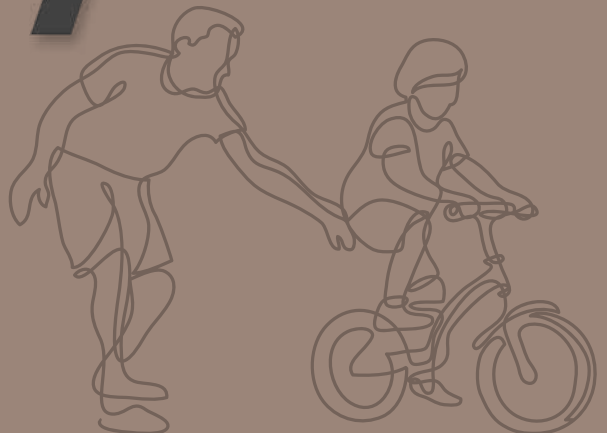




ANNUAL REPORT 2017



STORIES OF IMPACT

"The family programme provided me with the platform to share my problems with the counsellor and I learnt how to better engage with my son. I learned from the trainers on the right ways to express my love to him, and I am thankful for the precious time that was given for us to bond together. It was insightful to learn other ways to resolve our family conflicts, and it was a good opportunity to get updates about my son from the officers."

Mr Ong*
Father of Ivan*
from Family Programmes at
Reformative Training Centre

"Before I became a youth hub member, my life was out of control. I didn't know how to handle my family problems and just wanted to give up. Even worse, I even thought of ending my life. But as I keep on receiving encouragements and motivation from New Life staff, my hopeless perspective changed to realising my worth and purpose. I am thankful that I can trust and open up to them. I've become a better person and learnt how to cope with my problems."

Ann*
13 years old
Junction 10 Youth Hub member

Due to Bob*'s retrenchment at work, he had to make ends meet and as a result, his three-year old son, John* was unable to attend school for 1.5 years.

A New Life caseworker helped his family to better manage their finances and also kept them informed on community resources for targeted assistance such as WSG for employment opportunities.

Through Project Love, the family received food rations and financial assistance to cater for their daily necessities such as milk powder. John was also provided placement at New Life Childcare with financial assistance. This interim arrangement has allowed his wife to seek employment and empowered them to stabilise their finances.

Bob*
Project Love beneficiary

"We are from a Mandarin speaking family. That's why my sons Ray (P3) and Ryu (P1) are having difficulties conversing in English and recognising words. Ray was often not able to focus and express himself effectively. Thankfully, through the Steady Readers Programme and patience of their mentors, they became more confident because they can now read well."

Denise Tiong
Mother of Ryu & Ray
Steady Readers

EXECUTIVE DIRECTOR'S MESSAGE

For 17 years, by the Lord's blessings, New Life Community Services stayed true to her mission of loving the community for Christ through mentoring the next generation.

In 2017, NLCS had reached out to 754 children and 219 youths through our children and youth services and programmes, as well as rebuilt the lives of 282 youth offenders in the Reformatory Training Centre. Our financial assistance scheme was also strengthened through the funding partnership with Mainly I Love Kids (MILK). This programme, together with Project Love, had disbursed a total of over \$75k to 78 needy families.

Our annual Children's Fest carnival, attended by approximately 4,000 children and parents, continued to have strong support from grassroots leaders and brought joy to the community.

We also saw a growth both in manpower and donations. Our staff strength had grown to 100 from 94 in 2016. We are also privileged to welcome Mr. Felix Wong as our Deputy Executive Director with effect from 1 January 2018. We are thankful for the total donations of \$3.3 million (including funds raised from Charity Golf and Charity Run), which is a 20% increase from 2016.

NLCS also celebrated the SPARK accreditation of our two childcare centres in Bukit Panjang and Woodlands.

In the area of infrastructure, we renovated Fajar Youth Hub and the outdoor area of Childcare and Youth Hub at Junction 10. Moreover, we are in the process of taking over Block 556 void deck at Woodlands, which is another opportunity to expand our children services.

Indeed, when the blessings from the Lord comes, it definitely pours!

Kings 17: 2-4 NIV reminded us to look to the Giver rather than the gifts, "Then the word of the Lord came to Elijah: "Leave here, turn eastward and hide in the Kerith Ravine, east of the Jordan. You will drink from the brook, and I have directed the ravens to supply you with food there."

Let us look to God for 2018 as He is the Builder, the Provider and the Almighty that watches over New Life and her beneficiaries!

Johnny Tan Cheow Hock



CHAIRMAN'S MESSAGE

2017 was another year of opportunities and blessings for New Life Community Services.

We continued to deepen and expand our community work in this past year. Below are some strategic initiatives that we have embarked on:

① School Programmes

Due to the excellent work put up by our Youth team in 2017, more schools are approaching NLCS to run their school programmes. We now have a dedicated team focused on expanding our work in the schools.

② Childcare

As we adjust to the changing landscape in this segment, we still see a strong demand for our childcare services across our 3 childcare centres. Going forward, we will continue to strengthen our curriculum and pedagogy to offer a unique nurturing pre-school experience for our young at affordable cost to their families.

③ Family Assistance

NLCS partners with MILK Fund to help children to overcome difficult life circumstances and journey with their families to break out of the poverty cycle.

