



ANNUAL REPORT 2019

MENTORING THE NEXT GENERATION

2019 OVERVIEW



CHILDCARE

BUKIT PANJANG

131
CHILDREN

WOODLANDS

146
CHILDREN

JUNCTION 10

96
CHILDREN



774

CHILDREN

CHILDREN PROGRAMMES

STEADY
READERS

188
CHILDREN

KIDS CHAMP
CLUB

16
CHILDREN

P.A.N.D.A.
CHAMPS

104
CHILDREN

1-2-1 CHILDREN
MENTORING

2
CHILDREN



CHILDREN & STUDENT CARE

91
CHILDREN



YOUTH



197
YOUTHS

FAJAR
YOUTH HUB

104
YOUTHS

JUNCTION 10
YOUTH HUB

53
YOUTHS

WOODLANDS
YOUTH HUB

40
YOUTHS

SCHOOL
PROGRAMMES

2,294 4
TOTAL ENGAGEMENTS SCHOOLS



CASEWORK & COUNSELLING

59
FAMILIES

COUNSELLING
REFERRALS

4
CASES

REFORMATIVE
TRAINING CENTRE

75
AT-RISK YOUTHS

PROJECT
LOVE

47
FAMILIES

MILK-NEW LIFE
SUPPORT FUND

12
FAMILIES



“ STORIES OF IMPACT ”



IMPROVING READING LITERACY & GOOD VALUES

My son Randall used to be very quiet and lacked self-confidence. But after attending Steady Readers, he was able to speak better and express himself. I'm also glad he has made many friends and developed the love for reading. When we go to a bookstore, he would pick up books and read. He also used to be very easily distracted and hyperactive. The staff then referred him to Kids Champ Club to build his character. I saw positive changes in him. Now he learnt to always say, 'Thank you, Mommy!' and would show concern and care for others. He can now sit for a longer time and focus better. I'm thankful for the volunteers and staff who are very patient, kind and nurturing.

MDM YEN FONG CHIN

Mother of Randall (10 years old)
Steady Readers & Kids Champ Club beneficiary



FROM RUNNING AWAY TO RESTORATION

At the age of 19, Serene* was sentenced to Reformatory Training Centre (RTC) for taking drugs and causing grievous hurt to others. She was then referred to New Life for supervision, but eventually ran away and was pregnant when caught. Deeply devastated, her family cut off their contact with her. After completing her supervision program last year, she and her child had to stay in a shelter as her family was unwilling to forgive her. Our New Life caseworker continuously encouraged her, helped her secure a rental flat, and provided some furniture and interim financial assistance. Serene eventually found a job and started to become responsible for overcoming life challenges. Moved by her transformation, her family reconciled with her and their relationship was restored.

**name was changed to protect privacy*





Patrick

Patrick Lim
Board Chairman



Felix

Felix Wong
Executive Director

CHAIRMAN & EXECUTIVE DIRECTOR'S MESSAGE

As New Life Community Services (NLCS) entered into our 19th year of serving our community and mentoring the next generation in this year 2019, we are thankful for the steadfast contributions from our staff, partners, donors and volunteers.

In 2019, we received \$3 million of donations from 1708 individuals, corporate donors and grants while 1,317 volunteers stepped forward to serve in our children and youth programmes.

We reached out to 774 children in our three childcare centres, one student care centre and several children mentoring programmes. We also mentored 197 youths in our three youth hubs and rebuilt lives of 75 youth offenders and their families in The Singapore Prison's Reformative Training Centre. Through our school programmes, we facilitated character,

values and leadership training at four secondary schools. Our financial assistance scheme provided \$181k to help 59 needy families.

2019 was also a year of preparation and gearing up for our next lap of loving and blessing our community. Such work included:

- Setting up our second student care centre at Teck Whye for 2020.
- Building on the completion of our three-years contract at Prison's Reformative Training Centre to use the knowledge and experience gained in a new project with State Courts to engage youths awaiting sentencing and their families.
- Establishing a deeper partnership with MetaSport, which has adopted NLCS as their official charity in CSC Run by the Bay.

- Planning for the move of our headquarters to Woods Square. We will be co-sharing this community space with Care Corner and World Vision for volunteer training, counselling work and community programmes.
- Commissioning a study into the needs of Singapore's elderly so as to launch our Silver Generation work from 2020 onwards.

Whether it is for our existing or future community work, we look constantly to our God, our board, our management and staff team, our volunteers and donors, our partners and community stakeholders to multiply NLCS' positive contributions and lasting impact into the lives of our beneficiaries. To God be the glory!

NEW LIFE BOARD 2019

NAME & DESIGNATION	ATTENDANCE
	(out of 8 monthly meetings from July 2019 – March 2020, except December 2019)
Patrick Lim* Chairman	7/8
Elder Johnny Tan Vice-Chairman	6/8
Jeremiah Lo Secretary	8/8
Sim Teow Hong Treasurer	5/8
Adelyn Teo Assistant Treasurer	7/8
Elder Lawrence Chua Board Adviser	6/8
Eddie Tan Board Member	7/8
Cheah Sin Hean* Board Member	8/8
Adrienne Sng Board Member	6/8
Nicholas Lee Board Member	6/8
Pamela Lee Board Member	7/8

*Board Members who are serving for more than ten years.

*Patrick Lim has played a critical role in sharpening the strategic focus and governance attention of the Board. He has ensured that the Board provides macro long-term guidance for New Life Community Services. He is also proactively working on board renewal with several new board members joining the Board over the past few years. He continues to lead the Board in these critical initiatives.

*Cheah Sin Hean has been actively involved in overseeing, in his capacity as Chairman of the Building Committee, New Life Community Service's key infrastructure developments and renovation, including new child care centres, student care centre, youth hubs, and new headquarters. This has been critical as New Life expands its work and its workforce. Sin Hean has also played a key role in New Life's fundraising efforts in recent years as a member of the fundraising committee. He continues to advise the organisation in these two key areas.

