

New Life Community Services

ANNUAL REPORT 2012



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BOARD'S APPROVAL OF ANNUAL REPORT

We, John Lim Cheng Siew and Sim Choon Siong, being the Chairman and Secretary of New Life Community Services respectively, do hereby, on behalf of the Board, comprising

John Lim Cheng Siew

Chairman

Barney Lau Tai Chiau

Vice-Chairman

Sim Choon Siong

Secretary

Eddie Tan Cheng Soo

Treasurer

Seong Koon Wah Sun

Assistant Treasurer

Lawrence Chua Kim Choon

Board Member

Patrick Lim Kah Hock

Board Member

George Lee Kwee Seng

Board Member

Cheah Sin Hean

Board Member

Sim Teow Hong

Board Member

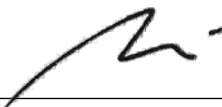
Resolve, on this date 20 April 2013, that the Annual Report for the financial year ended 31 Dec 2012 be and is hereby approved.

On behalf of the Board,



John Lim Cheng Siew

Chairman



Sim Choon Siong

Secretary

AN “UN-WASTED” LIFE

Chairman’s Message by
John Lim



Francis Thomas was best remembered as the principal of my alma mater, St Andrew’s School from 1963 to 1974. He was perhaps the school’s most famous principal in its 150 years history, known for his dedication to youth and social service. In an article on 16 March 2013, The Straits Times quoted an extract from his book “Memoirs of a Migrant”, where he wrote about a student he tried to counsel, but finally had to expel in order to prevent disrupting the other boys’ education. Although the school kept in touch with the boy and found counseling services for him, he got into gang activities and was fatally wounded in a gang attack. Francis Thomas said: “This was a wasted life, where talents and opportunities

existed above the average, but which was destroyed by circumstances beyond what a school can hope to deal with. Beyond what formal structure of institution in Singapore can deal with.”

Mr Thomas described this boy’s death as a new social situation in Singapore in the 1970s, and I believe this situation still exists today. Reading this article encouraged me on the work of New Life. New Life has now existed for 12 years, but I believe that its work is still growing in importance as it focuses on “mentoring the new generation”. It continues to be an important part of the Covenant Evangelical Free Church’s contribution to the community.

New Life continued to be well supported by CEFC's Board, Leaders and members. A total of S\$2.15 million was raised in 2012, making this the 4th consecutive year that New Life has raised more than S\$1.5 million. More than 700 church volunteers were mobilised for Children's Fest and To The Max events. With this support and the dedication of its board, New Life is in better position in providing innovative solutions to the social issues faced by our young today.

New Life Childcare continues to provide affordable and quality pre-school education with active participation from parents. Being involved inspires parents to be good role models early in their children's life and builds the parent-child bond for later stages of their lives. New Life Children & Student Care, in its second year of operation, has become more than a before-and-after school centre. It is gaining a reputation as a place where children are mentored to be disciplined and confident individuals. We have received many testimonies from parents about how their children have transformed after attending the centre.

While our institutional centres are gaining in reputation and branding for their consistent and quality service, our non-institutional programs continue to make an impact in the community. In 2012, New Life Children helped 135 students get back on track with their reading skills through the Steady Readers Programme. A total of 380

children have benefitted from this programme since 2007. A growing number of children and teens participated in our Kids Champ Club and newly formed Pre-Teens Club and Champions club. With the addition of New Life Woodlands Youth Hub together with Bukit Panjang, both hubs saw significant number of new membership and greater use of the facilities. We are getting good feedback from our newly formed Ex³ Girls Club and camps. New Life also partnered with four schools to work with 38 cases of "at-risk" students with our Enhanced Step-up Programme.

However, these good works were not carried out without challenges. Singapore's social service industry continues to have a shortage of trained and talented social service workers. Our 15-year vision for New Life to grow to be the leader in mentoring youth in Singapore will require us to recruit a large number of leaders who are committed to learn and grow together to fulfill this vision. As I reflect on the growth of New Life, I remember a verse which Covenanters held on to back in the early days.

Isaiah 60:22 says ***"The least one shall become a clan, the smallest one a mighty nation. I, the Lord, will hasten it in this time"***.

The Lord has been faithful to Covenant and I believe that His faithfulness will extend to New Life.

A GROWING INFLUENCE

Director's Report by
Diana Ooi



To be young is to grow, and young people grow through new experiences every day. New Life, being young like the people we serve, grows every year in our endeavour to build the next generation.

In 2012, New Life grew in the four overarching areas of our goals in demonstrating God's love. These are: to Mobilise the Church to Mentor the Lives of the next generation; and so Meet the Needs of the community; and Make the Difference with the community.

A Growing Mobilisation

New Life is the face and hands of Covenant Evangelical Free Church, and one of our goals is to Mobilise the Church to serve the community. 2012 saw this mobilisation grow.

Steady Readers, our flagship programme for literacy and confidence-building, saw a 60% increase in volunteers mobilised. Similarly, our Children's Fest saw 450 volunteers mobilised, 20% more than in 2011. To The Max, our Youth Event, saw volunteer mobilisation doubled to 250 volunteers in 2012.

We are also grateful for the continued support of more than 300 donors who are mostly from the church. On average, each gave more than \$5000 each in 2012

to meet and even exceed our resource requirements. Without these faithful investors, New Life's work would come to a standstill.

We are grateful not just for the strong support of the church behind New Life, but even more so that the vision of serving the community being slowly being caught by more and more in the church.

A Widening Reach in Mentoring

New Life's second overarching goal is to Mentor the Life. We seek to transform young lives towards a meaningful contribution back to society by mentoring them in life's transitions.

In 2012, a new Hub and two new programmes widened our mentoring reach to provide critical new platforms for engaging the young in their locale and life stage.

New Life's Woodlands Youth Hub, our first facility outside of Bukit Panjang, opened its doors to the community in April and had its official opening graced by Dr Maliki, Mr Vikram Nair and Mr Ong Teng Koon in November. From this platform, we will build deep into the lives of young people in Woodlands. This is but the first step!

Two targeted mentoring programmes were also piloted

in 2012 at Bukit Panjang. Recognising the unique phase of life that pre-teens go through, the Pre-Teens Club was set up to help 11-12 year-olds through their transition into adolescence. The Ex³ Girls Club under New Life Youth (BPJ) on the other hand, provides a safe platform for girls to discuss teenage issues they commonly face.

Meeting Ever-Present Needs

As a social service organisation, another of New Life's overarching goal is to Meet the Need.

Most needs are mundane yet essential. New Life Childcare continues to meet the need for quality child care and early childhood education in the community. Our Children & Student Care meets the need for before-and-after-school-care of primary school children whose parents are working.

However, there are other needs that, if left unmet, could make a critical difference. Such are the needs met by

New Life's Steady Readers Programme and Project Love.

Steady Readers saw growth in 2012, serving 30% more children than in 2011. Without the confidence and reading ability imparted through this programme, many of the children reached would be facing far greater challenges down the road.

Similarly, Project Love helps young people who need that little bit of finances to continue their education. A total of \$3,781.05 was disbursed to six needy families through Project Love. Without these resources, promising futures could be derailed.