There are certainly other growth opportunities within NLCS and some of the critical strategic issues ahead are:

- ① Sharpening the strategic intent and focus of NLCS' work, and;
- ② Bringing in the needed resources and expertise to drive the growth and expansion of NLCS' work in the community.

We are thankful for the blessings from our partners in various ways - new mentoring initiatives, space, infrastructure, funding and volunteering.

We trust in God's leading as individuals and organisations step forth to partner with NLCS to bless and nurture the next generation to grasp and fulfil their potential and, in their life journey, help to create a better future for themselves, their families, communities and nation.

Patrick Lim Kah Hock

SERVICES' REPORTS

CHILDCARE

"Nurturing wholesome children in partnership with families and the community"

HIGHEST ENROLMENT

104 BUKIT PANJANG STUDENTS
94 WOODLANDS STUDENTS
7 + INFANTS
61 JUNCTION 10 STUDENTS

Patrick Lim
Kah Hock
Chairman



ACHIEVED MAXIMUM LICENSING TENURE
2 YEARS for all centres

SPARK CERTIFICATION
6 YEARS for Bukit Panjang & Woodlands Centres

COMBINED SPORTS DAY EVENT
533 CHILDREN & PARENTS

PARENTING WORKSHOPS
130 PARENTS (Across 3 centres)

CHILDREN & STUDENT CARE

"Mentoring children to become disciplined and confident individuals"

88 STUDENTS
HIGHEST ENROLMENT

ENRICHMENT THROUGH EXCURSIONS

- Art Education at National Gallery funded by Keppel Land Ltd
- West Coast Park
- Marina Barrage
- Army Open House
- Education visit to Ngee Ann Business School

EXPOSURE TO THE ARTS PROGRAMME

- Clay Relief Workshop funded by WeCare Grant
- Ukulele Lessons in partnership with Pioneer JC
- The Fearful King Theatrical Play sponsored by Paper Monkey Theatre
- Percussion Workshop funded by WeCare Grant
- Red Riding Hood Musical sponsored by Singapore Repertory Theatre

COLLABORATIONS WITH EXTERNAL ORGANISATIONS

- Singapore Armed Forces
- Ngee Ann Polytechnic
- SIM, Keppel Land Ltd.
- Singapore Repertory Theatre
- Pioneer Junior College
- Northwest CDC
- National Arts Council

Jeremiah Lo
Secretary



Adelyn Teo
Assistant Treasurer



CHILDREN PROGRAMMES

"Loving children by mentoring them to become champions in life"

219 STEADY READERS
CHILDREN
 Intervention programme for children who are not reading at their academic level.

79% OF CHILDREN showed improvement in reading, confidence & interest

- EVENTS**
- 98** Holiday Enrichment Workshops
 - 42** June Camp
 - 31** Exposure to the Arts Programme
 - 54** Beyond SR Bridging Programme

Johnny Tan
Cheow Hock
Vice-Chairman & Executive Director



15 KIDS CHAMP CLUB
CHILDREN
 Character mentoring programme for at-risk children.

- EVENTS**
- 12** Holiday Ice Skating Activity
 - 13** Wall Climb Adventure
 - 15** Clay Craft Making funded by WeCare Grant

105 P.A.N.D.A. CHAMPS
CHILDREN
 Character mentoring programme during school holidays covering lessons on Perseverance, Acts of Love, eNcouragement, Discipline, Accepting Differences.

- EVENTS**
- 12** Holiday Ice Skating Activity
 - 13** Wall Climb Adventure
 - 15** Clay Craft Making funded by WeCare Grant

PARENT-CHILD BONDING EVENT

81 + 81
 PARENTS CHILDREN

1-2-1 MENTORING
7 CHILDREN with challenging behaviours

CHILDREN'S FEST

community carnival held simultaneously at Bukit Panjang and Woodlands graced by Mr Vikram Nair, Mr Liang Eng Hwa and Ms Sim Ann on 2 April 2017

Chia Ko Wen
Board Member



Adrienne Sng
Board Member



YOUTH

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

YOUTH HUB is an after-school drop-in centre and a safe environment that aims to engage and befriend youths meaningfully by mentors through structured and unstructured activities.

76 FAJAR YOUTH HUB
YOUTH MEMBERS

- EVENTS**
- 10** Culinary Programme (3 mths)
 - 18** Lego Building with Citibank
 - 28** Captain's Ball & Sandwich Competition
 - 14** Clay Moulding

71 WOODLANDS YOUTH HUB
YOUTH MEMBERS

- EVENTS**
- 7** Lightbox Making
 - 17** Pool Competition
 - 7** Glitter Glass Jar Making

45 JUNCTION 10 YOUTH HUB*
YOUTH MEMBERS

- EVENTS**
- 14** Laser Tag Competition
 - 14** Sentosa Photo Hunt

*Official opening ceremony and open house was held on 18 November 2017, graced by Dr Vivian Balakrishnan, Minister for Foreign Affairs & MP for Holland Bukit-Timah GRC (Cashew) and Mr Liang Eng Hwa, MP for Holland Bukit Timah GRC (Zhenghua).