BOARD COMMITTEES (2019)

STRATEGY

Patrick Lim (Chairman)

Elder Johnny Tan

Jeremiah Lo

Sim Teow Hong

Cheah Sin Hean

Adelyn Teo

Adrienne Sng

Eddie Tan

STAFF (ex-officio)

Executive Director

CHILDREN COMMITTEE

Jeremiah Lo (Chair)

Eddie Tan

Pamela Lee

Sim Choon Siong (Co-opted)

Raine Too (Co-opted)

Joey Lam (Co-opted)

STAFF (ex-officio)

Koh Ser Lian

Elaine Lim

YOUTH COMMITTEE

Adrienne Sng (Chair)

Adelyn Teo

Nicholas Lee

Oliver Loke (Co-opted)

STAFF (ex-officio)

Steve Kon

CASEWORK & COUNSELLING

Jeremiah Lo (Chair)

Adelyn Teo

Adrienne Sng

Nicholas Lee

STAFF (ex-officio)

Steve Kon

Janice Poon

Ada Wong

Sarah Cheong

HUMAN RESOURCE

Patrick Lim (Chair)

Elder Johnny Tan

Cheah Sin Hean

STAFF (ex-officio)

Executive Director

Low Puay Khee

FINANCE & INVESTMENT

Sim Teow Hong (Chair)

Adelyn Teo

Elder Sherman Chow

(Co-opted)

STAFF (ex-officio)

Executive Director

Zoe Lim

FUNDRAISING & OUTREACH

Eddie Tan (Chair)

Cheah Sin Hean

Michael Mok (Co-opted)

Caleb Gau (Co-opted)

STAFF (ex-officio)

Executive Director

Joserine Lim

Leslie Kabigting

AUDIT & GOVERNANCE

Elder Johnny Tan (Chair)

Eddie Tan

Pamela Lee

Teo Guozheng (Co-opted)

Joshua Tan (Co-opted)

Elder Lawrence Chua
(Advisor)

STAFF (ex-officio)

Executive Director

Steve Kon

Zoe Lim

BUILDING & INFRASTRUCTURE

Cheah Sin Hean (Chair)

Tony Kwa (Co-opted)

STAFF (ex-officio)

Steve Kon

Trevor Wong

NOMINATIONS

Patrick Lim (Chair)

Elder Johnny Tan

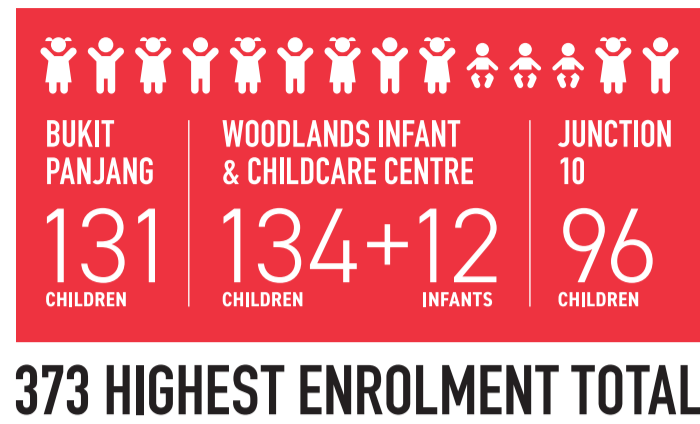
Jeremiah Lo

STAFF (ex-officio)

Executive Director

S E R V I C E S ' R E P O R T S

CHILDCARE *Nurturing wholesome children in partnership with families and the community*



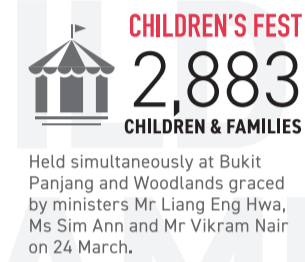
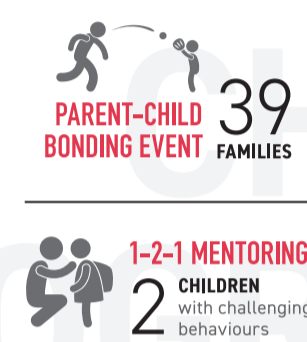
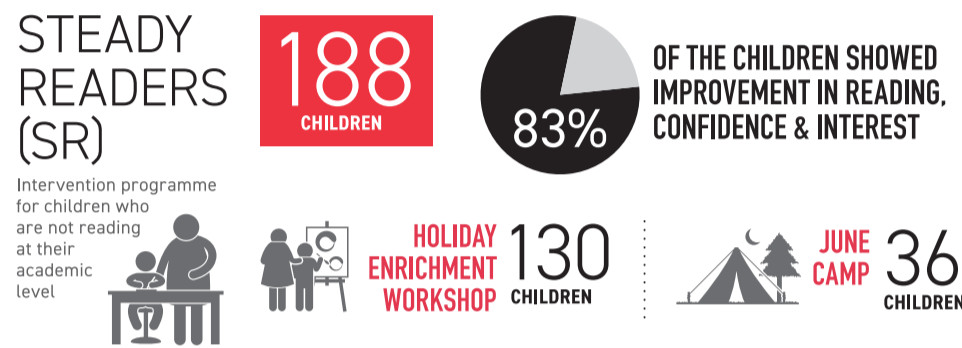
	BUKIT PANJANG	WOODLANDS INFANT & CHILDCARE CENTRE	JUNCTION 10
GOOD FRIDAY COMMEMORATION	158 PARENTS & CHILDREN	166 PARENTS & CHILDREN	124 PARENTS & CHILDREN
FAMILY DAY	250 PARENTS & CHILDREN	215 PARENTS & CHILDREN	150 PARENTS & CHILDREN
YEAR-END CONCERT CUM GRADUATION	235 PARENTS & CHILDREN	222 PARENTS & CHILDREN	305 PARENTS & CHILDREN
CHRISTMAS CELEBRATION	190 PARENTS & CHILDREN	282 PARENTS & CHILDREN	130 PARENTS & CHILDREN



2020 STRATEGIC FOCUS

- » Maintain national standards and achieve new accreditation
- » Implement a unique curriculum which uses different teaching pedagogical approach
- » Increase partnership with families and community

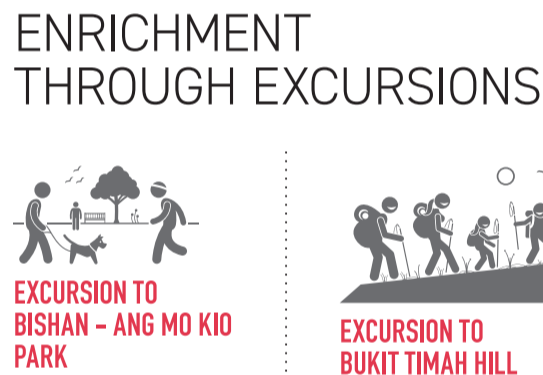
CHILDREN PROGRAMMES *Loving children by mentoring them to become champions in life*



2020 STRATEGIC FOCUS

- » Fine-tune Steady Readers curriculum to ensure that syllabus remains relevant
- » Continue to establish partnerships with other organisations to ensure experiential learning for children