Making the Difference Together

Our final overarching goal is to Make the Difference in the community together with partners. New Life is just one of many helping hands, and we have reached out to others in the community to be the difference we all want to see.

Looking Ahead

2013

Much as we are excited about the growth in 2012, we look forward even more to the challenges in 2013 and beyond.



In Mobilising the Church

- *Retooling programmes to be more volunteer-driven*
- *More active participation in To The Max, Children's Fest and Steady Readers*



In Meeting the Needs

- *Aligning ourselves to the Singapore Pre-School Accreditation Framework (SPARK)*
- *Reviewing and enhancing Steady Readers and Project Love*



In Mentoring the Lives

- *Fine-tuning Pre-Teens Club and Kids Champ Club*
- *Building targeted mentoring programmes for Woodlands Youth*
- *Upgrading Bukit Panjang Youth Hub to cater more community youths*
- *Establishing a mentoring paradigm for future programmes*

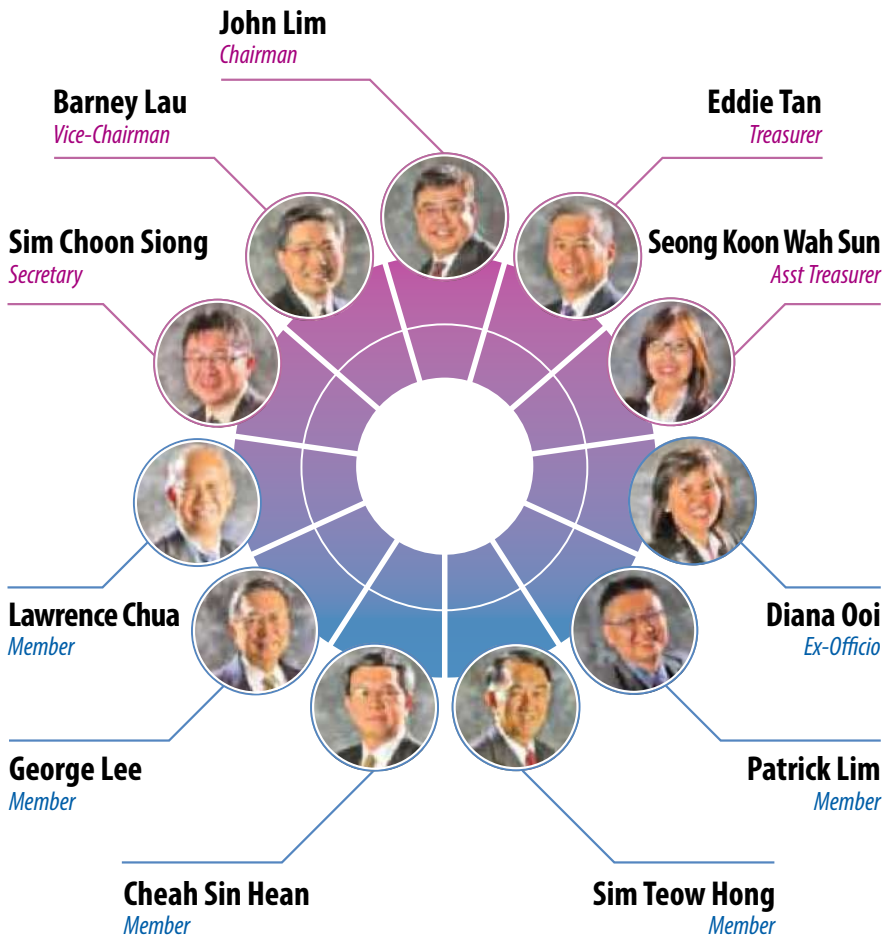


In Making the Difference

- *Establishing greater partnerships in our events and projects with parents, schools, other VWOs and grassroots leaders*

Our effort to serve and mentor the next generation is only beginning to grow. We invite you to come and join us, to build a lasting foundation for the future of our society!