COMBINED HUB PROGRAMMES

- YOUTHS** **EVENTS**
- 28** Mid-Year Camp
 - 52** Bowling Bonanza
 - 19** Year-End Camp
 - 29** Post Camp/Christmas Celebration

SCHOOL PROGRAMMES

ACCUMULATIVE YOUTH ATTENDANCE	5 SECONDARY SCHOOLS SERVED	6 PROGRAMMES CONDUCTED
561	Fajar Secondary School	After School Engagement
1195	Yuan Ching Secondary School	After School Engagement
471	West Spring Secondary School	After School Engagement
5		Ambassador Training Programme
221	Dunearn Secondary School	Youth Alive! Time-Out Programme
92	Kranji Secondary School	Time-Out Programme

Sim Teow Hong
Treasurer



CASEWORK & COUNSELLING

"Promoting social change and empowerment to individuals, families and communities to enhance their well-being"

6 CASES OF COUNSELLING REFERRALS

21 ENHANCED STEP-UP STUDENTS
 Support programme for students at risk of dropping out of school

78 FINANCIAL ASSISTANCE FAMILIES

40 PROJECT LOVE
 Helps non-Singaporeans & PRs
6 FAMILIES RENEWED ASSISTANCE **\$51,326** AMOUNT DISBURSED

38 MILK-NEW LIFE SUPPORT FUND
2 FAMILIES RENEWED ASSISTANCE **\$24,448** AMOUNT DISBURSED

282 REFORMATIVE TRAINING CENTRE YOUTH OFFENDERS
 counselled under aftercare case management for a period of 6-12 months.

265 FAMILY PROGRAMMES YOUTHS & PARENTS
 Groupwork sessions to prepare them for the eventual reintegration back to the community.

BASIC	INTERMEDIATE	ADVANCED
57 FAMILIES	126 FAMILIES	82 FAMILIES

*numbers may include duplicate families as some had to go through all levels

Lawrence Chua
Kim Choon
Board Adviser



Eddie Tan
Cheng Soo
Board Member



NEW LIFE BOARD 2017

& BOARD COMMITTEES (2017-2018)

STRATEGY & PROGRAMMES

Patrick Lim (Chairman)
 Elder Johnny Tan
 Jeremiah Lo
 Sim Teow Hong
 Adrienne Sng
 Eddie Tan
 Phua Chun Yat

STAFF (ex-officio)
 Executive Director
 Koh Ser Lian
 Tan Bee Leng

CHILDREN TASK FORCE

Jeremiah Lo (Chair)
 Eddie Tan
 Sim Choon Siong (Co-opted)
STAFF (ex-officio)
 Koh Ser Lian

YOUTH TASK FORCE

Adrienne Sng (Chair)
 Jeremiah Lo
 Adelyn Teo
 Oliver Loke (Co-opted)
STAFF (ex-officio)
 Tan Bee Leng

CASEWORK & COUNSELLING

Jeremiah Lo (Chair)
 Elder Johnny Tan
 Adrienne Sng
STAFF (ex-officio)
 Tan Bee Leng

HUMAN RESOURCE

Patrick Lim (Chair)
 Elder Johnny Tan
 Cheah Sin Hean
 Phua Chun Yat
 Sim Choon Siong (Co-opted)
STAFF (ex-officio)
 Executive Director
 Low Puay Khee

FINANCE & INVESTMENT

Sim Teow Hong (Chair)
 Elder Johnny Tan
 Adelyn Teo
 Teo Kong Yeow (Co-opted)
STAFF (ex-officio)
 Executive Director
 Zoe Lim

FUNDRAISING & OUTREACH

Eddie Tan (Chair)
 Patrick Lim
 Cheah Sin Hean
 Jeremiah Lo
 Michael Mok (Co-opted)
STAFF (ex-officio)
 Executive Director
 Leslie Kabigting

AUDIT & GOVERNANCE

Chia Ko Wen (Chair)
 Eddie Tan
 Elder Lawrence Chua (Advisor)
STAFF (ex-officio)
 Zoe Lim
 Low Puay Khee
 Lim Bee Hong

BUILDING & INFRASTRUCTURE

Cheah Sin Hean (Chair)
 Chia Ko Wen
 Tony Kwa (Co-opted)
STAFF (ex-officio)
 Lim Bee Hong

NOMINATIONS

Patrick Lim (Chair)
 Elder Johnny Tan
 Jeremiah Lo
STAFF (ex-officio)
 Executive Director

VOLUNTEERS

GRAND TOTAL OF

1026*

VOLUNTEERS

43 CHILDCARE

10 YOUTH

12 CHILDREN &
STUDENT CARE

18 REFORMATIVE
TRAINING CENTRE

211 CHILDREN
PROGRAMMES

665 CHILDREN'S
FEST

164 STEADY
READERS

18 BEYOND STEADY
READERS BRIDGING

20 MEDIA AND
COMMUNICATIONS

20 KIDS CHAMP
CLUB

27 P.A.N.D.A.
CHAMPS

29 CORPORATIONS
(WELLS FARGO
& CITIBANK)

*Number may include duplicate unique headcounts as some volunteers serve in more than one programme or event.

