

CHILDREN-AT-RISK EMPOWERMENT ASSOCIATION (CARE SINGAPORE)
(Unique Entity No. T00SS0043E)
(IPC No. IPC000150)

**STATEMENT BY THE MANAGEMENT COMMITTEE AND
AUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 APRIL 2021

AUDIT TRUST PAC
Chartered Accountants, Singapore

CHILDREN-AT-RISK EMPOWERMENT ASSOCIATION (CARE SINGAPORE)

(Unique Entity No. T00SS0043E)

(IPC No. IPC000150)

STATEMENT BY THE MANAGEMENT COMMITTEE

In our opinion, the accompanying statement of financial position, statement of comprehensive income, statement of changes in funds and statement of cash flows together with the notes thereto 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 2021 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, in accordance with Singapore Financial Reporting Standards, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

For and on behalf of the Management Committee,



Jeffrey Neo Kheng Leong
President

Singapore

4 June 2021



Darren Lai Kai Wah
Honorary Treasurer

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CHILDREN-AT-RISK EMPOWERMENT ASSOCIATION (CARE SINGAPORE)**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Children-At-Risk Empowerment Association (CARE Singapore) (the "Society"), which comprise of the statement of financial position of the Society as at 30 April 2021, the statement of comprehensive income, statement of changes in funds and statement of cash flows of the Society for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the Societies Act), the Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and Financial Standards in Singapore (FRSs) so as to present fairly, in all material respects, the state of affairs of the Society as at 30 April 2021 and the results, changes in equity and cash flows of the Society for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises Statement by the Management Committee but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CHILDREN-AT-RISK EMPOWERMENT ASSOCIATION (CARE SINGAPORE)
(CONTINUED)**

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CHILDREN-AT-RISK EMPOWERMENT ASSOCIATION (CARE SINGAPORE)
(CONTINUED)**

Auditor's responsibilities for the audit of the financial statements (Continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act 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 causes us to believe that during the year:

- i). The use of the donation monies was not in accordance with the objectives of the Society as required under regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- ii). The Society has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

Audite TRUST PAC

AUDIT TRUST PAC
Public Accountants and
Chartered Accountants

Singapore

4 June 2021

CHILDREN-AT-RISK EMPOWERMENT ASSOCIATION (CARE SINGAPORE)
 (Unique Entity No. T00SS0043E)
 (IPC No. IPC000150)

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2021

	Note	<u>2021</u> \$	<u>2020</u> \$
ASSETS			
Current assets			
Cash and cash equivalents	4	3,825,241	1,994,525
Trade and other receivables	5	34,980	75,842
		<u>3,860,221</u>	<u>2,070,367</u>
Non-current assets			
Property, plant and equipment	6	31,565	10,011
Total assets		<u>3,891,786</u>	<u>2,080,378</u>
LIABILITIES			
Current liabilities			
Trade and other payables	7	15,048	8,520
Total liabilities		<u>15,048</u>	<u>8,520</u>
NET ASSETS		<u>3,876,738</u>	<u>2,071,858</u>
FUNDS			
Unrestricted funds			
Accumulated general fund	8	6,921,345	4,182,724
Restricted funds			
Uth Power! Programme Fund	9	(2,309,025)	(2,208,737)
(TSP) The Scaffold Programme Fund	9	(961,119)	(884,717)
Care & Share Programme Fund	9	226,653	982,588
ESU Counselling Programme fund	9	-	-
YARE Programme Fund	9	-	-
The Invictus Fund	9	(1,116)	-
		<u>3,876,738</u>	<u>2,071,858</u>

The accompanying notes form an integral part of these financial statements

CHILDREN-AT-RISK EMPOWERMENT ASSOCIATION (CARE SINGAPORE)

(Unique Entity No. T00SS0043E)

