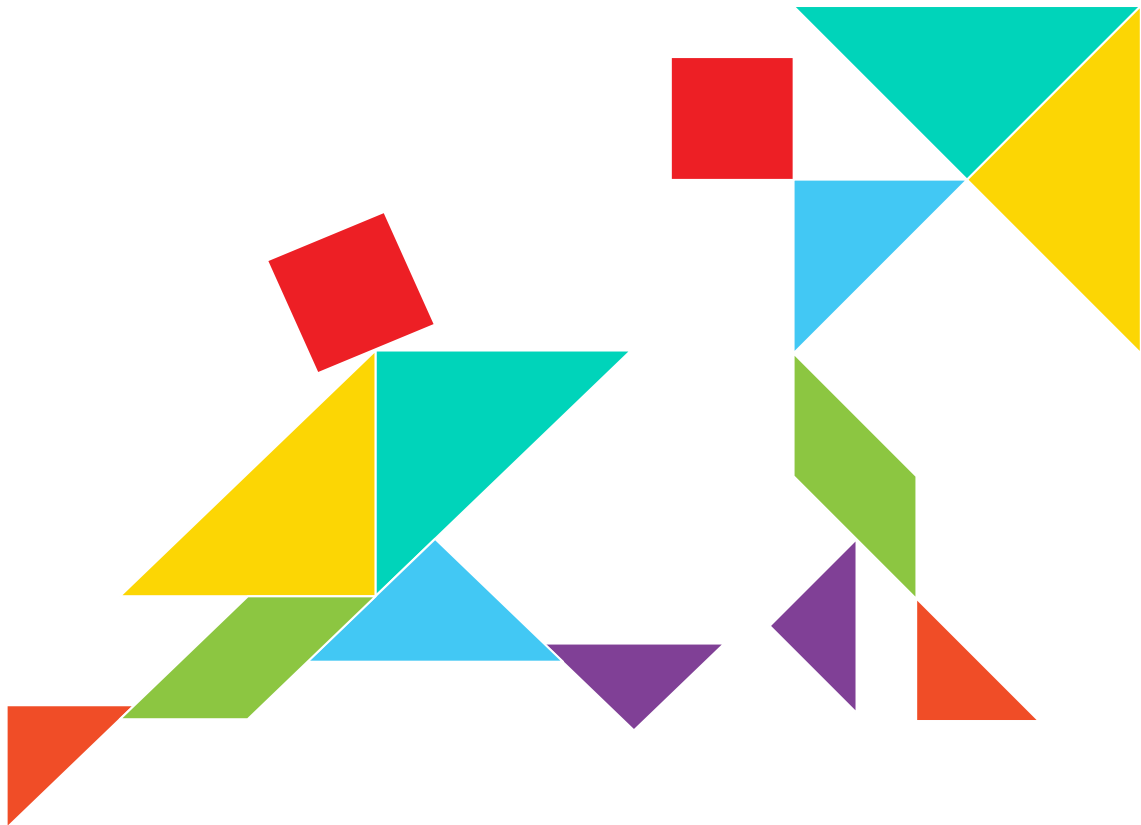


ANNUAL REPORT 2020

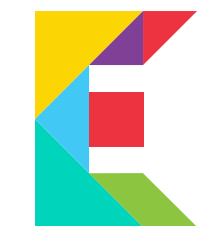
# MENTORING THE NEXT GENERATION



# CONTENTS

2020 Overview.....	3
Stories of Impact.....	4
Chairman & Executive Director's Message .....	5
New Life Board & Committees .....	6
<b>SERVICES' REPORTS</b>	
Childcare.....	8
Children Programmes .....	9
Children & Student Care.....	10
Youth Services .....	11
Casework & Counselling.....	12
Volunteers .....	13
Donations.....	14
<b>FINANCIAL STATEMENTS</b>	
Statement by the Board Members .....	16
Independent Auditor's Report .....	17
Statement of Comprehensive Income.....	20
Balance Sheet .....	21
Statement of Changes in Funds .....	22
Statement of Cash Flows.....	23
Notes to the Financial Statements .....	24
Additional Information .....	46
Contact Us & Corporate Data.....	47

# 2020



## CHILDCARE

BUKIT PANJANG

**115**

CHILDREN

JUNCTION 10

**95**

CHILDREN

WOODLANDS

**143**

CHILDREN

## CHILDREN & STUDENT CARE

BUKIT PANJANG

**91**

CHILDREN

TECK WHYE

**46**

CHILDREN

## CHILDREN PROGRAMMES

STEADY READERS

**174**

CHILDREN

KIDS CHAMP CLUB

**15**

CHILDREN

P.A.N.D.A. CHAMPS

**56**

CHILDREN

**TOTAL  
735  
CHILDREN**

## YOUTH SERVICES

FAJAR YOUTH HUB

**70**

YOUTHS

JUNCTION 10 YOUTH HUB

**36**

YOUTHS

WOODLANDS YOUTH HUB

**32**

YOUTHS

SCHOOL PROGRAMMES

**131**

YOUTHS

**TOTAL  
269  
YOUTHS**

## CASEWORK & COUNSELLING

PROJECT LOVE

**88**

CASES

REFORMATIVE TRAINING CENTRE

**23**

CASES

COUNSELLING REFERRAL AND EE21

**19**

CASES

**TOTAL  
130  
CASES**

## SUMMARY OF FINANCIAL PERFORMANCE

TOTAL INCOME

**\$11,557,714**

MAJOR DONATION VS 2019  
DONATION IN-KIND PROPERTY

**\$2,150,000**

JOB SUPPORT SCHEME (JSS)