DONATIONS

\$3,303,386

TOTAL DONATIONS

926 = 874 + 52

TOTAL DONORS **INDIVIDUAL DONORS** **CORPORATE DONORS**

CORPORATE DONORS

Acclaim Systems Pte Ltd

Active Fire Protection Systems Pte Ltd

Aik San Construction Pte Ltd

Airelated Services Pte Ltd

Axon Management Consultants Pte Ltd

B & W Airconditioning Services Pte Ltd

BNL Services Pte Ltd

Capital International, Inc

Cathay Photo Store (Pte) Ltd

Clavon Engineering Pte Ltd

D'Light (2007) Pte Ltd

EST Air Condition Engineering

Fire-Guard Engineering Pte Ltd

Fuji SMBE Technology Pte Ltd

Gathergates Switchgear Pte Ltd

Kydon Learning Systems Institute Pte Ltd

Milk (Mainly I Love Kids) Fund

Nam Leong Co (Pte) Ltd

NTUC Fairprice Foundation Ltd

Pet Lovers Centre Pte Ltd

Skyde Engineering Pte Ltd

Sprinkler Engineering Pte Ltd

Tong Loong Engineering Pte Ltd

Toolsbox Pte Ltd

Touch Community Services Limited

Univac Precision Engineering Pte Ltd

Vanguard Fire Systems Pte Ltd

Visionics Engineering Pte Ltd

Wells Fargo Bank, Singapore Branch

FUNDRAISING EVENTS

Charity Golf

on 15 September **\$237,500**

Charity Run

on 19 August **\$99,393**

*ACI Singapore - The Financial Markets Association (22 of the corporate donors are consolidated through ACI Singapore Charity Golf 2017)

CORPORATE DATA

NEW LIFE COMMUNITY SERVICES

Registered Address

10 Jelapang Road
Singapore 677740

Contact Information

TEL 6892 7191 EMAIL email@newlife.org.sg
FAX 6892 7181 WEBSITE www.newlife.org.sg

New Life Community Services is a:

Registered Society

registered under
The Societies Act on 3 March 2000
Registration No. 305/99 WEL
Unique Entity No. T00SS0057E

Registered Charity

registered under
The Charities Act on 13 Aug 2001
Registration No. 1518

Full Member of National Council of Social Service

since 16 Sep 2002

Institution of a Public Character

under the sector administration of the
Ministry of Social and Family Development
since 18 Nov 2002
Reference No. 2001-122 NLC

Auditor

Baker Tilly TFW LLP

Public Accountants and Chartered Accountants
600 North Bridge Road, #05-01 Parkview Square, Singapore 188778

Audit Partner

Ms Tiang Yii

CONTACT US

HEADQUARTERS

10 Jelapang Road
Singapore 677740
TEL 6892 7191
FAX 6892 7181
email@newlife.org.sg

CHILDCARE CENTRES

Bukit Panjang

10 Jelapang Road
Singapore 677740
TEL 6892 0179
FAX 6892 0177
enquiry.bpcc@newlife.org.s

Woodlands

Blk 580 Woodlands Drive 16
#01-582 Singapore 730580
TEL 6892 0013
FAX 6892 0177
enquiry.wdlcc@newlife.org.sg

Junction 10

1 Woodlands Road
The Tannery #04-02
Singapore 677899
TEL 6892 0084
FAX 6892 0177
enquiry.j10cc@newlife.org.sg

CHILDREN & STUDENT CARE

Blk 507 Jelapang Road
#01-14 Singapore 670507
TEL 6892 8040
FAX 6892 8038
studentcare@newlife.org.sg

CHILDREN PROGRAMMES

Blk 419 Fajar Road
#01-449 Singapore 670419
TEL 6892 8020
children@newlife.org.sg

YOUTH HUBS

Fajar

Blk 419 Fajar Road
#01-449 Singapore 670419
TEL 6892 4419
youth@newlife.org.sg

Woodlands

Blk 540 Woodlands Drive 16
#01-79 Singapore 730540
TEL 6892 7102
FAX 6892 3902
youth@newlife.org.sg

Junction 10

1 Woodlands Road
The Tannery #04-02
Singapore 677899
TEL 6892 0085
FAX 6892 3902
youth@newlife.org.sg

CASEWORK & COUNSELLING

Blk 540 Woodlands Dr 16
#01-79 Singapore 730540
TEL 6892 7116

VOLUNTEER QUERIES

TEL 6892 7219
volunteer@newlife.org.sg

DONATION QUERIES

TEL 6892 0122
donate@newlife.org.sg

FACEBOOK & INSTAGRAM

newlifegsg

WEBSITE

www.newlife.org.sg

MENTORING THE NEXT GENERATION

OUR MISSION

Love the Community
for Christ

OUR VISION

New Life seeks to mentor the next generation of youths and children to master life's transitions so they may be able to make a positive contribution to their home, communities and society.

OUR CORE VALUES

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

NEW LIFE COMMUNITY SERVICES
(Registered in Singapore under the Societies Act)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2017

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BAKER TILLY
TFW

Baker Tilly TFW LLP
Chartered Accountants of Singapore

An independent member of Baker Tilly International

NEW LIFE COMMUNITY SERVICES
(Registered in Singapore under the Societies Act)

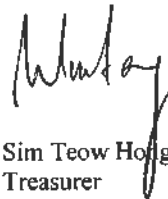
STATEMENT BY THE BOARD MEMBERS

On behalf of the Board, we, Patrick Lim Kah Hock and Sim Teow Hong, being the Chairman and Treasurer 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 5 to 20 are properly drawn up in accordance with the Societies Act, Chapter 311, Charities Act, Chapter 37 and other relevant regulations and Financial Reporting Standards in Singapore so as to present fairly, in all material respects, the financial position of the Society as at 31 December 2017 and the financial performance, changes in funds and cash flows of the Society for the financial year then ended on that date.