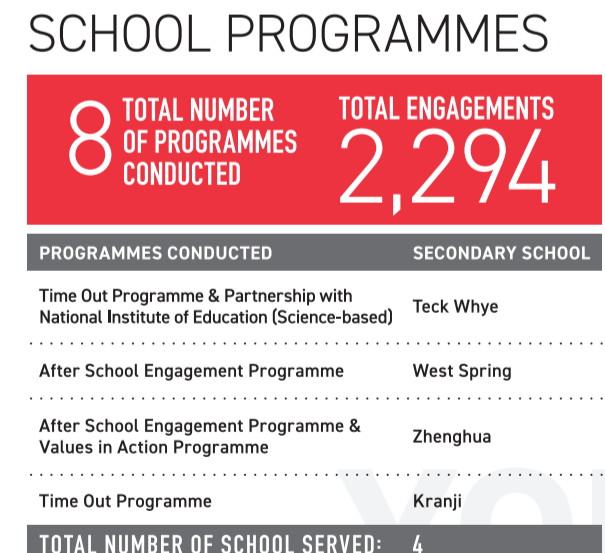
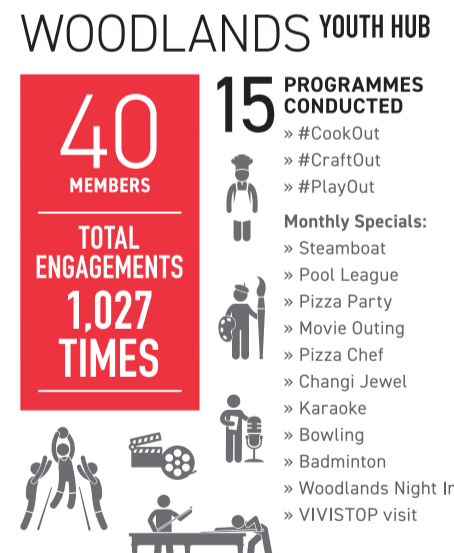
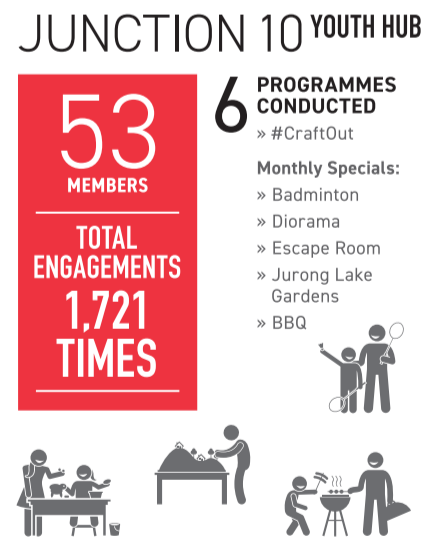
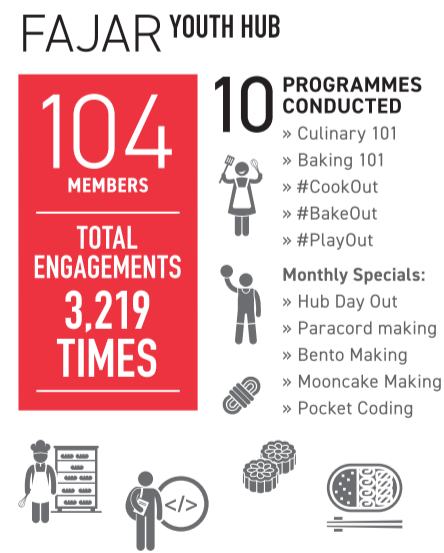
CHILDREN & STUDENT CARE *Mentoring children to become disciplined and confident individuals*



2020 STRATEGIC FOCUS

- » Focus on expanding services to serve Teck Whye and Woodlands
- » Increase partnership with families and community
- » Enhance on holistic development programmes undergirded by character values

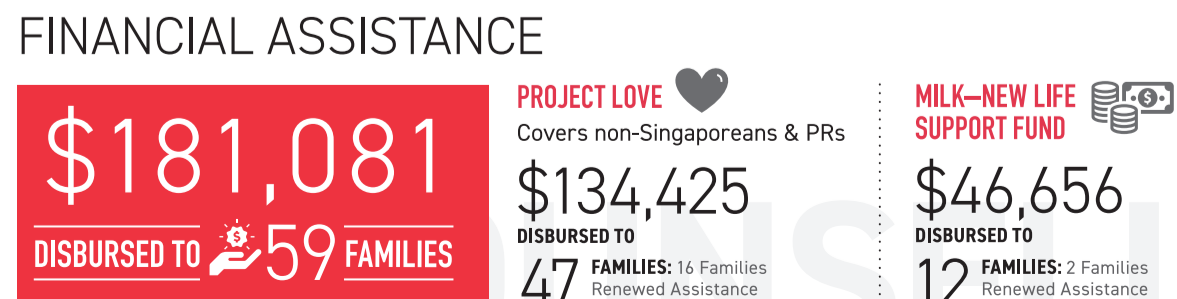
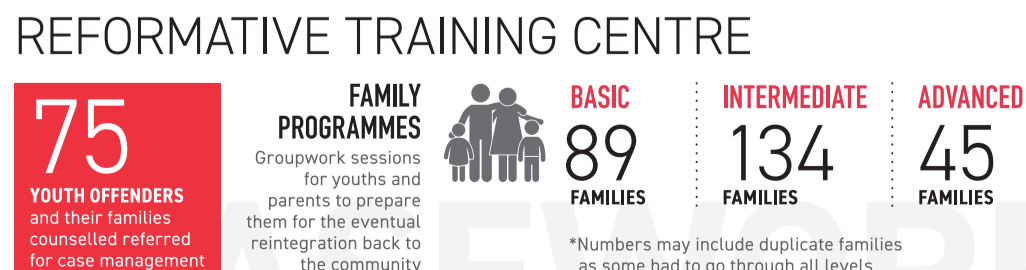
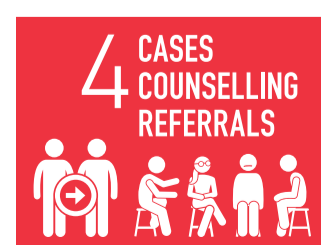
YOUTH *Building character and developing resilience in youths through life-transforming purpose*



2020 STRATEGIC FOCUS

- » Mentor 100 youths who will in turn mentor 300 youths
- » Focus partnerships with nearby secondary schools
- » Pilot and implement youth mentoring framework
- » Develop an outreach plan to engage more youths and stakeholders

CASEWORK & COUNSELLING *Promoting social change and empowerment to individuals, families and communities to enhance their well-being*



2020 STRATEGIC FOCUS

- » Support youth work, children behavioural challenges and parenting work and explore new service for youths at-risk
- » Strengthen financial assistance

VOLUNTEERS

GRAND TOTAL

1317*

46

CHILDCARE

15

CHILDREN &
STUDENT CARE

1

YOUTH
SERVICES

1

REFORMATIVE
TRAINING CENTRE

182

CHILDREN
PROGRAMMES

{ 135 + 7 + 20 + 20 }

Steady
Readers

Steady
Readers Camp

Kids Champ
Club

P.A.N.D.A.
Champs

845

CHILDREN'S
FEST

12

MEDIA AND
COMMUNICATIONS

59

FUNDRAISING
EVENTS

156

CORPORATIONS

{ 85 + 20 + 15 + 36 }

Keppel

Ngee Ann
Poly

ITE College
West (Other
Programmes)

Parent
Volunteers
(CC & SCC)

