, plant and equipment	6	0	(16,033)
Fixed deposits Interest received		<u>18,723</u>	<u>10,497</u>
Net cash used in investing activities		<u>18,723</u>	<u>(5,536)</u>
Net increase in cash and cash equivalents		255,548	228,782
Cash and cash equivalents at beginning of financial year		2,196,513	1,967,731
Cash and cash equivalents at end of financial year		<u>2,452,061</u>	<u>2,196,513</u>
Cash and cash equivalents comprise:			
Cash at bank and on hand		933,311	696,513,
Fixed deposits		<u>1,518,750</u>	<u>1,500,000</u>
	4	<u>2,452,061</u>	<u>2,196,513</u>

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Children-At-Risk Empowerment Association (CARE Singapore) (the "Society") was registered on 4 January 2000 under the Societies Act (Cap. 311) and on 26 June 2001 under the Charities Act (Cap. 37). The registered office and principal place of business is at Block 428, Pasir Ris Drive 6, #01-21, Singapore 510428.

The objectives of the Society consist of the following:

- To cater to the needs of children and youth at risk of failure, addiction and delinquency through school and community-based programs and services, regardless of race, language or religion;
- To conduct research, develop and provide resources, programs and activities in the areas of prevention, motivation, leadership development, counselling, development of foundational skills, wellness and wholistic development;
- To provide support of pastoral care, counselling and guidance Initiatives in schools and community via teacher/adult training, workshops, seminars and publications; and
- To promote the development of positive home environments.

The Society has been accorded the Institutions of a Public Character ("IPC") status for the period from 1 November 2011 to 31 October 2014.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Charities Accounting Standards ("CAS") and the disclosure requirements of the Societies Act (Chapter 311) and Charities Act (Chapter 37). This is the first financial statement prepared by the Society under CAS basis. The adoption of CAS did not result in any significant adjustment to the financial activities, financial position and cash flows, and any substantial changes to the Society's accounting policies.

The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

These financial statements are presented in Singapore Dollar, which is the Society's functional currency.

The preparation of these financial statements in conformity with CAS requires management to exercise its judgement in the process of applying the Society's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2. Significant accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

These financial statements are the Society's first financial statements prepared in accordance with CAS. The financial statement for previous periods had been prepared in accordance with Singapore Financial Reporting Standards (FRS).

The CAS was issued by Accounting Standards Council (ASC) to set out the basis for preparing and presenting financial statements for the charity sector. It is applicable to financial periods beginning on or after 1 July 2011. The definitions and accounting treatments presented in the CAS are developed based on the requirements of FRS taking into account the context and circumstances relevant to the charity sector.

The Society has adopted CAS on 1 May 2012.

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the services rendered in the ordinary course of the Society's activities. Revenue is recognised as follows:

2.2.1 Donations

Donations are taken up and accrued as and when they are committed. Those uncommitted donations, income from charity events and all income except as listed below, are recognised on receipt basis. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2.2.2 Grants

Government grants are recognised as income in the financial statements over the periods necessary to match them with the related costs, which they are intended to compensate on a systematic basis.

2.2.3 Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

2.2.4 Other income

Other income is recognized when received.

2.3 Cost recognition

All expenditure are accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

2.3.1 Cost of generating funds from fund-raising activities

Costs that are directly attributable to the fund-raising activities are separated from those costs incurred in undertaking charitable activities.

2. Significant accounting policies (Cont'd)

2.3 Cost recognition (Cont'd)

2.3.2 Cost of charitable activities

Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Society. The total costs of charitable expenditure are apportionment of overhead and shared costs.

2.3.3 Governance and administrative costs

Governance costs include the costs of governance arrangement, which relate to the general running of the Society, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

2.4 Property, plant and equipment

2.4.1 Measurement

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2.4.2 Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful life
YOUthCARE Centre office – Renovation	5 years
Office equipment	3 years
Electrical equipment	5 years
Computers	3 years
Furniture and fittings	5 years

The residual values, estimated useful lives, and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in the statement of financial activities in the financial year in which the changes arise.

2.4.3 Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expenses in the statement of financial activities during the financial year in which it is incurred.

2. Significant accounting policies (Cont'd)

2.4 Property, plant and equipment (Cont'd)

2.4.4 Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposals proceeds and its carrying amount is taken to the statement of financial activities.

2.5 Impairment of non-financial assets

Property, plant and equipment are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of the assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in the statement of financial activities.

An impairment loss for an asset is reversed if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the statement of financial activities.

2.6 Related parties

Related parties are entities with one or more common Management committee members. Parties are considered to be related if one party has the ability to control the other party or exercise influence over the party in making financial and operating decisions.

2.7 Financial assets Classification

The Society classifies its financial assets as receivables. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the reporting date, which are classified as non-current assets. Receivables are classified within "receivables" and "cash and cash equivalents" on the statement of financial position.

2. Significant accounting policies (Cont'd)

2.7 Financial assets (Cont'd)

2.7.2 Recognition and derecognition

Usual purchases and sales of financial assets are recognised on trade-date – the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Society has transferred substantially all risks and rewards of ownership. On disposal sale of a financial asset, the difference between the net sale proceeds and its carrying amount is taken to the statement of financial activities. Any amount in the fair value reserve relating to that asset is also taken to the statement of financial activities.