On behalf of the Board



Patrick Lim Kah Hock
Chairman



Sim Teow Hong
Treasurer

21 April 2018



BAKER TILLY TFW

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Chartered Accountants of Singapore
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEW LIFE COMMUNITY SERVICES

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of New Life Community Services (the "Society") as set out on pages 5 to 20, which comprise the balance sheet as at 31 December 2017, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the financial position of the Society as at 31 December 2017 and the financial performance, changes in funds 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

The Board is responsible for the other information. The other information comprises the information included in the Annual Report, 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 AUDITOR'S REPORT TO THE MEMBERS OF
NEW LIFE COMMUNITY SERVICES (cont'd)**

Report on the Audit of the Financial Statements (cont'd)

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

The Board is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act, Charities Act and Regulations and FRSs, 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.

In preparing the financial statements, Board 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 Board.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NEW LIFE COMMUNITY SERVICES (cont'd)**

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Conclude on the appropriateness of Board'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.

In our opinion,

- (i) the accounting and other records required by the Societies Regulations enacted under the Societies Act to be kept by the Society have been properly kept in accordance with those regulations; and
- (ii) the fund raising appeal held during the financial year ended 31 December 2017 has been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal.

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

- (i) the Society has not used the donation moneys in accordance with its objectives 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.



Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

21 April 2018

NEW LIFE COMMUNITY SERVICES
(Registered in Singapore under the Societies Act)

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2017

	Note	2017 \$	2016 \$
School Fees		2,529,434	1,910,251
Interest income		52,133	50,860
Donations	3	2,955,903	2,573,188
Donation-in-kind	17a	100,800	103,200
Amortisation of deferred capital grants	8	312,563	252,183
Other programme income		551,101	138,506
Government grants and subsidies		375,864	399,147
Government employment/wages credit/grant		120,312	211,824
Others		44,787	52,859
		<u>7,042,897</u>	<u>5,692,018</u>
Less expenses			
Auditor's remuneration		19,500	11,800
Depreciation	5	449,908	404,139
Maintenance of land and building		216,534	202,733
Other expenses		1,054,507	1,015,953
Programme expenses		155,057	85,734
Rental of equipment		44,074	53,704
Rental of premises		113,064	110,823
Staff costs	4	4,694,076	3,843,748
Utilities		69,095	59,479
		<u>6,815,815</u>	<u>5,788,113</u>
Surplus/(deficit) and total comprehensive income/(loss) for the year		<u>227,082</u>	<u>(96,095)</u>

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 2017

	Note	2017 \$	2016 \$
Non-current asset			
Property, plant and equipment	5	3,023,673	3,109,357
Current assets			
Other receivables	6	278,185	100,029
Fixed deposits	7	6,322,007	6,769,956
Bank and cash balances		2,668,540	1,709,188
		9,268,732	8,579,173
Total assets		12,292,405	11,688,530
Non-current liability			
Deferred capital grants	8	593,366	897,743
Current liabilities			
Deferred capital grants	8	304,378	312,562
Accruals and other payables	9	1,330,213	581,531
		1,634,591	894,093
Total liabilities		2,227,957	1,791,836
Net assets		10,064,448	9,896,694
Funds			
<i>Unrestricted fund</i>			
General Fund		8,291,598	8,230,198
<i>Restricted funds</i>			
Steady Readers' Fund	10	—	—
Asset Capitalisation Reserve	11	1,587,024	1,646,352
EX3 Mentoring Programme Fund	12	—	20,144
MILK Fund	13	185,826	—
Kids Champ Club Fund	14	—	—
New Life Youth Fund	15	—	—
		10,064,448	9,896,694

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

NEW LIFE COMMUNITY SERVICES
(Registered in Singapore under the Societies Act)

STATEMENT OF CHANGES IN FUNDS
For the financial year ended 31 December 2017

	Unrestricted fund	Restricted funds				Total \$
		Steady Readers' Fund \$	MILK Fund \$	Mentoring Programme Fund	Asset Capitalisation Reserve \$	
Balance at 1 January 2016	8,296,437	50,000	-	-	1,705,680	10,052,117
(Deficit)/surplus and total comprehensive (loss)/income for the year	(66,239)	(50,000)	-	20,144	-	(96,095)
Transfer between funds - Amortisation	-	-	-	-	(59,328)	(59,328)
Balance at 31 December 2016	8,230,198	-	-	20,144	1,646,352	9,896,694
Surplus/(deficit) and total comprehensive income/(loss) for the year	61,400	-	185,826	(20,144)	-	227,082
Transfer between funds - Amortisation	-	-	-	-	(59,328)	(59,328)
Balance at 31 December 2017	8,291,598	-	185,826	-	1,587,024	10,064,448