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

DONATIONS

\$3,035,877

TOTAL DONATIONS

1708 = 1647 + 58* + 3

**TOTAL
DONORS**

**INDIVIDUAL
DONORS**

**CORPORATE DONORS
GRANTS**

CORPORATE DONORS

Acclaim Systems (Asia) Pte Ltd
Acclaim Systems Pte Ltd
Airelated Services Pte Ltd
Associated Property Consultants Pte Ltd
Australia and New Zealand Banking Group Limited
Axon Management Consultants Pte Ltd
Barclays Bank PLC
BGC Partners (Singapore) Limited
Bloomberg Singapore Pte Ltd
BNL Services Pte Ltd
Capital International, Inc
CBL Aircon Engineering Pte Ltd
CME Group Singapore Operations
Crescent Assets Management Asia Pte, Ltd.
D'Light (2007) Pte Ltd
DBS Bank Limited
Dymon Asia Capital (Singapore) Pte Ltd
eConnectLearningCenter
Featherhub Inc
Fire-Guard Engineering Pte Ltd

Flextrade Systems Pte Ltd
Fuji SMBE Systems Pte Ltd
GFI Group Pte Ltd
Horse Can Listen Pte Ltd
HSBC Limited
ICAP (Singapore) Pte Ltd
IPC Information Systems (Singapore) Pte Ltd
Jabez Hope Pte Ltd
JB Drax Honore (Singapore) Pte. Ltd.
Keppel Care Foundation
Kydon Holdings Pte Ltd
Living Tree Education & Supplies
Malayan Banking Berhad
Micron Technology
Micron Tecnology, Inc
Mitsubishi Electric Asia Pte Ltd
Nittan Capital Singapore Pte Ltd
Novalux Invesment Management Pte Ltd
OCBC Bank
Pet Lovers Centre Pte Ltd
Refinitiv Asia Pte Ltd
RHB Bank Berhad (Singapore Branch)

School of Advanced Photography
Sentosa Golf Club
Singapore Exchange Limited
Skyde Engineering Pte Ltd
Spark Systems Pte Ltd
The Silent Foundation Ltd
Tong Loong Engineering Pte Ltd
Tradition Singapore (Pte) Ltd
TRG Management Singapore Pte Ltd
Tudor Capital Singapore Pte Ltd
Tullett Prebon (Singapore) Ltd
United Overseas Bank Limited
United Water Technologies Pte Ltd
Univac Precision Engineering Pte Ltd
Vanguard Fire Systems Pte Ltd
Westpoint Transit Pte Ltd

GRANTS

Community Foundation Singapore
President's Challenge
Association of Early Childhood & Training Services

*ACI Singapore - The Financial Markets Association (29 of the corporate donors and 58 of the individual donors are consolidated through ACI Singapore Charity Golf 2019)

FUNDRAISING EVENTS

\$264,550 CHARITY GOLF
ON 12 SEPTEMBER

\$241,310 CHARITY RUN
ON 12 OCTOBER

Event Partners: MetaSport & DC Production Studio Pte Ltd

CONTACT US

HEADQUARTERS

 10 Jelapang Road, Singapore 677740

 6892 7191

 6892 7181

 email@newlife.org.sg

 www.newlife.org.sg

STAY CONNECTED



New Life Community Services

CHILDCARE CENTRES

BUKIT PANJANG

10 Jelapang Road
Singapore 677740

TEL 6892 0179

enquiry.bpjcc@newlife.org.sg

JUNCTION 10

The Tennerly
1 Woodlands Road #04-02
Singapore 677899

TEL 6892 0084

enquiry.j10cc@newlife.org.sg

INFANT AND CHILDCARE CENTRE

WOODLANDS

Blk 580 Woodlands Drive 16
#01-582 Singapore 730580

TEL 6892 0013

enquiry.wdlcc@newlife.org.sg

CHILDREN PROGRAMMES

Blk 419 Fajar Road
#01-449 Singapore 670419

TEL 6892 8020

children@newlife.org.sg

CHILDREN & STUDENT CARE

BUKIT PANJANG

Blk 507 Jelapang Road
#01-14 Singapore 670507

TEL 6892 8040

FAX 6892 8038

bpjstudentcare@newlife.org.sg

TECK WHYE

Blk 6 Teck Whye Ave
#01-110 Singapore 680006

TEL 6762 7321

FAX 6764 0464

twystudentcare@newlife.org.sg

WOODLANDS

90 Woodlands Drive 16
Level 4 Singapore 737878

TEL 6892 8039

wdlstudentcare@newlife.org.sg

YOUTH SERVICES

FAJAR YOUTH HUB

Blk 419 Fajar Road
#01-449 Singapore 670419

TEL 6892 4419

fyh@newlife.org.sg

JUNCTION 10 YOUTH HUB

1 Woodlands Road
The Tennerly #04-02
Singapore 677899

TEL 6892 0085

j10yh@newlife.org.sg

WOODLANDS YOUTH HUB

Blk 540 Woodlands Drive 16
#01-79 Singapore 730540

TEL 6892 7102

wyh@newlife.org.sg

CASEWORK & COUNSELLING

Blk 540 Woodlands Drive 16
#01-79 Singapore 730540

TEL 6892 7116

projectlove@newlife.org.sg

CORPORATE DATA

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. 2002-122 NLC

Established since 2000, we aim to make a difference by
MENTORING THE NEXT GENERATION and meeting the
needs in the community. As a social service agency, 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.

AUDITOR

Baker Tilly TFW LLP

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

AUDIT PARTNER

Lim Kok Heng

OUR VISION IS 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
HOMES, COMMUNITIES
AND SOCIETY.

OUR MISSION IS TO
LOVE THE COMMUNITY
FOR CHRIST

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

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2019

CONTENTS

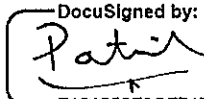
Statement by Board Members	1
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NEW LIFE COMMUNITY SERVICES
(Registered in Singapore under the Societies Act)

STATEMENT BY THE BOARD MEMBERS

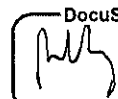
On behalf of the Board, we, Patrick Lim Kah Hock and Sim Teow Hong, being the Chairman and Treasurer of New Life Community Services (the "Society") respectively, do hereby state that in our opinion, the financial statements of the Society as set out on pages 5 to 30 are properly drawn up in accordance 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 2019 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

DocuSigned by:

F191656F8CF74B4...

Patrick Lim Kah Hock
Chairman

13 June 2020

DocuSigned by:

9392F49C690D4E4...

Sim Teow Hong
Treasurer

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 30, which comprise the balance sheet as at 31 December 2019, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the financial 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 2019 and the financial performance, changes in funds and cash flows of the Society for the financial 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, the 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 the 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 the 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.

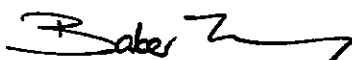
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

In our opinion,

- (i) the accounting and other records required to be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- (ii) the fund raising events held during the financial year ended 31 December 2019 have 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 events.