2.7.3 Measurement

Financial assets are initially recognised at fair value plus transaction costs. Receivables are subsequently carried at amortised cost using effective interest method.

2.7.4 Impairment

The Society assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

An allowance for impairment of receivables is recognised when there is objective evidence that the Society will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and, short-term and highly liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

2.9 Other payables

Accruals and other payables are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

2.10 Fair value estimation of financial assets and liabilities

The carrying amounts of current financial assets and liabilities, carried at amortised cost, are assumed to approximate their fair values due to their short-term nature.

2.11 Provisions

Provisions for other liabilities and charges are recognised when the Society has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2. Significant accounting policies (Cont'd)

2.12 Leases

Operating leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of comprehensive income on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

Rental on operating lease is charged to statement of comprehensive income. Contingent rents are recognised as an expense in the statement of comprehensive income in the financial year in which they are incurred.

2.13 Employee compensation

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Society pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The Society has no further payment obligations once the contributions have been paid. The Society's contribution to defined contribution plans are recognised as employee compensation expense when they are due.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

2.14 Currency translation

Transactions denominated in a currency other than Singapore Dollar ("foreign currency") are translated into Singapore Dollar using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at the closing rate at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of financial activities.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements in applying the entity's accounting policies

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Estimated useful lives of property, plant and equipment

The Society reviews annually the estimated useful lives of property, plant and equipment based on factors such as operating plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever there is any indication that the assets are impaired. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the impairment loss. The key assumptions for the value in use calculation are those regarding the growth rates, and expected change to selling price and direct costs during the year and a suitable discount rate.

Allowance for impairment of receivables

The Society reviews the adequacy of allowance for impairment of receivables at each closing by reference to the ageing analysis of receivables, and evaluates the risks of collection according to the credit standing and collection history of individual client. If there are indications that the financial position of a client has deteriorated resulting in an adverse assessment of his risk profile, an appropriate amount of allowance will be provided.

4. Cash and cash equivalents

	2013 S\$	2012 S\$
Cash at bank and on hand	933,311	696,513
Fixed deposits	<u>1,518,750</u>	<u>1,500,000</u>
	<u>2,452,061</u>	<u>2,196,513</u>

Fixed deposits at the reporting date had an average interest rate from 1.00% to 1.25% (2012: 1.00% to 1.25%) per annum.

At the reporting date, the carrying amounts of cash and cash equivalents approximated their fair value.

5. Other receivables

	2013 S\$	2012 S\$
Grants receivables	39,481	125,391
Deposits	3,073	25,495
Accrued interest receivable	333	360
Prepayments	2,237	3,706
	45,124	154,952

At the reporting date, the carrying amounts of grants and other receivables approximated their fair value.

6. Property, plant and equipment

	Balance at beginning S\$	Additions S\$	(Disposals) S\$	Balance at end of year S\$
2013				
Cost				
YOUthCARE Centre – Renovation	445,908	0	0	445,908
Office equipment	82,426	0	0	82,426
Electrical equipment	28,923	0	0	28,923
Computers	25,290	0	0	25,290
Furniture and fittings	28,558	0	0	28,558
	611,105	0	0	611,105
	Balance at beginning S\$	Depreciation charge S\$	(Written back/off) S\$	Balance at end of year S\$
Accumulated depreciation				
YOUthCARE Centre – Renovation	417,613	8,931	0	426,544
Office equipment	82,426	0	0	82,426
Electrical equipment	25,624	827	0	26,451
Computers	12,596	8,430	0	21,026
Furniture and fittings	25,544	1,018	0	26,562
	563,803	19,206	0	583,009

6. Property, plant and equipment (Cont'd)

	Balance at beginning of year S\$				Balance at end of Year S\$	
2013 (Cont'd)						
Net book value						
YOUthCARE Centre – Renovation	28,295				19,364	
Office equipment	0				0	
Electrical equipment	3,299				2,472	
Computers	12,694				4,264	
Furniture and fittings	3,014				1,996	
	<u>47,302</u>				<u>28,096</u>	
	Balance at beginning S\$	Additions S\$	(Disposals) S\$			Balance at end of year S\$
2012						
Cost						
YOUthCARE Centre – Renovation	434,852	11,056	0			445,908
Office equipment	82,426	0	0			82,426
Electrical equipment	25,806	3,117	0			28,923
Computers	23,430	1,860	0			25,290
Furniture and fittings	28,558	0	0			28,558
	<u>595,072</u>	<u>16,033</u>	<u>0</u>			<u>611,105</u>
	Balance at beginning S\$	Depreciation charge S\$	(Written back/off) S\$			Balance at end of year S\$
Accumulated depreciation						
YOUthCARE Centre – Renovation	408,628	8,985	0			417,613
Office equipment	79,990	2,436	0			82,426
Electrical equipment	24,397	1,227	0			25,624
Computers	4,584	8,012	0			12,596
Furniture and fittings	24,238	1,306	0			25,544
	<u>541,837</u>	<u>21,966</u>	<u>0</u>			<u>563,803</u>
	Balance at beginning of year S\$				Balance at end of year S\$	
Net book value						
YOUthCARE Centre – Renovation	26,224				28,295	
Office equipment	2,436				0	
Electrical equipment	1,409				3,299	
Computers	18,846				12,694	
Furniture and fittings	4,320				3,014	
	<u>53,235</u>				<u>47,302</u>	

7. Accruals

	2013 S\$	2012 S\$
Accruals – operating expenses	<u>16,055</u>	<u>37,834</u>

At the reporting date, the carrying amounts of the accruals approximated their fair values.