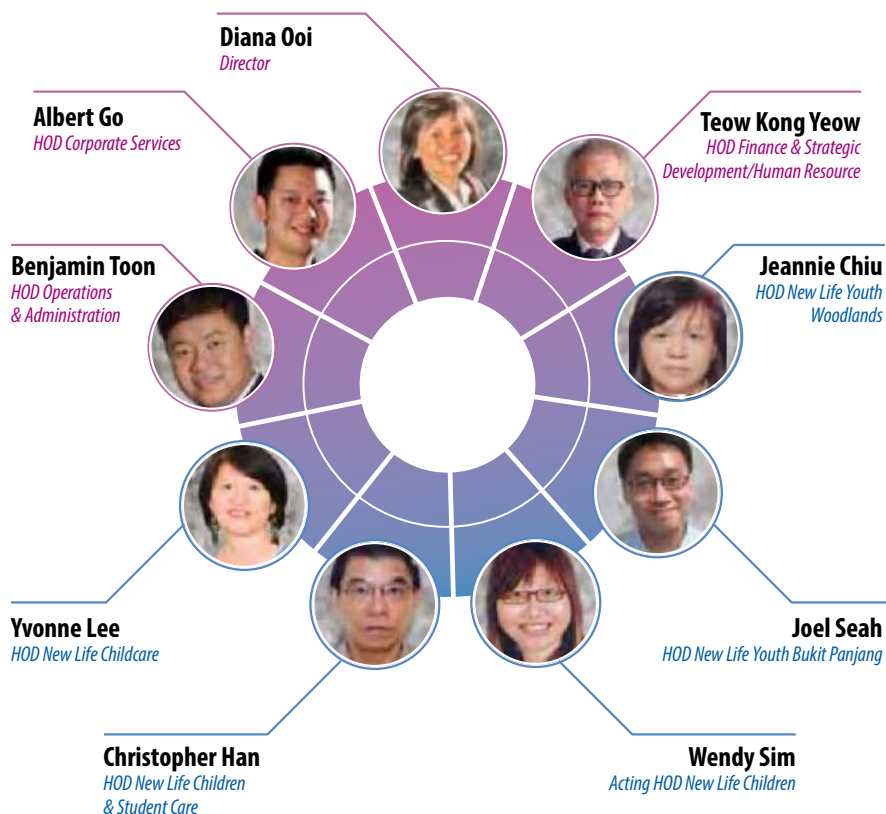
THE NEW LIFE BOARD 2012



BOARD COMMITTEES

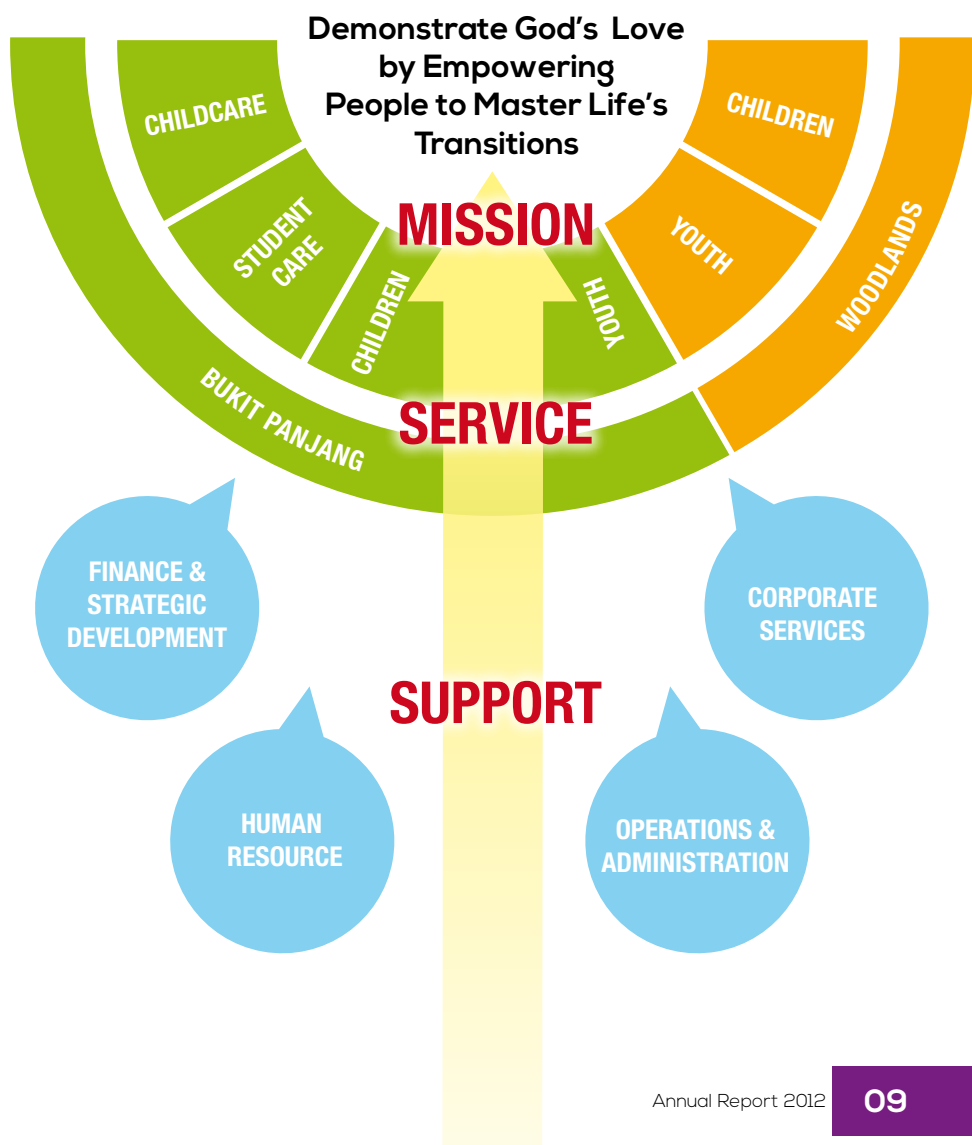


NEW LIFE MANAGEMENT



Daniel Wong - Acting HOD New Life Children (until Dec 2012); *Siew Su Chuen* - HOD Human Resource (until Dec 2012);
Clement Chung - HOD Finance & Strategic Development (until July 2012)

ORGANISATIONAL CHART



HIGHLIGHTS OF 2012

Youth Sports Camp

Teamwork and building resilience were highlighted at the energy-packed midyear youth sports camp from 12 to 14 June.



Pre-Teens Faced G.I.A.N.T.S.

Grades, Influence, Attitudes, Transitions and Self-Esteem. These are the 'giants' or the challenges that pre-teens have learnt to face in a camp on 23 June.



Nature Keeper

Kids Champ Club children marvelled at the beauty of nature and learnt the value of forest and wildlife conservation at Dairy Farm Nature Park on 8 June.



Dads for Life Workshop

Children of New Life Childcare and their fathers had a great bonding time together by participating in sandwich-making contest and grocery shopping on 14 April.



Pre-Teens Club is Here

Launched on 18 February, it aims to prep the 11-12 years old children transit to adolescent life through activities and workshops such as stress management and responsible use of social media.



MAY

APR

MAR

FEB

JAN

Our Mission

Demonstrate God's love by empowering people to master life's transitions.



Community Helpers

Childcare pupils got a dose of what it meant to serve in a mock restaurant as ushers, cleaners and waiters in celebration of Children's Day on 5 October.



Character Workshop

Multipreneur International conducted a three-day character workshop to 34 children of New Life Children & Student Care from 19-21 November.

DEC

NOV

Children's Fest Olympic Edition

With over 4,000 children, Children's Fest on 14 October celebrated Children's Day simultaneously at Bukit Panjang and Woodlands. 14 sports-inspired game stalls brought the children away from cyberspace to have fun in the real world.

OCT

Ex³ Girls Club Launch

Exclusively for teenage girls, Ex³ Girls Club offers a safe platform for girls to share their experiences and develop their identities.

SEPT



To the Max: For the Win

It's bigger, better and bolder. More than 1,000 youths channelled their energies in sports, digital arts and performing arts at Woodlands on 7 July.

AUG

JUL



JUN

Steady Readers Expands in WDL

From 5 children in 2011 to 20 in the second run of 2012, Steady Readers is equipping more children in reading literacy and confidence building.



New Youth Hub Opens Doors

Youths in the Admiralty community now have a new home. The hub is set to mentor youths through programmes and facilities. The official opening ceremony was graced by Dr Maliki Bin Osman along with Mr Vikram Nair and Mr Ong Teng Koon.



Make the Difference

Meet the Need

Mentor the Life

Mobilise the Church

NEW LIFE CHILDCARE

**Nurturing wholesome children
in partnership with parents**

I am heartened by the professionalism and duty of care exhibited by New Life teachers towards my son since he started here. Through the years, I have seen how he blossomed from a shy boy into a confident individual. He always loves to share his day's happenings with us after he comes back home. I feel that every parent should be actively involved in their child's education. We always try to participate in the centre's events together with my son whenever we can to cultivate our family bonding.

**– Dr Leow
Chee Siong,
father**



We are committed to provide quality pre-school education by nurturing a child's academic readiness and building character foundation.

Framework of a Child's 6 Learning Areas



Language and Communication
Literacy and Numeracy
Personal, Social and Emotional Development



Personal, Social and Emotional Development
Physical Development
Creative Arts



Creative Arts
Physical Development
Literacy and Numeracy



In 2012, we continue to actively encourage
INVOLVEMENT OF PARENTS.



We initiated
“Dads for Life”
workshop to
inspire, mobilise
and involve
fathers to become
good influencers
in their children’s
lives.

Parents also
engaged in a
Children’s Day
programme and
proudly saw their
children learning
the value of
serving.



Aside from parental partnership, providing quality service was also made possible by **COLLABORATIONS** with external partners.

Other partners: **Greenridge Primary School;**
Government bodies (MSF, Singapore Sports Council and Health Promotion Board)



Chen-Xi Impex LLP held workshops on integrating music in learning literacy and language acquisition.

City Harvest Church conducted Easter Sunday activities.

In **2013** and beyond,
we seek to:

Achieve the Singapore Pre-School Accreditation Framework (SPARK);



Enhance our curriculum and;

Heighten parental involvement through workshops and satisfaction surveys.

The demand for preschool education has been massively growing. We meet this need by continuously operating at full capacity.