(IPC No. IPC000150)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021**

PROJECTS	Unrestricted			Restricted			Total 2021 \$	Total 2020 \$
	General \$	Uth Power! \$	TSP \$	Care & Share \$	ESU \$	YARE \$		
INCOME								
Donation income	2,394,833	-	-	-	-	-	-	680,091
Government Grant	540,229	408,126	298,572	-	-	-	199,149	1,759,205
Miscellaneous income	77,059	100,667	86,669	-	-	-	-	381,787
Total income resources	3,012,121	508,793	385,241	-	-	-	199,149	2,821,083
EXPENDITURE								
Expenditure on Manpower	209,873	504,685	451,136	660,773	-	-	182,780	1,950,418
Other operating expenditure	63,627	104,396	10,507	95,162	-	-	17,485	370,556
Total expenditures	273,500	609,081	461,643	755,935	-	-	200,265	2,320,974
Surplus/(deficit) for the year	2,738,621	(100,288)	(76,402)	(755,935)	-	-	(1,116)	500,109

The accompanying notes form an integral part of these financial statements

CHILDREN-AT-RISK EMPOWERMENT ASSOCIATION (CARE SINGAPORE)
 (Unique Entity No. T00SS0043E)
 (IPC No. IPC000150)

**STATEMENT OF CHANGES IN FUND
 FOR THE YEAR ENDED 30 APRIL 2021**

	Unrestricted		Restricted			The Invictics		Total
	General fund	Uth Power!	TSP	Care & Share	ESU	YARE	Fund	
	\$	\$	\$	\$	\$	\$	\$	
Balance as at 1 May 2019	5,776,461	(1,939,610)	(743,251)	378,257	(1,601,949)	(298,159)	-	1,571,749
Surplus/(deficit) for the year	310,721	(269,127)	(141,466)	604,331	(830)	(3,520)	-	500,109
Transfer to general fund	(1,904,458)	-	-	-	1,602,779	301,679	-	-
Balance as at 30 April 2020	4,182,724	(2,208,737)	(884,717)	982,588	-	-	-	2,071,858
Surplus/(deficit) for the year	2,738,621	(100,288)	(76,402)	(755,935)	-	-	(1,116)	1,804,880
Balance as at 30 April 2021	6,921,345	(2,309,025)	(961,119)	226,653	-	-	(1,116)	3,876,738

The accompanying notes form an integral part of these financial statements

CHILDREN-AT-RISK EMPOWERMENT ASSOCIATION (CARE SINGAPORE)
 (Unique Entity No. T00SS0043E)
 (IPC No. IPC000150)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	Note	<u>2021</u> \$	<u>2020</u> \$
Cash flows from operating activities			
Net (deficit)/ surplus for the year			
- Accumulated general fund	9	2,738,621	310,721
- Uth Power! Programme Fund	9	(100,288)	(269,127)
- (TSP) The Scaffold Programme Fund	9	(76,402)	(141,466)
- ESU Counselling Programme fund	9	-	(830)
- Care & Share Programme Fund	9	(755,935)	604,331
- YARE Programme Fund	9	-	(3,520)
- The Invictus Fund	9	(1,116)	-
		<u>1,804,880</u>	<u>500,109</u>
Adjustments for:			
- Depreciation on property, plant and equipment		19,844	5,984
- Interest income		(1,692)	(2,054)
Operating cash flow before working capital changes		<u>1,823,032</u>	<u>504,039</u>
Changes in operating assets and liabilities:			
Trade and other receivables		40,862	(21,328)
Other payables		6,528	1,430
Cash generated from operations		<u>1,870,422</u>	<u>484,141</u>
Interest received		1,692	2,054
Net cash generated from operating activities		<u>1,872,114</u>	<u>486,195</u>
Cash flows from investing activities			
Purchases of property, plant and equipment		(41,398)	(9,532)
Net cash used in investing activities		<u>(41,398)</u>	<u>(9,532)</u>
Net increase in cash and cash equivalents		<u>1,830,716</u>	<u>476,663</u>
Cash and cash equivalents at beginning of the year		1,994,525	1,517,862
Cash and cash equivalents at end of the year	4	<u><u>3,825,241</u></u>	<u><u>1,994,525</u></u>

The accompanying notes form an integral part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021**

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 holistic 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 since 21 August 2002. The current approval status is valid till 31 January 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") and the disclosure requirements of the Societies Act (Chapter 311) and Charities Act (Chapter 37).