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

13 June 2020

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

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2019

	Note	2019 \$	2018 \$
Income			
School fees from child care centres and children & student care	2b	3,017,935	2,891,709
Interest income		116,677	68,219
Donations	3	3,035,877	3,339,409
Donation-in-kind	20a	104,096	100,800
Amortisation of deferred capital grants	9	477,425	450,813
Other Programmes income	2b	1,264,846	733,153
Government grants and subsidies		22,892	8,250
Government employment/wages credit/grant		93,796	126,766
Others		29,472	19,249
		8,163,016	7,738,368
Less expenses			
Staff costs	4	5,628,430	5,573,725
Charities expenses	5	1,429,197	1,591,348
Depreciation	6	582,861	501,656
Financial assistance		181,081	242,538
Programmes costs		160,989	158,516
Allowance for impairment of receivables	7	49,416	–
Interest expense on lease liability		3,709	–
		8,035,683	8,067,783
Net surplus/(deficit) and total comprehensive income/(loss) for the financial year		127,333	(329,415)

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 2019

	Note	2019 \$	2018 \$
Non-current asset			
Property, plant and equipment	6	2,436,725	2,555,042
		<hr/>	<hr/>
Current assets			
Other receivables	7	933,347	382,572
Fixed deposits	8	6,482,776	6,874,840
Bank and cash balances		1,535,569	1,855,880
		<hr/>	<hr/>
		8,951,692	9,113,292
		<hr/>	<hr/>
Total assets		11,388,417	11,668,334
		<hr/>	<hr/>
Non-current liabilities			
Deferred capital grants	9	247,917	585,445
Lease liability	10	55,405	–
		<hr/>	<hr/>
		303,322	585,445
		<hr/>	<hr/>
Current liabilities			
Deferred capital grants	9	399,201	435,698
Accruals and other payables	11	810,060	912,158
Lease liability	10	13,468	–
		<hr/>	<hr/>
		1,222,729	1,347,856
		<hr/>	<hr/>
Total liabilities		1,526,051	1,933,301
		<hr/>	<hr/>
Net assets		9,862,366	9,735,033
		<hr/>	<hr/>
Funds			
<i>Unrestricted fund</i>			
General Fund		8,302,403	8,160,681
<i>Restricted funds</i>			
Asset Capitalisation Reserve	12	1,468,368	1,527,696
Steady Readers' Fund	13	–	–
EX3 Mentoring Programme Fund	14	–	–
MILK Fund	15	–	46,656
Kids Champ Club Fund	16	–	–
Project Love Fund	17	–	–
Childcare Fund	18	91,595	–
		<hr/>	<hr/>
		9,862,366	9,735,033
		<hr/>	<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 CHANGES IN FUNDS
For the financial year ended 31 December 2019

	Unrestricted fund	← Restricted funds →			Childcare Fund \$	Total \$
	General Fund \$	Steady Readers Fund \$	Asset Capitalisation Reserve \$	MILK Fund \$		
Balance at 1 January 2018	8,291,598	–	1,587,024	185,826	–	10,064,448
Net deficit and total comprehensive loss for the financial year	(130,917)	–	(59,328)	(139,170)	–	(329,415)
Balance at 31 December 2018	8,160,681	–	1,527,696	46,656	–	9,735,033
Net surplus/(deficit) and total comprehensive income/(loss) for the financial year	141,722	–	(59,328)	(46,656)	91,595	127,333
Balance at 31 December 2019	8,302,403	–	1,468,368	–	91,595	9,862,366

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 2019

	2019 \$	2018 \$
Cash flows from operating activities		
Net surplus/(deficit) for the financial year	127,333	(329,415)
Adjustments for:		
Allowance for impairment of receivables	49,416	–
Amortisation of deferred capital grants	(477,425)	(450,813)
Interest expense on lease liability	3,709	–
Depreciation	582,861	501,656
Interest income	(116,677)	(68,219)
Loss on disposal of property, plant and equipment	2,202	–
Operating cash flows before working capital changes	171,419	(346,791)
Receivables	(597,769)	(74,231)
Payables and deferred capital grants	(15,213)	156,157
Net cash used in operating activities	(441,563)	(264,865)
Cash flows from investing activities		
Purchase of property, plant and equipment (Note A)	(368,531)	(33,025)
Interest received	114,255	38,063
Net cash (used in)/generated from investing activities	(254,276)	5,038
Cash flows from financing activities		
Repayment of lease liability	(12,827)	–
Interest paid	(3,709)	–
Net cash used in financing activities	(16,536)	–
Net decrease in cash and cash equivalents	(712,375)	(259,827)
Cash and cash equivalents at beginning of the financial year	8,730,720	8,990,547
Cash and cash equivalents at end of the financial year	8,018,345	8,730,720
Cash and cash equivalents comprise:		
Bank and cash balances	1,535,569	1,855,880
Fixed deposits	6,482,776	6,874,840
	8,018,345	8,730,720
Note A		
Property, plant and equipment purchased during the financial year (Note 6)	385,046	33,025
Less: Amount outstanding at end of financial year	(16,515)	–
Net cash paid for purchase of property, plant and equipment	368,531	33,025

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 2019

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

2. Significant accounting policies (cont'd)

a) Basis of preparation (cont'd)

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 for the financial year. The adoption of these new and revised FRSs did not have any material effect on the financial statements of the Society except as disclosed below:

FRS 116 Leases

When the Society is the lessee

FRS 116 replaces the existing FRS 17: *Leases* for financial periods beginning 1 January 2019. It reforms lessee accounting by introducing a single lessee accounting model. Lessees are required to recognise all leases on their balance sheets to reflect their rights to use leased assets (a "right-of-use" asset) and the associated obligations for lease payments (a lease liability), with limited exemptions for short term leases (less than 12 months) and leases of low value items. In addition, the nature of expenses related to those leases will change as FRS 116 replaces the straight-line operating lease expense with depreciation charge of right-of-use asset and interest expense on lease liability.

On adoption of FRS 116, the Society recognised lease liabilities in relation to leases which had previously been classified as "Operating Leases" under FRS 17 *Leases*. These liabilities were measured at the present value of the remaining lease payments, discounted using the Society's incremental borrowing rate as at 1 January 2019. The lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 5% per annum.

The associated right-of-use assets were measured at the amount equal to the lease liability (adjusted for any prepaid or accrued lease payment) on adoption. Arising from the adoption of FRS 116, rights-of-use asset and lease liability of \$81,700 and \$81,700 respectively were recognised on the balance sheet on 1 January 2019.

In applying FRS 116 for the first time, the Society has used the following practical expedients permitted by the standard:

- use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

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 2019 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

Revenue from services - child care centres and children & student care

The Society provides childcare, children & student care and education services to children aged from 18 months to 6 years old. The Society has the right to school fees (including other related fees) from the children in an amount that corresponds directly with the provision of childcare and other incidental services on a monthly basis.