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 2017

	2017 \$	2016 \$
Cash flows from operating activities		
Surplus/(deficit) for the year	227,082	(96,095)
Adjustments for:		
Amortisation of deferred capital grants	(312,563)	(252,183)
Depreciation	449,908	404,139
Interest income	(52,133)	(50,860)
Operating cash flows before working capital changes	<u>312,294</u>	5,001
Receivables	(163,383)	104,095
Payables	<u>163,682</u>	(550,537)
Net cash from/(used in) operating activities	<u>312,593</u>	(441,441)
Cash flows from investing activities		
Purchase of property, plant and equipment	(423,552)	(744,726)
Proceeds from capital grants	585,000	638,926
Interest received	37,362	46,085
Net cash from/(used in) investing activities	<u>198,810</u>	(59,715)
Net increase/(decrease) in cash and cash equivalents	511,403	(501,156)
Cash and cash equivalents at beginning of the year	8,479,144	8,980,300
Cash and cash equivalents at end of the year	<u>8,990,547</u>	<u>8,479,144</u>
Cash and cash equivalents comprise:		
Bank and cash balances	2,668,540	1,709,188
Fixed deposits	6,322,007	6,769,956
	<u>8,990,547</u>	<u>8,479,144</u>

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

NEW LIFE COMMUNITY SERVICES
(Registered in Singapore under the Societies Act)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2017

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 childcare centres, to provide student care and to run enrichment programs for youth. The Society's registered office is at 10 Jelapang Road, Singapore 677740.

2. Significant accounting policies

a) Basis of preparation

The financial statements, expressed in Singapore dollar (\$), which is the Society's functional currency, have been prepared in accordance with the Societies Act, Chapter 311, Charities Act, Chapter 37 and other relevant regulations and the Financial Reporting Standards in Singapore ("FRSs"). 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 FRSs requires management to exercise its judgement 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.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no significant judgements made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

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

New and revised standards

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

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 2017 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. Significant accounting policies (cont'd)

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/ ECDA Funding	-	on accrual basis
Grants to fund operating expenses	-	on an accrual basis. Based on the funding principles, accruals are made for any over/under funding payable to/from the respective Government funding agencies
Programme income	-	over the period of programme/project

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 as follows:

	Years
Furniture and fittings	5
Kitchen equipment	5
Leasehold property	30
Playgroup equipment	5
Renovation	5
Computer	3
Office equipment	3

No depreciation is provided on asset under construction until it is completed and ready for use.

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.

2. Significant accounting policies (cont'd)

d) Impairment of non-financial assets (cont'd)

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.

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

The Society's only financial assets are "loans and receivables". Loans and receivables comprise other receivables (excluding prepayments), fixed deposits and bank and cash balances on the balance sheet.

Loans and receivables are measured at initial recognition at fair value plus directly attributable transaction costs, and are subsequently measured at amortised cost using the effective interest method, less 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. When such evidence exists, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited in profit or loss.

h) Financial liabilities

Financial liabilities include accruals and other payables (exclude school fees received in advance, GST payables, staff's unconsumed leave and deferred grant income). 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.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through amortisation process.

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.

2. Significant accounting policies (cont'd)

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) Asset Capitalisation Reserve

Property donated is capitalised as part of the property, plant and equipment and the corresponding credit is reflected in the Asset Capitalisation Reserve account. The depreciation is charged to the Asset Capitalisation Reserve account.

l) 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 unutilised annual leave as a result of services rendered by employees up to the balance sheet date.

m) Funds

Unless specifically indicated, fund balances are not represented by any specific accounts, but are represented by all assets of the Society.

3. Donations

Included in the donations are tax-deductible donations received of \$2,925,129 (2016: \$2,542,326).

4. Staff costs

	2017 \$	2016 \$
Salaries and bonus	3,895,241	3,181,663
Contributions to CPF	556,218	452,954
Other staff benefits	242,617	209,131
	4,694,076	3,843,748

5. Property, plant and equipment

	Leasehold property \$	Furniture & fittings \$	Kitchen equipment \$	Playgroup equipment \$	Revo- vation \$	Computer \$	Office equipment \$	Asset under construction \$	Total \$
2017									
Cost									
Balance at 1.1.2017	1,780,000	273,735	5,886	26,665	2,644,646	159,928	97,799	68,404	5,057,063
Additions	—	—	—	—	33,434	10,037	12,457	367,624	423,552
Reclassification	—	6,077	3,102	—	257,659	—	43,903	(310,741)	—
Balance at 31.12.2017	1,780,000	279,812	8,988	26,665	2,935,739	169,965	154,159	125,287	5,480,615
Accumulated depreciation									
Balance at 1.1.2017	133,648	122,177	2,709	26,655	1,461,225	146,503	54,789	—	1,947,706
Depreciation charge	59,328	39,545	1,333	—	361,746	9,267	38,017	—	509,236
Balance at 31.12.2017	192,976	161,722	4,042	26,655	1,822,971	155,770	92,806	—	2,456,942
Net carrying value									
At 31.12.2017	1,587,024	118,090	4,946	10	1,112,768	14,195	61,353	125,287	3,023,673
2016									
Cost									
Balance at 1.1.2016	1,780,000	383,104	4,298	26,665	1,705,507	165,409	99,649	442,326	4,606,958
Additions	—	6,000	1,588	—	—	8,490	28,229	700,419	744,726
Write-off	—	(239,296)	—	—	(11,275)	(13,971)	(30,079)	—	(294,621)
Reclassification	—	123,927	—	—	950,414	—	—	(1,074,341)	—
Balance at 31.12.2016	1,780,000	273,735	5,886	26,665	2,644,646	159,928	97,799	68,404	5,057,063
Accumulated depreciation									
Balance at 1.1.2016	74,320	327,736	1,679	26,655	1,133,436	148,580	66,454	—	1,778,860
Depreciation charge	59,328	33,737	1,030	—	339,064	11,894	18,414	—	463,467
Write-off	—	(239,296)	—	—	(11,275)	(13,971)	(30,079)	—	(294,621)
Balance at 31.12.2016	133,648	122,177	2,709	26,655	1,461,225	146,503	54,789	—	1,947,706
Net carrying value									
At 31.12.2016	1,646,352	151,558	3,177	10	1,183,421	13,425	43,010	68,404	3,109,357