The financial statements of the Society are measured and presented in the currency of the primary economic environment in which the Society operates (its functional currency). The financial statements are expressed in Singapore dollar (SGD or \$) and rounded to the nearest one-dollar unless otherwise stated.

The preparation of financial statements in conformity with FRS requires management to make judgments, estimates and assumptions that affect the Society's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. Critical accounting judgments and key sources of estimation uncertainty used that are significant to the financial statements are disclosed in Note 3 to the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Society has adopted all the new and amended standards which are relevant to the School and are effective for annual financial periods beginning on or after 1 May 2020. The adoption of these standards did not have any material effect on the financial performance or position of the Society.

2.3 Standards issued but not yet effective

New standards, amendments to standards and interpretations that have been issued at the statement of financial position date but are not yet effective for the financial year ended 30 April 2021 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Society.

2.4 Financial instruments

a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Society measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Society expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Society's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Financial instruments (Continued)

a) Financial assets (Continued)

(ii) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Subsequent measurement

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Society may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Society's right to receive payments is established. For investments in equity instruments which the Society has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

De-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Financial instruments (Continued)

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. The Society determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On de-recognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.5 Impairment of financial assets

The Society recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Society expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Society applies a simplified approach in calculating ECLs. Therefore, the Society does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Society has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Impairment of financial assets (Continued)

For debt instruments at fair value through OCI, the Society applies the low credit risk simplification. At every reporting date, the Society evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Society reassesses the internal credit rating of the debt instrument. In addition, the Society considers that there has been a significant increase in credit risk when the contractual payments are more than 30 days past due.

The Society considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Society may also consider a financial asset to be in default when internal or external information indicates that the Society is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Society. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.6 Impairment of non-financial assets

The Society assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Society makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment losses relating to goodwill cannot be reversed in future periods.

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Property, plant and equipment (Continued)

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

	<u>Useful life</u>
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.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual value, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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. All other repair and maintenance expense is recognised in the profit and loss account when incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the profit and loss account in the year the asset is derecognised.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances.

2.9 Trade and other payables

Trade and other payable are initially recognised at fair value, net of transaction costs, and subsequently carried at amortised cost, using the effective interest method.

2.10 Funds

The Society maintains restricted and unrestricted funds. Funds set up for specific purposes designated by the funders, are classified as restricted funds. All income and expenses other than those attributable to restricted funds and common overheads are recorded in the unrestricted fund's statement of financial activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Funds (Continued)

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Society, the financial statements of the Society are maintained substantially in accordance with the principles of "fund accounting" whereby the resources for various purposes are classified for accounting and reporting purposes into specific funds that are in accordance with activities or objectives specified.

2.11 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 :

(a) Donations

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

(b) Interest income

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

(c) Other income

Other income is recognized when received.

2.12 Government grant

Government grants received by the Society to meet the current year's operating expenses are recognised by the Society as income in the year of these operating expenses were incurred. Grants received in advance are recorded on the statement of financial position of the Society.

Government grants and other grants related to assets acquisition are presented in the financial position of Society by deducting the grant amount from the assets concerned in arriving at the carrying amount of assets. Government grants that become receivables as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to Society with no further related costs are recognised in the statement of comprehensive income for the year in which it becomes receivables.

Government grants and contributions from other organisations are recognised at fair value where there is reasonable assurance that the grant will be received and all required conditions will be complied with.

2.13 Cost recognition

All expenditure are accounted for on accrual basis, aggregated under the respective areas. Direct cost 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 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.

2.15 Provisions

Provisions are recognised when the Society has a present legal or constructive obligation as a result of past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.16 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.

2.17 Leases

The Society assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Society applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Society recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Leases (Continued)

Short-term leases and leases of low-value assets

The Society applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgments 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 judgments 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.