2. Significant accounting policies (cont'd)

b) Income recognition (cont'd)

Revenue from services - children programmes

The Society provides specialised service catered to children aged from 7 years old to 12 years old in the community. The Society has the right to programme income (including other related fees) from the children in an amount that corresponds directly with the provision of services over the period of the programme.

Accordingly, programme income is recognised as income over time over the period of the programme.

Revenue from youth school program

The Society provides specialised after-school programme to the youths in secondary Schools' in-house hubs. The Society has the right to programme income (including other related fees) from the schools in an amount that corresponds directly with the provision of services over the period of the programme.

Accordingly, youth school programme income is recognised as income over time over the period of the programme.

Revenue from Reformative Training Centre (RTC) Income

The Society provides casework counselling to youth offenders by promoting social change and empowerment and provide groupwork sessions for youths and parents to prepare them for the eventual reintegration back to the community. The Society has the right to RTC Income (including other related fees) from the Prisons for an amount that corresponds directly with the provision of services over the period of the programme.

Accordingly, RTC income is recognised as income over time over the period of the completion of casework counselling and groupwork sessions.

Donations

Donations are recognised when received in cash.

Donation in kind is recognised at the fair value of the donated item if the value can be estimated reliably.

Interest income

Interest income is recognised on a time proportion basis over the period of placement of deposits with banks.

Government grants and subsidies

Grants and subsidy claims are recognised when there is reasonable assurance that the grant or subsidy will be received, and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised in income or expenditure over the period necessary to match them on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to income or expenditure over the expected useful life of the relevant asset by equal instalments.

2. Significant accounting policies (cont'd)

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
Leasehold properties	5.5 and 30
Furniture and fittings	5
Kitchen equipment	5
Playgroup equipment	5
Renovation	5
Computer	3
Office equipment	3

No depreciation is provided on assets under construction until it is completed and ready for their intended use.

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

The residual values, 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 assesses 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 of disposal 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 in income or 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 in the statement of cash flows

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

2. Significant accounting policies (cont'd)

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

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.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in income or expenditure.

Classification and measurement

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. The Society classifies its financial assets based on the Society's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The Society's financial assets are classified at amortised cost which comprise other receivables (excluding prepayments), fixed deposits and bank and cash balances.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in income or expenditure when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

Impairment

The Society recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Society expects to receive, discounted at an approximation of the original effective interest rate.

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

The Society recognises an impairment gain or loss in income or expenditure for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

2. Significant accounting policies (cont'd)

g) Financial assets (cont'd)

Offset

Financial assets and liabilities are offset and the net amount presented on the balance sheet when, and only when the Society has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

h) Financial liabilities

Financial liabilities include accruals and other payables (exclude contract liabilities, GST payables, staff's unconsumed leave and deferred grant income) and lease liability. 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 income or expenditure 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.

j) 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.

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

2. Significant accounting policies (cont'd)

1) Leases

The accounting policy for leases before 1 January 2019 are as follows:

Where the Society is the lessee:

Operating lease

Leases where a significant portion of the risks and rewards incidental to ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to income or expenditure on a straight-line basis over the period of the lease. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

When an operating lease is terminated before the lease period expires, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

The accounting policy for leases after 1 January 2019 are as follows:

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

Where the Society is the lessee:

The Society applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets (e.g. leases of tablet and personal computers, small items of office equipment and telephones). For these exempted leases, the Society recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Society uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Society and payments of penalties for terminating the lease, if the lease term reflects the Society exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liability is presented as a separate line in the balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

2 Significant accounting policies (cont'd)

l) Leases (cont'd)

The accounting policy for leases after 1 January 2019 are as follows (cont'd):

Where the Society is the lessee (cont'd):

Lease liabilities (cont'd)

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

The Society remeasures the lease liability and makes a corresponding adjustment to the related right-of-use asset whenever there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Right-of-use assets

The Society recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

Whenever the Society incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under FRS 37. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset. If ownership of the leased asset transfers to the Society at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease. The Society's leasehold property is depreciated over its remaining lease term of 68 months.

The right-of use assets (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment".

The Society applies FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(d).

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

	2019 \$	2018 \$
Tax-deductible donations	2,810,938	2,957,216
Non-tax-deductible donations	224,939	382,193
	3,035,877	3,339,409

4. Staff costs

	2019 \$	2018 \$
Salaries and bonus	4,675,025	4,653,404
Contributions to CPF	633,825	630,042
Other staff benefits	319,580	290,279
	5,628,430	5,573,725

5. Charities expenses

	2019 \$	2018 \$
Repair and maintenance	285,583	285,472
Fund-raising costs	69,989	108,367
Lease expense – short-term leases (Note 21)	113,064	118,576
Rental of equipment	22,524	31,103
Centres' operating costs	543,728	587,520
Children festival costs	103,942	118,693
Others	290,367	341,617
	1,429,197	1,591,348

6. Property, plant and equipment

	Leasehold properties \$	Furniture and fittings \$	Kitchen equipment \$	Playgroup equipment \$	Reno- vation \$	Computer \$	Office equipment \$	Asset under construction \$	Total \$
2019									
Cost									
Balance at 1.1.2019	1,780,000	282,856	8,988	26,665	3,072,458	173,274	155,419	2,251	5,501,911
Recognition of right-of-use asset on initial application of FRS 116	81,700	-	-	-	-	-	-	-	81,700
Cost at 1.1.2019, restated	1,861,700	282,856	8,988	26,665	3,072,458	173,274	155,419	2,251	5,583,611
Additions	-	58,823	2,668	-	244,365	64,900	8,390	5,900	385,046
Disposal/write-off	-	(8,793)	-	-	(1,738)	-	-	-	(10,531)
Balance at 31.12.2019	1,861,700	332,886	11,656	26,665	3,315,085	238,174	163,809	8,151	5,958,126
Accumulated depreciation									
Balance at 1.1.2019	252,304	201,138	5,532	26,665	2,177,376	156,006	127,848	-	2,946,869
Depreciation charge	73,746	49,811	1,906	-	414,131	17,067	26,200	-	582,861
Disposal/write-off	-	(7,315)	-	-	(1,014)	-	-	-	(8,329)
Balance at 31.12.2019	326,050	243,634	7,438	26,665	2,590,493	173,073	154,048	-	3,521,401
Net carrying value									
At 31.12.2019	1,535,650	89,252	4,218	-	724,592	65,101	9,761	8,151	2,436,725