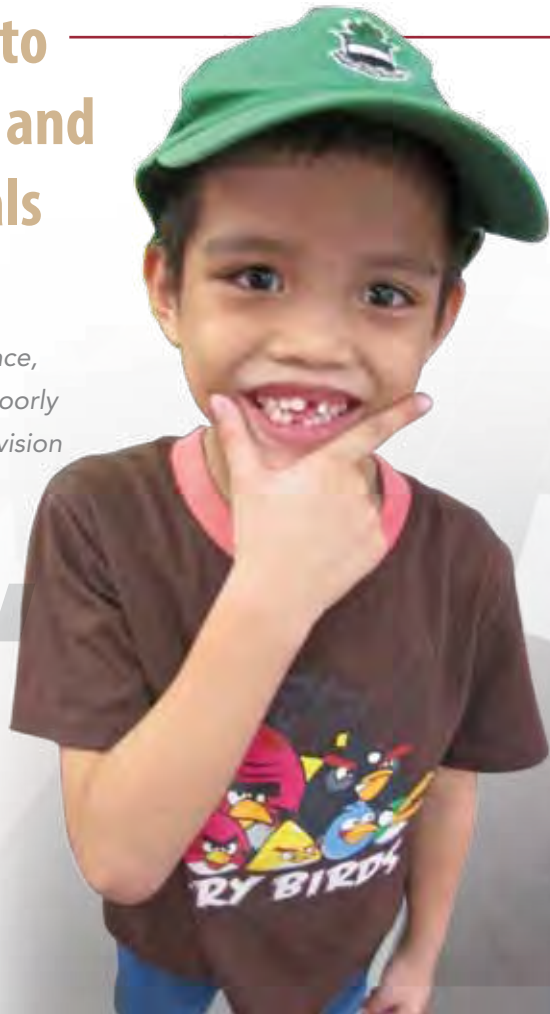
The **MAXIMUM ENROLMENT** of **97** was reached by the end of first half of 2012. **164** are still at the waiting List.

NEW LIFE CHILDREN & STUDENT CARE

To mentor children to
become disciplined and
confident individuals

“ My son Sharul used to lack confidence, throwing tantrums and was doing poorly in school. After six months of supervision from caring mentors in New Life Children & Student Care, he’s now happier, more confident and he even improved in his exams! ”

– **Zarina Binte Mohamed**, parent



Every child that leaves our centre is a **life mentored** and **transformed**.

Now on its second year of operation, we exist **more than** just a before-and-after school centre.

Our Philosophy

C

Connect with others in a fun and meaningful way.

A

Adopt a disciplined routine & way of life.

R

Rest & recreate adequately.

E

Engage in meaningful, creative & healthy activities.

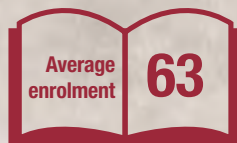
D

Discharge duties responsibly.

We offer a safe and nurturing environment for children to be mentored as disciplined and confident individuals.



Character building workshop through toy-making activities aimed to develop children's creativity, discipline and responsibility.



We aim to increase our enrolment as well as further boost our mentoring efforts.

NEW LIFE CHILDREN

To love children by mentoring
them to become character
champions



“ Both my sons Kishan and Rishan used to struggle in reading and even recognising simple sounds of words. But after joining Steading Readers programme, I myself was shocked that it's even them correcting my pronunciation! I've also seen them become more confident, improved behaviour and more focused at school work. ”

– Mdm Shanti Palaniturai, parent

We build **CHARACTER CHAMPIONS**
through 5 channels.



Helping them become confident in reading

Our **Steady Readers Programme** has been steadily growing.



More and more children are being mentored to get them on track with their required academic levels.

2



Building their character



36 children in **Kids Champ Club** were moulded in character values through story-telling, fun activities and creative workshops.

3



Helping them transit to adolescence



With **25** members, **Pre-Teens Club** necessary for children aged 11-12 years to effectively transition to adolescence.

4



Reaching out to schools



20 sessions of **Champions Club** for 7 students in **Innova Primary School** were conducted to impart social skills through emotional self-management and relationship skills.

5



Reaching out to the community



Children's Fest Olympic Edition drew an unprecedented **4,052** children (from 2,300 in 2011) who took part in a variety of sports-inspired and educational game stalls.

2013 target: **5000** children

NEW LIFE YOUTH

Building character and developing
resilience in youths through
life-transforming purpose

“ I used to be under great pressure to maintain my high grades. But being here in the hub made me realise that it’s also important to strike a balance between school and relaxation. Here I can hone my guitar and piano skills and even gain new friends. This hub feels like my second home. ”

– **Nabilah, 14 y.o**

We marched forward in our youth work through these platforms:

BUKIT PANJANG HUB

403 HUB TOTAL MEMBERS
108 ARE NEW



20 YOUTHS
MAGIC MENTORING PROGRAMME



14 YOUTHS
TCHOUKBALL MENTORING PROGRAMME



10 GIRLS
EX³ GIRLS CLUB



EX³ BOYS CLUB
TARGETED TO BE LAUNCHED IN **2013**

EX³ MID-YEAR AND YEAR-END CAMPS



64 youths attended camps filled with outdoor activities to develop character and improve social skills.

WOODLANDS HUB

147 HUB TOTAL MEMBERS

OFFICIALLY OPENED BY
DR MALIKI BIN OSMAN
MR VIKRAM NAIR &
MR ONG TENG KOON

New programmes will focus on the 5 A's:



Aesthetics
athletics
academics
aptitude
adventure

ESU IN SCHOOLS

38

Cases of Enhanced STEP-UP*

- aims to strengthen students' social and emotional resilience
- helps parents and teachers manage and support at-risk students, so as to minimise school drop-out rates



Schools reached:

- Greenridge Sec Sch
- Bukit Panjang Gov High Sch
- Assumption Pathway Sch
- Ever Green Sec Sch

* **S**chool social work **T**o **E**mpower **P**upils to **U**talise their **P**otential

TO THE MAX

Community event celebrating Youth Day in three areas of interest - sports, digital arts and performing arts



(400% INCREASE)

From **250** in 2011 to **1006**
youths reached

2013 TARGET:

2000 YOUTH



DONORS & VOLUNTEERS

It feels fulfilling and encouraging to see improvements with the children. In addition to reading, writing & speaking, I also try to instil sense of respect, confidence and good mannerism-etiquettes. Children amazingly learn these along with English-knowledge. Persistence can surely yield results. New Life is indeed on a right path to influence the young with this outreach to the community. I am deeply grateful for the opportunity to serve.