8. Accumulated general fund

	2013 S\$	2012 S\$
Balance at beginning of financial year	2,339,007	2,119,656
Surplus for the year	<u>148,293</u>	<u>219,351</u>
Balance at end of financial year	<u>2,487,300</u>	<u>2,339,007</u>

The accumulated general fund represents accumulated surplus and is for the purpose of meeting the operating expenses incurred by the Society.

9. Designated funds

	2013 S\$	2012 S\$
Balances brought forward	21,926	25,926
Net expenditure for the year	<u>0</u>	<u>(4,000)</u>
Balances carried forward	<u>21,926</u>	<u>21,926</u>

Building fund represents donations received for the purpose of financing the renovation costs of the Society's office premise – YOUthCARE Centre.

10. Fundraising activities

	Total proceeds S\$	Total fundraising expenses S\$	Net fund raising income S\$
2013			
Placement of Donation Box – Period from 01 May 2011 to 30 June 2012	9,457	0	9,457
	Total proceeds S\$	Total fundraising expenses S\$	Net fund raising income S\$
2012			
Sale/ Donation Booth – Period from 25 July 2011 to 10 August 2011	15,318	2,089	13,229
Placement of Donation Box – Period from 01 May 2011 to 30 June 2012	22,177	4,954	17,223
	37,495	7,043	30,452

11. Income tax

The Society is a charity registered under the Charities Act since 26 June 2001. Consequently, the income of the Society is exempted from tax under the provisions of Section 13 of the Income Tax Act Cap. 134.

12. Remuneration of key management personnel

The remuneration of key management personnel during the financial year was as follows:

	2013 S\$	2012 S\$
Salaries and other short terms employee benefits	350,096	348,394
Post- employment benefits – Contributions to CPF	46,835	37,790
	396,931	386,184
	2013 No. of key management personnel	2012 No. of key management personnel
Remuneration band		
S\$50,000 – S\$100,000	2	1
S\$100,000 – S\$150,000	2	3
	4	4

The remuneration of key management personnel is determined by the Management Committee.

13. Financial risk management

The Society is primarily funded by grants from MSF and NCSS, donations and receipts from provision of counselling services and course fees.

The Society has limited exposure to the following risk through its charitable activities:

Liquidity risk

The Society manages its liquidity risk by monitoring and maintaining a level of cash and bank balances deemed adequate by the Management Committee to fund the Society's operations.

Credit risk

The Society has minimal exposure to credit risks due to the nature of its activities. As at the date of this report, nearly all receivables have been collected.

Currency risk

The Society has minimal exposure to foreign exchange risk as most of its transactions are in Singapore Dollars.

Interest rate risk

The Society's income and operating cash flows are not substantially affected by changes in market interest rates as they do not have significant interest-bearing assets or liabilities as at the reporting date.

The responsibility for managing the above risks is vested in the Management Committee.

Fair value

As at 30 April 2013, the carrying amounts of the financial assets and liabilities recorded in the financial statements of the Society approximate their fair values due to their short-term nature.

14. Reserve position and policy

The Society's reserve position for financial year ended 30 April 2013 is as follows:

		2013	2012	Increase/ (Decrease)
		S\$'000	S\$'000	%
A	Unrestricted Funds			
	Accumulated general funds	2,487	2,339	6.32%
B	Restricted or Designated Funds			
	Building funds	22	22	0%
C	Endowment Funds	N/A	N/A	
D	Total Funds	2,509	2,361	6.27%
E	Total Annual Operating Expenditure	2,212	1,749	26.47%
F	Ratio of Funds to Annual Operating Expenditure (A/E)	1.12	1.34	(16.41%)

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a foundation to spend as grants.
- D. Total Funds include unrestricted, restricted / designated and endowment funds.
- E. Total Annual Operating Expenditure includes expenses related to Cost of Charitable Activities and Governance and Other Operating and Administration expenses.

14. Reserve position and policy (Cont'd)

The Society's Reserve Policy is as follows:

To reassert the practice of placing the Society's reserves in only low-risk and conservative financial instruments until such time when reserves amass an amount equivalent to three-years expenses level whereupon other investment options may be considered.

15. Management of conflict of interest

There is no paid staff in the Society's Management Committee.

Committee members are required to disclose any interest that they may have, whether directly or indirectly, that the Society may enter into or in any organisations that the Society has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Society's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Management Committee member may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the Issue at stake.

16. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Management Committee on **19 NOV 2013**