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

	Leasehold properties \$	Furniture and fittings \$	Kitchen equipment \$	Playgroup equipment \$	Reno- vation \$	Computer \$	Office equipment \$	Asset under construction \$	Total \$
2018									
Cost									
Balance at 1.1.2018	1,780,000	279,812	8,988	26,665	2,935,739	169,965	154,159	125,287	5,480,615
Additions	-	3,044	-	-	13,683	15,038	1,260	-	33,025
Disposal/write-off	-	-	-	-	-	(11,729)	-	-	(11,729)
Reclassification	-	-	-	-	123,036	-	-	(123,036)	-
Balance at 31.12.2018	1,780,000	282,856	8,988	26,665	3,072,458	173,274	155,419	2,251	5,501,911
Accumulated depreciation									
Balance at 1.1.2018	192,976	161,722	4,042	26,655	1,822,971	155,770	92,806	-	2,456,942
Depreciation charge	59,328	39,416	1,490	10	354,405	11,965	35,042	-	501,656
Disposal/write-off	-	-	-	-	-	(11,729)	-	-	(11,729)
Balance at 31.12.2018	252,304	201,138	5,532	26,665	2,177,376	156,006	127,848	-	2,946,869
Net carrying value									
At 31.12.2018	1,527,696	81,718	3,456	-	895,082	17,268	27,571	2,251	2,555,042

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

(a) During the financial year, depreciation was charged as follows:

	2019 \$	2018 \$
General Fund	523,533	442,328
Asset Capitalisation Reserve (Note 12)	59,328	59,328
	<hr/>	<hr/>
Statement of comprehensive income	582,861	501,656
	<hr/>	<hr/>

(b) The leasehold property is held in trust by 2 board members of the Society.

(c) Included in property, plant and equipment is right-of-use asset of \$67,282 (1.1.2019: \$81,700) (Note 21).

7. Other receivables

	2019 \$	2018 \$
Other receivables	909,490	312,686
<i>Less: Allowance for expected credit loss</i>		
Balance at beginning of financial year	-	-
Allowance for impairment - lifetime ECL (credit impaired)	(49,416)	-
	<hr/>	<hr/>
Balance at end of financial year	(49,416)	-
Net	860,074	312,686
Prepayments	40,825	39,168
Deposits	32,448	30,718
	<hr/>	<hr/>
	933,347	382,572
	<hr/>	<hr/>

8. Fixed deposits

The fixed deposits are placed with the banks and mature varying from 2 to 12 (2018: 1 to 12) months from the balance sheet date. These deposits earn interests ranging from 1.40% to 2.10% (2018: 0.10% to 1.90%) per annum.

9. Deferred capital grants

	2019 \$	2018 \$
Cost		
Balance at 1 January	2,414,082	1,839,870
Payment for purchase of property, plant and equipment (Note 11)	103,400	574,212
Balance at 31 December	<u>2,517,482</u>	<u>2,414,082</u>
Accumulated amortisation		
Balance at 1 January	1,392,939	942,126
Amortisation during the financial year	477,425	450,813
Balance at 31 December	<u>1,870,364</u>	<u>1,392,939</u>
Net carrying amount		
Balance at 31 December	<u>647,118</u>	<u>1,021,143</u>
Representing:		
Non-current	247,917	585,445
Current	399,201	435,698
	<u>647,118</u>	<u>1,021,143</u>
Represented by:		
Care and Share Grant (Note A)	546,332	965,577
ECDA Grant (Note B)	100,786	55,566
	<u>647,118</u>	<u>1,021,143</u>

Capital grants received and utilised for purchases of property, plant and equipment is recognised as deferred capital grants on the balance sheet and is amortised to income or expenditure over the expected useful life of the relevant asset.

Deferred capital grants relate to:

Note 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 Tennery, Singapore 677899. The grants received are amortised over the useful life of the property, plant and equipment between 3 to 5 years; and

Note B

Grant 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 Blk 556 #01-61 Woodlands Drive 53, Singapore 730,556. The grants received are amortised over the useful life of the property, plant and equipment between 3 to 5 years.

10. Lease liability

	2019 \$	2018 \$
Non-current	55,405	–
Current	13,468	–
Total	<u>68,873</u>	<u>–</u>

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Lease liability \$
Balance as at 1 January 2019	–
Adoption of FRS 116	81,700
Changes from financing cash flows:	
- Repayments	(12,827)
- Interest paid	(3,709)
Non-cash changes:	
- Interest expense on lease liability	3,709
Balance at 31 December 2019	<u>68,873</u>

11. Accruals and other payables

	2019 \$	2018 \$
Deposits received	249,235	229,794
Contract liability	16,624	6,383
Accrued operating expenses	424,966	593,864
Sundry payables	119,235	71,329
Deferred grant income - Care and Share Grant	–	10,788
	<u>810,060</u>	<u>912,158</u>

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

	2019 \$	2018 \$
Balance as at beginning of the financial year	10,788	585,000
Received during the financial year	103,400	–
Expenditure - utilised for purchase of property, plant and equipment transferred to deferred capital grants (Note 9)	(103,400)	(574,212)
Expenditure expensed to income or expenditure	(10,788)	–
Balance as at end of the financial year	<u>–</u>	<u>10,788</u>

11. Accruals and other payables (cont'd)

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 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 2021.

12. Asset Capitalisation Reserve

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.

	2019 \$	2018 \$
At 1 January	1,527,696	1,587,024
Depreciation charge [Note 6(a)]	(59,328)	(59,328)
At 31 December	<u>1,468,368</u>	<u>1,527,696</u>

13. Steady Readers’ Fund

The Steady Readers’ Programme was set up to help children who are not reading at their academic age to improve. Since inception, the programme was funded by the operating funds of the Society. In 2019 and 2018, the following donations were received from external donors to specifically support the programme.

	2019 \$	2018 \$
At 1 January	–	–
Receipts for the financial year	40,000	62,563
Expenditures for the financial year	(40,000)	(62,563)
Net surplus for the financial year	–	–
At 31 December	<u>–</u>	<u>–</u>

14. EX3 Mentoring Programme Fund

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.

	2019 \$	2018 \$
At 1 January	-	-
Receipts for the financial year	-	203,250
Expenditures for the financial year	-	(203,250)
Net surplus for the financial year	-	-
At 31 December	-	-

15. MILK Fund

The MILK (Mainly I Love Kids) - New Life Support Fund was set up in July 2018 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 minimise their likelihood of remaining in the poverty trap and/or falling to negative life choices and influence. Disbursements were reflected as Financial Assistance in the Statement of Comprehensive Income.

	2019 \$	2018 \$
At 1 January	46,656	185,826
Receipts for the financial year	-	-
Expenditures for the financial year	(46,656)	(139,170)
Net deficit for the financial year	(46,656)	(139,170)
At 31 December	-	46,656

16. Kids Champ Club Fund

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. Since inception, the programme was funded by the operating funds of the Society. Additionally, in 2018, the following donations were received from President's Challenge to specifically support the programme.

	2019 \$	2018 \$
At 1 January	-	-
Receipts for the financial year	-	26,000
Expenditures for the financial year	-	(26,000)
Net surplus for the financial year	-	-
At 31 December	-	-

17. Project Love Fund

Project Love Fund is a direct financial assistance scheme to ensure no child is deprived of basic education due to financial hardship. Since inception, the project was funded by the operating funds of the Society. Additionally, in 2018, the following donations were received from President's Challenge to specifically support the programme. Disbursements were reflected as Financial Assistance in the Statement of Comprehensive Income.