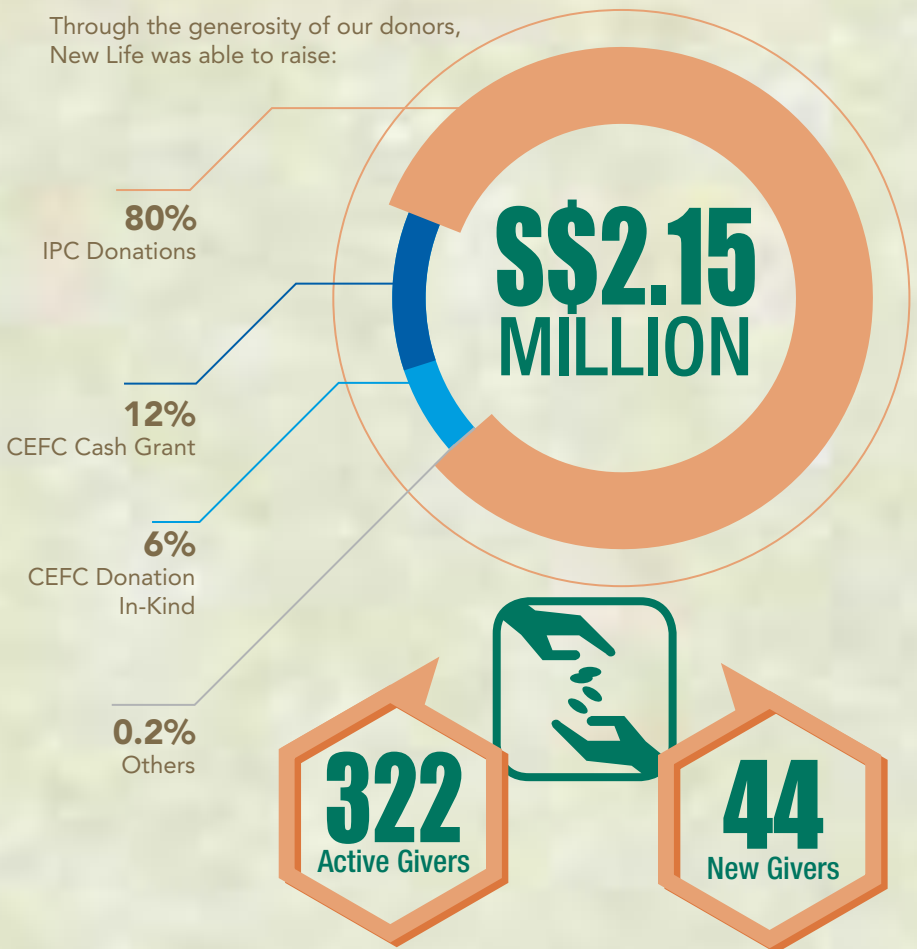
**– Satish Bhabal, Finance Manager,
Steady Readers volunteer**



We thank our generous donors and selfless volunteers who have tirelessly worked with us hand in hand in carrying out our mission.

Donations Received

Through the generosity of our donors, New Life was able to raise:



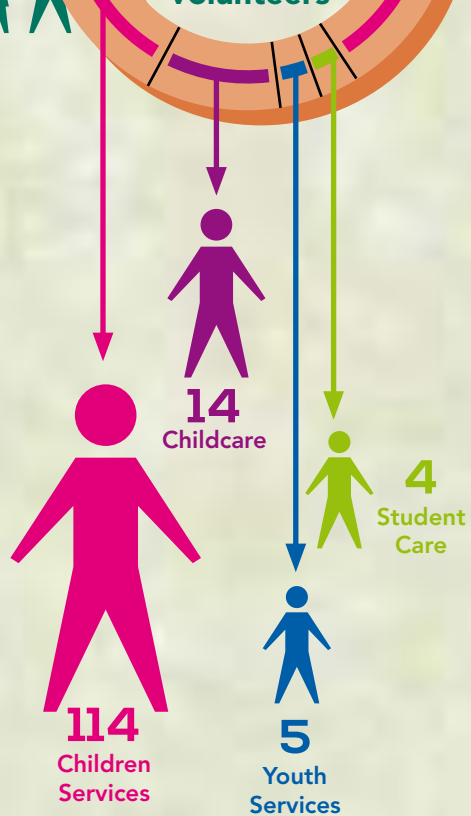
Volunteers Mobilised



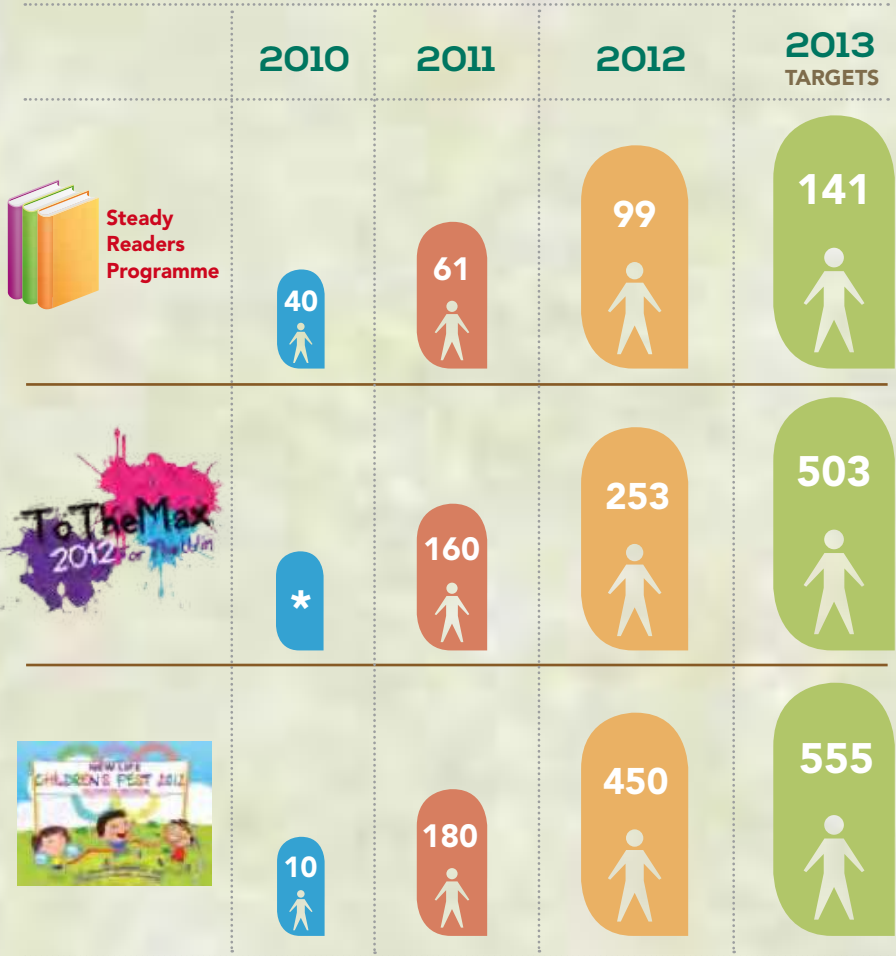
In 2012,
our regular volunteers
put in more than



for various New Life Services
and Programmes



Community Outreach Volunteers



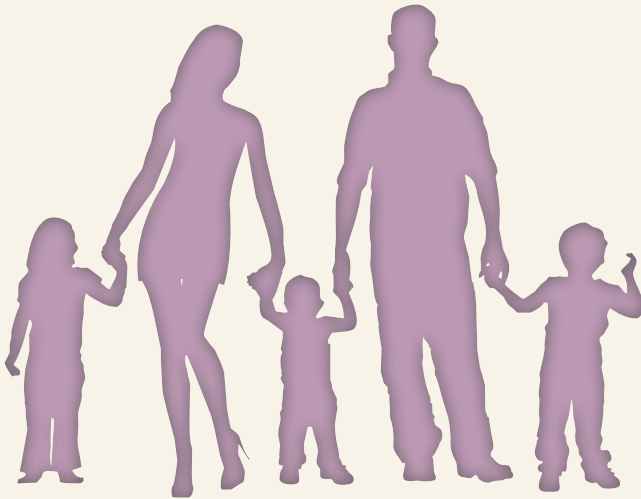
*To the Max started in 2011



PROJECT LOVE

Providing financial
assistance to keep
children and youths in
the education system

Since 2009, over **S\$134,000**
was disbursed to help **271** children
from **114** families.