4. CASH AND CASH EQUIVALENTS

	<u>2021</u>	<u>2020</u>
	\$	\$
Cash at bank	3,825,174	1,994,225
Cash on hand	67	300
	<u>3,825,241</u>	<u>1,994,525</u>

5. TRADE AND OTHER RECEIVABLES

	<u>2021</u>	<u>2020</u>
	\$	\$
Trade receivables	5,000	7,300
Unbilled revenue	-	58,667
Other receivables	18,999	-
Deposits	5,793	5,793
Prepayment	5,188	4,082
	<u>34,980</u>	<u>75,842</u>

6. PROPERTY, PLANT AND EQUIPMENT

	<u>Computer</u> \$	<u>Furniture & fittings</u> \$	<u>Office equipment</u> \$	<u>Renovation</u> \$	<u>Total</u> \$
<u>Cost</u>					
As at 1 May 2019	54,921	39,551	26,873	106,051	227,396
Additions	6,326	-	249	2,957	9,532
As at 30 April 2020	61,247	39,551	27,122	109,008	236,928
Additions	32,000	-	9,398	-	41,398
Written off	-	-	-	(106,051)	(106,051)
As at 30 April 2021	93,247	39,551	36,520	2,957	172,275
<u>Accumulated depreciation</u>					
As at 1 May 2019	54,921	33,368	26,593	106,051	220,933
Charges for the year	2,109	3,145	139	591	5,984
As at 30 April 2020	57,030	36,513	26,732	106,642	226,917
Charges for the year	12,775	3,038	3,440	591	19,844
Written off	-	-	-	(106,051)	(106,051)
As at 30 April 2021	69,805	39,551	30,172	1,182	140,710
<u>Carrying amount</u>					
31 April 2021	23,442	-	6,348	1,775	31,565
31 April 2020	4,217	3,038	390	2,366	10,011

Cash payment of \$41,398 (2020: \$9,532) were made to purchase of property, plant and equipment.

7. TRADE AND OTHER PAYABLES

	<u>2021</u>	<u>2020</u>
	\$	\$
Trade payable		
- Third party	8,048	1,520
Accruals - operating expenses	7,000	7,000
	<u>15,048</u>	<u>8,520</u>

8. ACCUMULATED GENERAL FUND

	<u>2021</u>	<u>2020</u>
	\$	\$
Balance at beginning of financial year	4,182,724	5,776,461
Surplus for the year	2,738,621	310,721
Transfer from restricted fund (Note 9)		
- ESU Counselling Programme fund	-	(1,602,779)
- (YARE) - Youth-At-Risk Engagement Programme	-	(301,679)
	<u>-</u>	<u>(1,904,458)</u>
Balance at end of financial year	<u>6,921,345</u>	<u>4,182,724</u>

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

9. RESTRICTED FUNDS

	<u>2021</u>	<u>2020</u>
	\$	\$
<u>Uth Power! Programme Fund</u>		
Balances brought forwards	(2,208,737)	(1,939,610)
Deficit for the year	(100,288)	(269,127)
Balance carried forwards	<u>(2,309,025)</u>	<u>(2,208,737)</u>

Started since 1997, Uth Power! is a comprehensive, holistic support and motivational life skills programme designed to help under achieving students build resilience and life-long success. Upstream and preventive in approach, the curriculum is based on a social-emotional learning (SEL) framework.

	<u>2021</u>	<u>2020</u>
	\$	\$
<u>(TSP) The Scaffold Programme Fund</u>		
Balances brought forwards	(884,717)	(743,251)
Deficit for the year	(76,402)	(141,466)
Balance carried forwards	<u>(961,119)</u>	<u>(884,717)</u>

The Scaffold Programme (TSP) is a pilot programme initiated by the National Council of Social Service (NCSS) in 2015. Taking a preventive approach, this programme helps provide quality school social work intervention for students, to achieve better school outcomes, improvements in parent-child relationships and school-student attachment.