	2019 \$	2018 \$
At 1 January	-	-
Receipts for the financial year	-	20,750
Expenditures for the financial year	-	(20,750)
Net surplus for the financial year	-	-
At 31 December	-	-

18. Childcare Fund

Donation from President's Challenge was received to set up a Children Counselling and Children Mentoring Centre. Additionally, grant was received from the Association of Early Childhood & Training Services (ASSETS) for the purpose of staff training, equipping for leadership, staff bonding and well-being.

	2019 \$	2018 \$
At 1 January	-	-
Receipts for the financial year	92,000	-
Expenditures for the financial year	(405)	-
Net surplus for the financial year	91,595	-
At 31 December	91,595	-

19. Commitments**a) Capital commitments**

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

	2019 \$	2018 \$
Property, plant and equipment	171,263	258,488

19. Commitments (cont'd)

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:

	2018 \$
Not later than one financial year	21,039
Later than one financial year but not later than five financial years	11,073
	<u>32,112</u>

As disclosed in Note 2(a), the Society has adopted FRS 116 on 1 January 2019. These lease payments have been recognised as right-of-use assets and lease liabilities on the balance sheet as at 1 January 2019, except for short-term and low-value assets leases.

20. 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 (2018: \$87,600) for rental and \$12,000 (2018: \$13,200) 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 \$99,600 (2018: \$100,800), 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.

b) Remuneration of key management personnel

(i) Key management personnel compensation for the financial year was as follows:

	2019 \$	2018 \$
Salaries, allowance and bonuses	735,835	645,455
CPF contributions	96,393	90,106
	<u>832,228</u>	<u>735,561</u>

20. Related party disclosures (cont'd)

b) Remuneration of key management personnel (cont'd)

(ii) The annual remuneration of key management personnel are classified as follows:

Remuneration band (\$)	No. of key management staff	
	2019	2018
Between \$0 - \$100,000	5	5
Between \$100,001 to \$200,000	3	3

Key management staff are personnel having authority and responsibility for planning, directing and controlling the activities of the Society, directly or indirectly. Key management staff comprise of the Management Team. The disclosure of the three highest paid staff who has received remuneration exceeding \$100,000, has been included in the above classification.

(iii) Declaration of any staff, being a close member of the family of the Executive Director or Board of Members

There is no paid staff, being a close member of the family belonging to the Executive Director equivalent or members of the Board of the Society, who has received remuneration exceeding \$50,000 during the financial year.

21. Leases

Nature of the Society's leasing activities

The Society's leasing activities comprise the following:

- (i) The Society leases HDB space for childcare services. The lease has a tenure of 68 months.
- (ii) In addition, the Society leases HDB space with contractual terms of 1 month. These leases are short-term. The Society has elected not to recognise right-of-use assets and lease liabilities for these leases.

The maturity analysis of the lease liability is disclosed in Note 22(b).

Information about leases for which the Society is a lessee is presented below:

Carrying amount of right-of-use asset

The carrying amount of right-of-use asset is included in property, plant and equipment (Note 6) as follows:

	31.12.2019	1.1.2019
	\$	\$
Leasehold properties	67,282	81,700

21. Leases (cont'd)

Amounts recognised in the statement of comprehensive income

	2019 \$
<i>Depreciation charge for the financial year</i>	
- Leasehold properties	14,418
	<hr/>
<i>Lease expense not included in the measurement of lease liabilities</i>	
- Lease expense – short-term leases (Note 5)	113,064
	<hr/>
Interest expense on lease liability	3,709
	<hr/>

Total cash flows for leases amounted to \$129,600.

22. Financial instruments

a) Categories of financial instruments

The financial instruments at their carrying amount as at the balance sheet date are as follows:

	2019 \$	2018 \$
<i>Financial assets</i>		
Financial asset at amortised cost	8,910,867	9,074,124
	<hr/>	<hr/>
<i>Financial liabilities</i>		
Financial liabilities at amortised cost	741,376	778,177
	<hr/>	<hr/>

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.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting to financial loss to the Society. For other financial assets (including fixed deposits and bank and cash balances), the Society minimises credit risk by dealing with high credit counterparties.

The Society's exposure to credit risk arises from the failure of a student to settle its financial and contractual obligations to the Society, as and when they fall due. The Board manages this risk by limiting the aggregate financial exposure to any individual student.

At the balance sheet date, the Society has no significant concentration of credit risk exposure except that the Society's other receivables comprise 1 debtor (2018: Nil) that individually represented 77% (2018: Nil) of the other receivables.

22. Financial instruments (cont'd)

b) Financial risk management (cont'd)

Credit risk (cont'd)

The following sets out the Society's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 60 days past due or there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Society has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

Credit risk exposure in relation to financial assets at amortised cost (except for other receivables) as at 31 December 2019 and 31 December 2018 is not material, accordingly no expected credit loss allowance is provided as at 31 December 2019 and 31 December 2018 except for credit loss allowance of \$49,416 being provided for those other receivables which the amounts are past due and no realistic prospect of recovery.

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 (Note 8).

Foreign exchange risk

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

Liquidity risk

In the management of liquidity risk, the Society monitors and maintains a level of cash and cash equivalents deemed adequate by the Board to finance the Society's operations and mitigate the effects of fluctuations in cash flows.

22. Financial instruments (cont'd)

b) Financial risk management (cont'd)

Liquidity risk (cont'd)

The table below summarises the maturity profile of the Society's non-derivative financial liabilities at the balance sheet date based on contractual undiscounted repayment obligations.

	← 2019 →			← 2018 →		
	\$			\$		
	1 year or less	1 to 5 year	Total	1 year or less	1 to 5 year	Total
Payables (excluding lease liability)	672,503	–	672,503	778,177	–	778,177
Lease liability	16,536	60,632	77,168	–	–	–

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 due to the relatively short-term maturity of these financial instruments.

23. 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 Society's capital comprises its total funds as presented on the balance sheet.

The overall fund management objectives remain unchanged from the last financial year.

24. Subsequent event

In 2019, the Society received a donation-in-kind in the form of a lease from a third party to co-share the Community Space with two non-profit organisations at rent-free. The initial lease for a term of 20 years 11 months from the date of receipt of the vacant possession. One year prior to the expiry of the initial lease period, the Society can opt to renew or to cease the lease. As at the balance sheet date, the lease has not commenced because of pending receipt of the vacant possession.

25. Authorisation of financial statements

The financial statements of the Society for the financial year ended 31 December 2019 were authorised for issue by the Board on 13 June 2020.

Conflict of Interest Policy

In compliance with the be *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://newlife.org.sg/images/pdfs/Conflictof-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 2019 was 1.03 times (2018: 1.01 times)