5. Property, plant and equipment (cont'd)

In 2014, the Society received from a third party a donation of a leasehold property, located at 1 Woodlands Road #04-02, The Tannery, Singapore 677899. The lease is for a period of 99 years commencing from 24 May 2010. The use of the property is restricted to Civic and Community Institution use only. The donation was recognised as income as the risks and rewards have been transferred with effect from 13 October 2014, the date when temporary occupation permit was issued. The value of the donation is based on a valuation carried out by an independent professional valuer based on the completed basis.

The process for the transfer of legal title to the assigned Trustees from the donor was completed in 2016.

During the financial year, depreciation was charged as follows:

	2017 \$	2016 \$
Statement of comprehensive income	449,908	404,139
Asset Capitalisation Reserve (Note 11)	59,328	59,328
	<u>509,236</u>	<u>463,467</u>

6. Other receivables

	2017 \$	2016 \$
Other receivables	203,745	59,768
Prepayments	46,487	22,318
Deposits	27,953	17,943
	<u>278,185</u>	<u>100,029</u>

7. Fixed deposits

The fixed deposits are placed with the banks and mature varying from 1 to 12 (2016: 1 to 12) months from the balance sheet date. The average interest rate of these deposits was 0.10% to 1.50% (2016: 0.10% to 1.60%) per annum.

8. Deferred capital grants

	2017 \$	2016 \$
Cost		
Balance at 1 January	1,839,868	1,200,942
Received during the financial year	–	638,926
Balance at 31 December	<u>1,839,868</u>	<u>1,839,868</u>
Accumulated amortisation		
Balance at 1 January	629,563	377,380
Amortisation during the year	312,563	252,183
Balance at 31 December	<u>942,146</u>	<u>629,563</u>
Carrying amount		
Non-current	593,366	897,743
Current	304,378	312,562
	<u>897,744</u>	<u>1,210,305</u>
Represented by:		
Care and Share Grant (Note a)	800,118	1,067,289
VWOs-Charities Capability Fund Info-Communications Technology Core Components and Innovation & Productivity Grant (Note b)	2,061	6,366
ECDA Grant (Note c)	95,565	136,650
	<u>897,744</u>	<u>1,210,305</u>

Deferred capital grants relate to:

- (a) Grants received for the renovation works, purchase of office equipment and furniture and fittings for the childcare centre located at Blk 577 #01-572 Woodlands Drive 16, Singapore 730577, Blk 580 #01-582 Woodlands Drive 16, Singapore 730580 and a childcare and youth, casework and counselling centre located at 1 Woodlands Road #04-02, The Tannery, Singapore 677899. The grants received are amortised over the useful life of the property, plant and equipment between 3 to 5 years;
- (b) Deferred VWOs-Charities Capability Fund Info-Communications Technology Core Components and Innovation & Productivity grants received for the purchase of computers and school management system. The grants received are amortised over the useful life of the computers of 3 years; and
- (c) Grant received for the renovation works, purchase of office equipment and furniture and fittings of New Life Child Care at Woodlands located at Blk 577 #01-572 Woodlands Drive 16, Singapore 730577 and Blk 580 #01-582 Woodlands Drive 16, Singapore 730580. The grants received are amortised over the useful life of the property, plant and equipment between 3 to 5 years.

9. Accruals and other payables

	2017	2016
	\$	\$
Deposits received	241,297	184,698
School fees received in advance	9,417	13,877
Accrued operating expenses	433,122	331,200
Sundry payables	61,377	51,756
Deferred grant income - Care and Share Grant	585,000	-
	<u>1,330,213</u>	<u>581,531</u>

Details of deferred grant income - Care and Share Grant are as follows:

	2017	2016
	\$	\$
Balance as at beginning of the year	-	666,739
Received during the year	585,000	-
Transfer to deferred capital grants	-	(464,875)
Utilisation during the year	-	(201,864)
	<u>585,000</u>	<u>-</u>

Under the Care and Share Grant ("CSG") granted to the Society, by the Ministry of Social and Family Development ("MSF"), the MSF has pledged to allocate up to \$2,900,000 (2016: \$2,250,000) for eligible donations raised by the Society from 1 December 2013 to 31 March 2016, matching \$1.25-for-\$1 for the first \$1,000,000, \$1-for-\$1 for the subsequent \$1,000,000 and \$0.65-for-\$1 for the subsequent \$1,000,000. The Society is one of the CSG eligible Societies who had entered into the MSF funding agreement (the "agreement") with MSF. Subject to the terms and conditions of the agreement, on submission of an application for the grant together with the necessary information required, MSF would review the application and on approval, disburse the grant to the Society. The grant is to be used for qualifying purposes as provided for in the agreement and will expire on 30 June 2019.

In 2017, the Society received additional grant of \$585,000.