9. RESTRICTED FUNDS (Continued)

<u>ESU Counselling Programme fund</u>	<u>2021</u> \$	<u>2020</u> \$
Balances brought forwards	1,602,779	-
Deficit for the year	(1,116)	-
Transfer to general fund (Note 8)	-	1,602,779
Balance carried forwards	<u>1,601,663</u>	<u>1,602,779</u>

Enhanced STEP-UP is a support programme for students at risk of dropping out of school, as well as out-of-school youth. This is an initiative by MSF to support MOE schools and is delivered by appointed Voluntary Welfare Organisations (VWOs) like CARE Singapore.

<u>Care & Share Programme Fund</u>	<u>2021</u> \$	<u>2020</u> \$
Balances brought forwards	982,588	378,257
Surplus / (deficit) for the year	(755,935)	604,331
Balance carried forwards	<u>226,653</u>	<u>982,588</u>

Care & Share was a national movement led by Community Chest in celebration of SG50. The Care & Share programme fund comes from the government's dollar-for-dollar matching of eligible donations raised from 1 December 2013 till 31 March 2016, for the purpose of building capabilities and capacities of the social service sector, and supporting social services to meet rising needs.

<u>(YARE) - Youth-At-Risk Engagement Programme</u>	<u>2021</u> \$	<u>2020</u> \$
Balances brought forwards	-	(298,159)
Deficit for the year	-	(3,520)
Transfer to general fund (Note 8)	-	301,679
Balance carried forwards	<u>-</u>	<u>-</u>

The Youth-At-Risk Engagement Programme: Live-It-Up Mentoring – A MSF-funded mentoring support programme for selected secondary school students with evidence-based or evidence-informed services and/or programmes.

<u>The Invictus Fund</u>	<u>2021</u> \$	<u>2020</u> \$
Balances brought forwards	-	-
Deficit during the year	(1,116)	-
Balance carried forwards	<u>(1,116)</u>	<u>-</u>

The Invictus Fund was established by NCSS to marshal private donations to support Social Service Agencies (SSAs) in maintaining service delivery and serving clients safely and effectively during the pandemic. The Invictus Fund will support SSAs in their transformation of service delivery and operations through IT solutions and business continuity plans incorporating safe management measures to ensure service continuity.

10. INCOME TAX

The Society is 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.

11. TAX DEDUCTIBLE DONATIONS

During the financial year, the Society issued tax-deductible receipts for donations collected totaling \$1,884,255 (2020: \$536,953).

12. EMPLOYEE BENEFITS

	<u>2021</u>	<u>2020</u>
	\$	\$
Salaries, bonuses & allowance	1,749,032	1,685,939
Contributions to defined contribution plans	260,215	264,479
Staff welfare & benefits	29,731	32,713
	<u>2,038,978</u>	<u>1,983,131</u>

13. REMUNERATION OF KEY MANAGEMENT PERSONNEL

Key management personnel of the Society are those having the authority and responsibility for planning and directing the activities of the Society. The directors and senior management personnel are considered as key management personnel of the Society.

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

	<u>2021</u>	<u>2020</u>
	\$	\$
Salaries and other short terms employee benefits	460,620	515,729
Post - employment benefits - Contributions to CPF	57,256	66,293
Manpower contract services	44,000	22,000
	<u>561,876</u>	<u>604,022</u>
	No. of key Management Personnel	No. of key Management Personnel
<u>Remuneration band</u>		
S\$50,000 - S\$100,000	2*	2
S\$100,000 - S\$150,000	3	3*
	<u>5</u>	<u>5</u>

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

* One of key personnel is spouse of Executive Director.