FINANCIAL STATEMENTS

For The Financial Year Ended
31 December 2012

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 - 33** Statement of Comprehensive Income
 - 34** Balance Sheet
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Accumulated Fund and Specific Fund
 - 36** Statement of Cash Flows
 - 37** Notes to the Financial Statements
-



BAKER TILLY
TFW

Baker Tilly TFW LLP
Certified Public Accountants

An independent member of Baker Tilly International

STATEMENT BY BOARD MEMBERS

On behalf of the Board, we, John Lim Cheng Siew and Eddie Tan Cheng Soo, being the Board members of New Life Community Services (the "Society") respectively, do hereby state that in our opinion, the financial statements of the Society as set out on pages 4 to 16 are properly drawn up in accordance with the Societies Act, Charities Act and Singapore Financial Reporting Standards so as to presently fairly, in all material respects, the state of affairs of the Society as at 31 December 2012 and of its results, changes in accumulated fund and specific fund and cash flows for the financial year then ended.

On behalf of the Board



John Lim Cheng Siew

Chairman



Eddie Tan Cheng Soo

Treasurer

26 March 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEW LIFE COMMUNITY SERVICES

(Registered in Singapore under the Societies Act)

Report on the Financial Statements

We have audited the accompanying financial statements of New Life Community Services (the "Society") as set out on pages 4 to 16, which comprise the balance sheet as at 31 December 2012, the statement of comprehensive income, statement of changes in accumulated fund and specific fund and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board's Responsibility for the Financial Statements

The Society's Board is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act, Charities Act and Singapore Financial Reporting Standards, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 from material misstatement.

An audit involves performing procedures to obtain audit 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 and fair presentation of the financial statements 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial statements.

NEW LIFE COMMUNITY SERVICES

(Registered in Singapore under the Societies Act)

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

Opinion

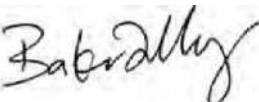
In our opinion, the financial statements of the Society are properly drawn up in accordance with the Societies Act, Charities Act and Singapore Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2012, and the results, changes in accumulated fund and specific fund 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 to be kept by the Society have been properly kept in accordance with those regulations.

During the course of our audit, nothing has come to our attention that causes us to believe that during the financial year:

- (a) the use of the donation moneys was not in accordance with the objectives of the Society as required under regulation 16 of the Charities (Institutions of a Public Character) Regulations; and
- (b) the Society has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



Baker Tilly TFW LLP

Public Accountants and
Certified Public Accountants
Singapore

26 March 2013

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2012

		2012	2011
Income	Note	\$	\$
School and student care fees		987,928	899,241
Interest income		28,932	10,374
Donations	3 & 11a	2,036,810	2,091,051
Donation-in-kind	11a	122,400	136,800
Amortisation of deferred capital grant		71,282	68,982
Programme income		38,025	34,652
Grant from National Council of Social Service (NCSS)		55,769	23,011
Gain on disposal of property, plant and equipment		348	–
Others		80,804	88,040
		3,422,298	3,352,151
Less expenses			
Depreciation	5	251,293	162,731
Staff costs	4 & 11b	1,584,775	1,428,523
Maintenance of land and building		46,049	34,042
Property, plant and equipment written off		–	4
Rental of equipment		17,353	12,703
Rental of premises	11a	118,159	113,463
Utilities	11a	48,904	50,631
Other expenses		517,613	425,764
		2,584,146	2,227,861
Surplus and total comprehensive income for the year		838,152	1,124,290

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

NEW LIFE COMMUNITY SERVICES

(Registered in Singapore under the Societies Act)

BALANCE SHEET

At 31 December 2012

		2012	2011
	Note	\$	\$
Non-current asset			
Property, plant and equipment	5	<u>911,298</u>	580,943
Current assets			
Sundry receivables	6	22,122	128,912
Fixed deposits	7	4,769,920	3,752,960
Bank and cash balances		<u>1,975,059</u>	2,437,573
		6,767,101	6,319,445
Total assets		7,678,399	6,900,388
Non-current liability			
Deferred capital grant	8	93,824	160,507
Current liabilities			
Deferred capital grant	8	69,907	67,607
Sundry payables	9	<u>180,873</u>	176,631
		250,780	244,238
Total liabilities		344,604	404,745
Net assets		7,333,795	6,495,643
Funds			
Accumulated fund		<u>7,333,795</u>	6,495,643

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

STATEMENT OF CHANGES IN ACCUMULATED FUND AND SPECIFIC FUND

For the financial year ended 31 December 2012

	Accumulated fund \$
Balance at 1 January 2011	5,371,353
Surplus and total comprehensive income for the year	1,124,290
Balance at 31 December 2011	<hr/> 6,495,643
Surplus and total comprehensive income for the year	838,152
Balance at 31 December 2012	<hr/> 7,333,795 <hr/>

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

NEW LIFE COMMUNITY SERVICES

(Registered in Singapore under the Societies Act)

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2012

	2012	2011
	\$	\$
Cash flows from operating activities		
Surplus for the year	838,152	1,124,290
Adjustments for:		
Amortisation of capital grants	(71,282)	(68,982)
Depreciation	251,293	162,731
Gain on disposal of property, plant and equipment	(348)	–
Interest income	(28,932)	(10,374)
Property, plant and equipment written-off	–	4
Operating cash flows before movements in working capital	<u>988,883</u>	<u>1,207,669</u>
Inventories	–	15,494
Receivables	106,790	16,867
Payables	4,242	(19,144)
Net cash from operating activities	<u>1,099,915</u>	<u>1,220,886</u>
Cash flows from investing activities		
Purchase of plant and equipment	(581,300)	(57,086)
Proceeds from capital grants	6,899	157,678
Interest received	28,932	10,374
Net cash (used in)/from investing activities	<u>(545,469)</u>	<u>110,966</u>
Net increase in cash and cash equivalents	<u>554,446</u>	<u>1,331,852</u>
Cash and cash equivalents at beginning of the year	<u>6,190,533</u>	<u>4,858,681</u>
Cash and cash equivalents at end of the year	<u>6,744,979</u>	<u>6,190,533</u>
Cash and cash equivalents comprise:		
Bank and cash balances	1,975,059	2,437,573
Fixed deposits	4,769,920	3,752,960
	<u>6,744,979</u>	<u>6,190,533</u>

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2012

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

1. General information

The principal activities of the Society are to assist and organise family development activities, to operate a childcare, a student care and to run enrichment programs for youth. The Society's principal place of activities is at 10, Jelapang Road, Singapore 677740.