10. Steady Readers' Fund

	2017	2016
	\$	\$
At 1 January	-	50,000
Receipts for the year	24,503	5,000
Expenditures for the year	(24,503)	(55,000)
Net deficit for the year	-	(50,000)
At 31 December	<u>-</u>	<u>-</u>

The Steady Readers' Fund was set up to help the children who are not reading at their academic age to improve. Receipts in 2017 and 2016 are tax-deductible donations.

11. Asset Capitalisation Reserve

	2017 \$	2016 \$
At 1 January	1,646,352	1,705,680
Depreciation charge (Note 5)	(59,328)	(59,328)
At 31 December	<u>1,587,024</u>	<u>1,646,352</u>

This represents donation-in-kind, a leasehold property received by the Society in financial year 2014. The depreciation with respect to the aforesaid asset is charged to the asset capitalisation reserve.

12. EX3 Mentoring Programme Fund

	2017 \$	2016 \$
At 1 January	20,144	-
Receipts for the year	-	87,000
Expenditures for the year	(20,144)	(66,856)
Net surplus for the year	(20,144)	20,144
At 31 December	<u>-</u>	<u>20,144</u>

The EX3 Mentoring Programme Fund was set up to help youths to develop resilience, empower them to build character traits in overcoming adversities and challenges, and acquire leadership skills to succeed in their future endeavours. Included in the receipts are non tax-deductible donations of \$Nil (2016: \$87,000) from President's Challenge 2015.

13. MILK Fund

	2017 \$	2016 \$
At 1 January	-	-
Receipts for the year	266,000	-
Expenditures for the year	(80,174)	-
Net surplus for the year	185,826	-
At 31 December	<u>185,826</u>	<u>-</u>

The MILK (Mainly I Love Kids) - New Life Support Fund was set up in July 2017 in conjunction with the partnership between MILK Fund and NLCS to provide assistance to the needy families (with children and youths) to protect their immediate mental and physical well-being, improve their probability of mastering life's transitions well and minimize their likelihood of remaining in the poverty trap and/or falling to negative life choices and influence.

14. Kids Champ Club Fund

	2017 \$	2016 \$
At 1 January	-	-
Receipts for the year	21,515	-
Expenditures for the year	(21,515)	-
Net surplus for the year	-	-
At 31 December	-	-

Kids Champs Club Fund is set up to help children between 7 to 10 years old to live out good character values and cope with socio-emotional issues.

15. New Life Youth Fund

	2017 \$	2016 \$
At 1 January	-	-
Receipts for the year	35,265	-
Expenditures for the year	(35,265)	-
Net surplus for the year	-	-
At 31 December	-	-

New Life Youth Fund is set up to engage youths to positively impact them, empowering them to build character and develop resilience, so as to master life's transitions.

16. Commitments**a) Capital commitments**

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

	2017 \$	2016 \$
Property, plant and equipment	43,616	274,958

b) Operating lease commitments

Lease commitments in relation to non-cancellable operating leases contracted for rental of equipment but not recognised as liabilities, are payable as follows:

	2017 \$	2016 \$
Not later than one financial year	28,412	42,748
Later than one financial year but not later than five financial years	29,303	57,715
	57,715	100,463

17. Related party disclosures

a) Related parties

The Society is the community service arm of Covenant Evangelical Free Church.

Rental and Utilities

The Society used the premises of Covenant Evangelical Free Church for its day-to-day operations. The Society was charged \$87,600 (2016: \$87,600) for rental and \$13,200 (2016: \$15,600) 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 \$100,800 (2016: \$103,200), 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.

b) Compensation of Key Management Personnel

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

	2017	2016
	\$	\$
Remuneration paid to key management staff 8 persons (2016: 7 persons)		
- Salaries and bonuses	531,856	451,079
- Contributions to CPF	65,055	49,177
	<hr/>	<hr/>

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

Board members did not receive any remuneration for their services.

18. Financial instruments

a) Categories of financial instruments

The financial instruments as at the balance sheet date are:

	2017	2016
	\$	\$
<i>Financial assets</i>		
Loans and receivables (including bank and cash balances)	9,222,245	8,556,855
	<hr/>	<hr/>
<i>Financial liabilities</i>		
At amortised cost	621,424	478,233
	<hr/>	<hr/>

18. Financial instruments (cont'd)

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 other receivables. Cash are placed with reputable financial institutions.

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.

19. 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 forms of government funding, subsidies and donations. The overall fund management objectives remain unchanged from the last financial year.

20. Comparative figures

Certain reclassifications have been made to the previous year's financial statements to enhance comparability with the current year's financial statements. The reclassifications arise from the change in presentation of deficit/surplus from restricted funds and the disclosure of unrestricted and restricted funds in the financial statements. The reclassifications have no impact on the net comprehensive income or any other impact on the financial statements other than as stated above for the previous financial year.

21. Authorisation of financial statements

The financial statements of the Society for the financial year ended 31 December 2017 were authorised for issue by the Board on 21 April 2018.

ADDITIONAL INFORMATION

Conflict of Interest Policy

In compliance with the Charities Act (Chapter 37, Section 40C) Charities (Institutions of A Public Character) Regulations (Revised 2008) Paragraph 18, 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 interest 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/images/pdfs/Conflict-of-Interest-Form.pdf>

Code of Governance for Charities and IPC

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.

Reserve Policy

New Life's policy is that the reserve ratio, defined as General Funds over Total Expenditure, should not exceed 5 times.

New Life's Reserve Ratio as at 31 December 2017 was 1.21 times (2016: 1.45 times)