14. FINANCIAL INSTRUMENT

At the reporting date, the carrying amounts and fair values of financial assets and financial liabilities are as follows:

	<u>2021</u>	<u>2020</u>
	\$	\$
<u>Financial assets measured at amortised cost</u>		
Cash and bank balances	3,825,241	1,994,525
Trade and other receivables	29,792	71,760
Total financial assets measured at amortised cost	<u>3,855,033</u>	<u>2,066,285</u>
<u>Financial liabilities measured at amortised cost</u>		
Trade and other payables	15,048	8,520
Total financial liabilities measured at amortised cost	<u>15,048</u>	<u>8,520</u>

15. FINANCIAL RISK MANAGEMENT

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

The Society is exposed to financial risk arising from its operations and the use of financial instruments. The key financial risks include liquidity risk, credit risk and interest rate risk.

The Society reviews and agrees on policies and procedures for the management of these risks, which are executed by the management committee. It is, and has been, throughout the current and previous financial year, the Society's policy that no trading in derivatives for speculative purposes shall be

The following sections provide details regarding the Society's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

Liquidity risk

Liquidity risk refers to the risk in which the Society is unable to meet its short-term obligations and this arises from the possibility that customers may not be able to settle obligations within the normal terms of trade.

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.

Liquidity risk for the Society is minimal as the Society is able to meet its funding requirements through its operations.

15. FINANCIAL RISK MANAGEMENT (Continued)

Liquidity risk (Continued)

The table below summarises the maturity profile of the Society's financial liabilities at the date of statement of financial position based on contractual undiscounted payments.

	Less than 1 year \$
<u>2021</u>	
Trade and other payables	<u>15,048</u>
<u>2020</u>	
Trade and other payables	<u>8,520</u>

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Society. The Society's exposure to credit risk arises primarily from trade and other receivables. For other financial assets, the Society minimises credit risk by dealing exclusively with high credit rating counterparties. As at the date of this report, nearly all receivables have been collected.

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.

16. FAIR VALUE

As at 30 April 2021, 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.

17. 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.

18. RESERVE POSITION AND POLICY

The Society's reserve position for financial year ended 30 April 2021 is as follows:

		2021	2020	Increase/ (Decrease)
		S\$'000	S\$'000	%
A	Unrestricted Funds			
	Accumulated general funds	6,921	4,183	65.47%
B	Restricted of Designated Funds			
	Uth Power! Programme Fund	(2,309)	(2,209)	-4.54%
	(TSP) The Scaffold Programme Fund	(961)	(885)	-8.64%
	Care & Share Programme Fund	227	983	-76.93%
	The Invictus Fund	(1)	-	#DIV/0!
C	Endowment Fund	N/A	N/A	N/A
D	Total Funds	3,877	2,072	87.11%
E	Total Annual Operating Expenditure	2,300	2,321	-0.89%
F	Ratio of Funds to Annual Operating Expenditure(D/E)	1.69	0.89	88.79%

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 expenditure on manpower, property, plant and equipment and other operating expenditure expenses.

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 where upon other investment options may be considered.

19. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements of the Society for the financial year ended 31 March 2021 were authorised for issue in accordance with a resolution of the Management Committee on the date of this report.

CHILDREN-AT-RISK EMPOWERMENT ASSOCIATION (CARE SINGAPORE)

**THE ACCOMPANYING SUPPLEMENTARY PROFIT AND LOSS ACCOUNT
HAS BEEN PREPARED FOR MANAGEMENT PURPOSES ONLY
AND DOES NOT FORM PART OF THE FINANCIAL STATEMENTS**

CHILDREN-AT-RISK EMPOWERMENT ASSOCIATION (CARE SINGAPORE)

(Unique Entity No. T00SS0043E)

(IPC No. IPC000150)

**SUPPLEMENTARY PROFIT AND LOSS ACCOUNT
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021**

Appendix 1 (1/2)