2. Significant accounting policies

a) Basis of preparation

The financial statements, expressed in Singapore dollars which is the Society's functional currency, have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"), Charities Act and Societies Act. The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgment in applying the Society's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. There are no critical accounting estimates and assumptions used that are significant to the financial statements, and are involving a higher degree of judgment or complexity.

The carrying amounts of fixed deposits and bank and cash balances, sundry receivables and payables and provisions approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

In the current financial year, the Society has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective during the financial year. The adoption of these new and revised FRS and INT FRS has no material effect on the financial statements of the Society.

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New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 December 2012 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.

b) Income recognition

Income is recognised on the following basis:

School fees	-	over the period of the courses
Donations	-	as and when received
Interest income	-	on a time proportion basis over the period of placement of deposits with banks
Other income	-	when received in cash
MCYS/NCSS Funding	-	on accrual basis

c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment loss. Depreciation is calculated on a straight-line basis so as to write off the cost of the assets over their estimated useful lives at the following annual rates:

Furniture and fittings	20%
Kitchen equipment	20%
Playgroup equipment	20%
Renovation	20%
Computer	33 1/3%
Office equipment	33 1/3%
Medical equipment	33 1/3%

On disposal of a property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to income and expenditure.

The estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in income or expenditure when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

d) Impairment of non-financial assets

At each balance sheet date, the Society reviews the carrying amounts of its non-financial assets

to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Society estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately as an expenditure.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in income or expenditure.

e) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand, bank balances and deposits which are subject to an insignificant risk of change in value and bank balances.

f) Income Tax

The Society is a registered charity under the Charities Act and is exempted from income tax under the provisions of the Income Tax Act.

g) Financial assets

Classification

The Society classifies its financial assets according to 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. The Society's only financial assets are loans and receivables.

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Loans and receivables

Loans and 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 balance sheet date which are classified as non-current assets. Loans and receivables are classified within “sundry receivables”, “fixed deposits” and “bank and cash balances” on the balance sheet.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Society 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 of a financial asset, the difference between the net sale proceeds and its carrying amount is recognised in the income or expenditure.

Initial measurement

Loans and receivables are initially recognised at fair value plus transaction costs.

Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method.

Impairment

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

Loans and receivables

An allowance for impairment of loans and receivables, including other 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.

h) Financial liabilities

Financial liabilities include sundry payables. Financial liabilities are recognised on the balance sheet when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

i) Provisions

Provisions are recognised when the Society has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where the Society expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

j) Government grants

Government grants are recognised at their fair values where there is reasonable assurance that the subsidy will be received and all terms and conditions relating to the subsidy have been complied with. Where the subsidy relates to an expense item, it is recognised in the income statement over the periods necessary to match them on a systematic basis to the costs that it is intended to compensate. Where the subsidy relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet date and is amortised to the income and expenditure over the expected useful life of the relevant asset by equal annual instalments.

k) Employee benefits

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, and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee service in current or preceding year. Contributions to national pension schemes are recognised as an expense in the period in which the related service is performed.

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 balance sheet date.

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3. Donations

Included in the donations are tax-deductible donations received of \$1,772,230 (2011: \$1,736,689).

4. Staff costs

	2012	2011
	\$	\$
Salaries and bonus	1,306,243	1,169,511
Contributions to CPF	163,166	147,136
Other staff benefits	115,366	111,876
	1,584,775	1,428,523

5. Property, plant and equipment

	Furniture & fittings	Kitchen equipment	Playgroup equipment	Computer	Office equipment	Renovation	Work-in- progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$
2012 Cost								
Balance at 1.1.11	322,157	2,767	26,665	123,502	49,976	633,072	43,681	1,201,820
Additions	9,695	–	–	13,271	19,399	539,283	–	581,648
Write-off	–	–	–	–	(14,795)	–	–	(14,795)
Adjustment	–	–	–	–	4,740	38,941	(43,681)	–
Balance at 31.12.12	331,852	2,767	26,665	136,773	59,320	1,211,296	–	1,768,673
Accumulated Depreciation								
Balance at 1.1.12	289,413	1,565	10,639	94,922	48,301	176,037	–	620,877
Depreciation charge	10,264	252	5,055	21,578	5,584	208,560	–	251,293
Write-off	–	–	–	–	(14,795)	–	–	(14,795)
Balance at 31.12.12	299,677	1,817	15,694	116,500	39,090	384,597	–	857,375
Net carrying value								
At 31.12.12	32,175	950	10,971	20,273	20,230	826,699	–	911,298

	Furniture & fittings	Kitchen equipment	Playgroup equipment	Computer	Office equipment	Renovation	Work-in-progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$
2011 Cost								
Balance at 1.1.11	317,400	1,504	26,665	125,468	48,476	633,286	–	1,152,799
Additions	4,757	1,263	–	6,099	1,500	1,436	43,681	58,736
Write-off	–	–	–	(8,065)	–	–	–	(8,065)
Adjustment	–	–	–	–	–	(1,650)	–	(1,650)
Balance at 31.12.11	322,157	2,767	26,665	123,502	49,976	633,072	43,681	1,201,820
Accumulated Depreciation								
Balance at 1.1.11	280,353	1,502	5,584	78,994	47,307	52,467	–	466,207
Depreciation charge	9,060	63	5,055	23,989	994	123,570	–	162,731
Write-off	–	–	–	(8,061)	–	–	–	(8,061)
Balance at 31.12.11	289,413	1,565	10,639	94,922	48,301	176,037	–	620,877
Net carrying value								
At 31.12.11	32,744	1,202	16,026	28,580	1,675	457,035	43,681	580,943

6. Sundry receivables

	2012	2011
	\$	\$
Sundry receivables	14,102	117,804
Prepayments	240	3,452
Deposits	7,780	7,656
	22,122	1,428,523

7. Fixed deposits

The fixed deposits are placed with the banks and mature varying from three to twelve (2011: one to eleven) months from the balance sheet date. The average interest rate of these deposits was 0.08% to 0.90% (2011: 0.08% to 0.90%) per annum.

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8. Deferred capital grants

The fixed deposits are placed with the banks and mature varying from three to twelve (2011: one to eleven) months from the balance sheet date. The average interest rate of these deposits was 0.08% to 0.90% (2011: 0.08% to 0.90%) per annum.

	2012	2011
	\$	\$
Cost		
Balance at 1 January	333,669	175,991
Received during the financial year	6,899	157,678
Balance at 31 December	340,568	333,669
Accumulated amortisation		
Balance at 1 January	105,555	36,573
Amortisation during the year	71,282	68,982
Balance at 31 December	176,837	105,555
Carrying amount		
Non-current	93,824	160,507
Current	69,907	67,607
	163,731	228,114

Deferred capital grants relates to grants received for the renovation works of child care centre located at 10, Jelapang Road, Singapore 677740 and children and student care centre located at 507 Jelapang Road, Singapore 670507 with useful life of 5 years. The grant received is amortised over the useful life of the property, plant and equipment of 5 years.

Deferred VCF ICT Core Components grants relate to grants received during the year by Society for the purchase of computer with useful life of 3 years. The grant received is amortised over the useful life of the computer of 3 years.

9. Sundry payables

	2012	2011
	\$	\$
Deposits received	75,490	73,358
School fees received in advance	7,264	–
Accrued operating expenses	98,119	103,273
	180,873	1,428,523

10. Commitments

	2012	2011
	\$	\$
<i>Lease commitments</i>		
Not later than one financial year	11,112	8,136
Later than one financial year but not later than five financial years	42,866	37,408
	53,978	1,428,523

Capital commitments

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	2012	2011
	\$	\$
Expenditure for property, plant and equipment	–	506,761

11. Related party disclosures

a) Related parties

The Society is the social outreach arm of Covenant Evangelical Free Church.

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Rental and Utilities

The Society used the premises of Covenant Evangelical Free Church for its day-to-day operations. The Society was charged \$102,000 (2011: \$104,400) for rental and \$20,400 (2011: \$32,400) for utilities by Covenant Evangelical Free Church. The value of rental and utilities was mutually-agreed upon and detailed in a Memorandum of Understanding between the two entities, which is renewable annually.

Donation-In-Kind

The Society received from Covenant Evangelical Free Church a donation-in-kind of \$122,400 (2011: \$136,800), the value being the equivalent of rental and utilities due to Covenant Evangelical Free Church. The value of the donation-in-kind was mutually-agreed upon and detailed in a Memorandum of Understanding between the two entities, which is renewable annually.

Cash Grant

The Society received a cash grant of \$260,000 (2011: \$228,000) from Covenant Evangelical Free Church, in support of the Society's work and this is recorded as donation.

b) Compensation of Key Management Personnel

Included in the expenditure on staff costs is compensation paid to key management personnel as follows:

	2012	2011
	\$	\$
<i>Remuneration paid to key management staff</i>		
<i>7 persons (2011: 7 persons)</i>		
- Salaries and bonuses	297,359	273,262
- Contributions to CPF	41,226	39,482
	<hr/>	<hr/>

Board members did not receive any remuneration for their services.

The annual remuneration of each of the key management staff falls below \$100,000.

12. Financial instruments

a) Categories of financial instruments

The financial instruments as at the balance sheet date are:

	2012	2011
	\$	\$
<i>Financial assets</i>		
Loans and receivables (including bank and cash balances)	6,766,861	6,315,993
<i>Financial liabilities</i>		
At amortised costs	166,921	147,126

b) Financial risk management

The Society's activities expose it to minimal financial risks and overall risk management is determined and carried out by the Board.

Foreign exchange risk

The Society has no significant exposure to foreign exchange risk as all of its transactions are in Singapore dollars.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Society's exposure to credit risk arises primarily from cash and cash equivalents and sundry receivables.

The Society's significant concentration of credit risk exposure relates mainly to its cash and cash equivalents. The maximum exposure to credit risk is represented by the carrying value of each class of financial assets recognised in the balance sheet.

Interest rate risk

The Society's exposure to the risk of changes in interest rates arises mainly from the bank balances and fixed deposits placed with financial institutions. For interest income from the fixed deposits, the Society managed the interest rate risks by placing fixed deposits with reputable financial institutions on varying maturities and interest rate terms. The sensitivity analysis for changes

in interest rate is not disclosed as the effect on the statement of comprehensive income is not significant.

Liquidity risk

The Board exercises prudent liquidity and cash flow risk management policies and aims to maintain sufficient level of liquidity and cash flows at all times.

c) Fair values of financial instruments

The carrying amounts of the financial assets and financial liabilities recorded in the financial statements of the Society approximate their fair values.

13. Fund management

The Society's objectives when managing its funds are to safeguard and to maintain adequate working capital to continue as going concern and to develop its principal activities over the longer term through the fees received from students and significant support in various form of government funding, subsidy and donations. The overall fund management objectives remain unchanged since the last financial year.

14. Authorisation of financial statements

The financial statements of the Society for the financial year ended 31 December 2012 were authorised for issue by the Board on 26 March 2013.

ADDITIONAL INFORMATION

CONFLICT OF INTEREST POLICY

In compliance with the Income Tax Act (Chapter 134), Income Tax (Approved Institutions Of A Public Character) (Amendment) Regulations 2006, Regulation 7 Paragraph 1A, New Life, being an approved institution of a public character, is required to disclose its policy relating to the management and avoidance of conflicts of interest.

New Life's conflict of interests policy is based on and adapted (with permission) from

the sample provided to member VWOs by the National Council of Social Service. It is

based on the principle that New Life integrity of serving for public trust and community good, rather than personal gain, must be upheld at all costs. The policy is applicable to New Life's board members, members of committees established by the board, staff and volunteers. It specifically addresses, for example, contract with vendors, other organisations that have dealings with New Life, joint ventures, employment of staff who are related, remuneration for voluntary service, and staff as board members. The above list, however, is non-exhaustive, and, in any other situations or matters whereby an actual, potential or perceived conflict of interest is or may be encountered, affected parties are to adhere to the general principles stipulated therein, and to act accordingly.

For details of the policy, please refer to <http://www.newlife.org.sg/articles/84/COI-Policy.pdf>

CODE OF GOVERNANCE FOR CHARITIES AND IPCS

The New Life Board is of the view that, to the best of its knowledge, New Life is in

general compliance with the Code of Governance for Charities & Institutions of a Public Character (IPCs) issued by the Charity Council.

CASH RESERVE POLICY

The New Life's policy is that the cash reserve balance should not exceed 5 times of

net operating expenditure. Net operating expenditure refers to the total expenditure

less all means of regular income from programme fees, grants from government/NCSS or investments (donations are excluded).

New Life's Cash Reserve Balance as at 31 December 2011 represents 2.91 times of total operating expenditure (2010: 2.82 times).

NOTES

CORPORATE DATA

NEW LIFE COMMUNITY SERVICES

Registered Address

10 Jelapang Road

Singapore 677740

Contact Information

Tel: 6892 7191

Fax: 6892 7181

Email: email@newlife.org.sg

Website: www.newlife.org.sg

New Life Community Services Centre is:

a Registered Society

registered under The Societies Act on **3 Mar 2000**

Registration No.: **305/99 WEL**

Unique Entity No.: **T00SS0057E**

a Full Member

of the National Council of Social Service since

16 Sep 2002

a Registered Charity

registered under The Charities Act on **13 Aug 2001**

Registration No.: **1518**

an Institution of a Public Character

under the sector administration of the National Council of Social Service since **18 Nov 2002**

Reference No.: **2002-122 NLC**

Auditor

Baker Tilly TFW LLP

Certified Public Accountants

15 Beach Road #03-10 Beach Centre, Singapore 189677

Audit Partner

Mr Khor Boon Hong



Our VISION

Love the
Community for
Christ.

Our MISSION

New Life seeks to
demonstrate God's
love by empowering
people to master
life's transitions.



Our PURPOSE

New Life Community Services Centre is the social service arm of Covenant Evangelical Free Church (CEFC). We aim to **Mobilise the Church to Make the Difference** by **Mentoring the Lives** of the young and **Meeting the Needs** in the community. As a not-for-profit voluntary welfare organisation, we fulfil our purpose by complementing fellow service providers, working hand in hand with community leaders, institutions and residents to serve the community regardless of race and religion, and with no strings attached.



Our CORE VALUES

- People Centred
- Purpose Focused
- Passion Driven
- Personal Excellence Modelled
- Prudence Guided