PROJECTS	Unrestricted		Restricted			Total 2021 \$	Total 2020 \$
	General \$	Uth Power! \$	TSP \$	Care & Share \$	The Invictus Fund \$		
INCOME							
Donation income							
Tax-exempt donation	1,884,255	-	-	-	-	1,884,255	536,953
Non tax- exempt donation	494,550	-	-	-	-	494,550	128,875
Other donation	16,028	-	-	-	-	16,028	14,263
	<u>2,394,833</u>	-	-	-	-	<u>2,394,833</u>	<u>680,091</u>
Government Grants							
Grant from NCSS	-	408,126	298,572	-	-	706,698	760,117
Tote Board Social Service Fund	31,003	-	-	-	-	31,003	1,815
NCSS ad-hor grant	-	-	-	-	-	-	1,295
ComChest Funding	-	-	-	-	-	-	70,090
Funding from MSF	-	-	-	-	-	-	703,864
Care & Share	509,226	-	-	-	199,149	708,375	222,024
Other government grant	<u>540,229</u>	<u>408,126</u>	<u>298,572</u>	-	<u>199,149</u>	<u>1,446,076</u>	<u>1,759,205</u>
Miscellaneous income							
Programme fees	3,640	100,667	86,669	-	-	190,976	216,639
Other activities / services	61,727	-	-	-	-	61,727	46,922
Fundraising project	-	-	-	-	-	-	3,015
Other income	10,000	-	-	-	-	10,000	113,157
Interest income	1,692	-	-	-	-	1,692	2,054
	<u>77,059</u>	<u>100,667</u>	<u>86,669</u>	-	-	<u>264,395</u>	<u>381,787</u>
Total income resources	<u>3,012,121</u>	<u>508,793</u>	<u>385,241</u>	-	<u>199,149</u>	<u>4,105,304</u>	<u>2,821,083</u>

CHILDREN-AT-RISK EMPOWERMENT ASSOCIATION (CARE SINGAPORE)

(Unique Entity No. T00SS0043E)
(IPC No. IPC000150)

**SUPPLEMENTARY PROFIT AND LOSS ACCOUNT
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021**

Appendix 1 (2/2)

PROJECTS	Unrestricted		Restricted		Care & Share	The Inviductus Fund	Total 2021	Total 2020
	General	Uth Power!	TSP	Share				
EXPENDITURE	\$	\$	\$	\$	\$	\$	\$	\$
Expenditure on Manpower								
Salaries, Bonuses & Allowances	186,104	412,806	390,261	577,081	182,780	1,749,032	1,685,939	
CPF contributions	23,769	91,879	60,875	83,692	-	260,215	264,479	
	<u>209,873</u>	<u>504,685</u>	<u>451,136</u>	<u>660,773</u>	<u>182,780</u>	<u>2,009,247</u>	<u>1,950,418</u>	
Other Operating Expenditure								
Cost of programme delivery	410	44,540	8,798	1,585	932	56,265	112,284	
General programme costs	-	-	-	14,924	-	14,924	58,824	
Education, outreach activities & projects								
Fundraising & Corporate Communications								
Fundraising Expenses	3,181	112	-	7,196	-	10,489	21,625	
General, PR, Volunteer related expenses	12	59	-	3,889	-	3,960	3,992	
Staff training & other benefits								
Training and development	4,170	17,531	617	7,437	8,267	38,022	39,265	
Staff Welfare & Benefits	4,649	19,047	882	-	5,153	29,731	32,713	
Centre operational cost								
Centre Rental, Utilities & Operations	19,584	5,658	-	15,299	-	40,541	31,308	
Centre Maintenance	9,405	1,612	210	36,249	-	47,476	46,713	
Depreciation of property, plant and equipments	9,211	7,500	-	-	3,133	19,844	5,984	
Professional services fee	13,005	8,337	-	8,583	-	29,925	17,848	
	<u>63,627</u>	<u>104,396</u>	<u>10,507</u>	<u>95,162</u>	<u>17,485</u>	<u>291,177</u>	<u>370,556</u>	
Total expenditures	<u>273,500</u>	<u>609,081</u>	<u>461,643</u>	<u>755,935</u>	<u>200,265</u>	<u>2,300,424</u>	<u>2,320,974</u>	
Surplus /(deficit) for the year	<u>2,738,621</u>	<u>(100,288)</u>	<u>(76,402)</u>	<u>(755,935)</u>	<u>(1,116)</u>	<u>1,804,880</u>	<u>500,109</u>	