**\$997,774**

TOTAL EXPENDITURE

**\$7,950,307**

MAJOR EXPENDITURE VS 2019  
OFFICE SPACE & RENOVATION

**\$616,532**

YOUTH HUB RENOVATION

**\$167,346**



Watch the 20th anniversary video here: [tinyurl.com/nlcs20thvid](https://tinyurl.com/nlcs20thvid)



## ENGAGING YOUTHS DURING CIRCUIT BREAKER

Circuit Breaker was a difficult experience for me. Stuck at home, I was often bored and idle. To fill up my time, I resorted to playing computer and phone games, as well as frequently video calling my friends. However, I still missed being with my friends in person.

Thankfully, the New Life Youth mentors organised online programmes like #HangOut as well as combined monthly specials. These fun and engaging events allowed me to connect with staff and youth from different hubs.

My kind and funny mentor Kai Ning also taught me valuable life lessons. Through sharing her personal experiences, she taught me how to manage relationship issues, and motivated me to focus on my studies. I'm truly grateful for all the wise and caring staff who have invested time and attention to listen to me and help me through my problems.

**Ayumi**  
13 years old



## FROM FINANCIAL CRISIS TO A NEW LEASE OF LIFE

After my husband lost his job in May 2020, our family of five struggled financially. School fees were already expensive, so we could not afford to send our youngest daughter Shi En to childcare.

Project Love stepped in to provide subsidies for our children's childcare and student care fees, as well as a monthly allowance for family expenditures. Now, Shi En is overjoyed that she gets to learn and make many friends in childcare.

Moreover, our son Jun Wee used to have anger and behavioural issues. After going to KCC, his temperament has greatly improved, and he has become more caring and willing to listen to advice. He was even appointed interim prefect in school for demonstrating leadership qualities. We are sincerely grateful for all the New Life staff and volunteers who have given our family a new lease of life!

**Mdm Yang**  
Project Love beneficiary



Watch Mdm Yang's testimony here:  
<https://tinyurl.com/mdmyangstory>

# OF IMPACT

# CHAIRMAN & EXECUTIVE DIRECTOR'S



*Patin*

New Life Community Services (NLCS) celebrated 20 years of serving the community and mentoring the next generation. 2020 was an unprecedented year with immense challenges caused by the Covid-19 pandemic. Yet we have much to be thankful for, including the unwavering commitment from our staff, donors and volunteers.

In 2020, we received \$4M in donations from 4,677 individual and corporate donors, including \$652K raised for the Project Love fund.

We are thankful that amidst the Covid-19 challenges, NLCS could continue to bless the community:

- 335 volunteers continued to serve in 2020.
- Our childcare and student care centres remained open for most of 2020.
- Mentoring for youths and children switched smoothly to online sessions, especially during the Circuit Breaker period.
- Our Casework & Counselling team was awarded the Star Partner Award category of The Public Sector Transformation Awards for the Early Engagement of Youth Under 21 programme for counselling and mentorship for young offenders, in partnership with the State Courts.



*Felix Wong*

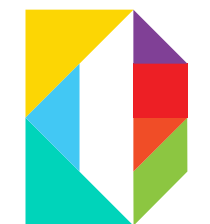
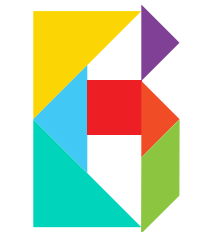
In 2020, we also carried out the following initiatives for the future:

- Opening of our second student care centre at Teck Whye in January and preparation for our third student care centre in Woodlands to open in January 2021.
- Completion of renovations and reopening of our Woodlands Youth Hub in September and President Halimah Yacob's visit to our Fajar Youth Hub to engage with beneficiaries.
- Audit of internal processes and controls by an external auditor started in November as part of our continual governance improvement efforts.
- Relocation of NLCS headquarters in December to the Woods Square community space donated by Far East Organisation.
- Leadership transition of the Executive Director role from Felix Wong to Steve Kon in end-December.

We have witnessed many milestones in these past 20 years. We are ever grateful to our God, our Board, our management and staff team, our volunteers and donors, our partners and community stakeholders who have enabled NLCS to serve the community and make a positive impact in the lives of our beneficiaries. May God continue to find us faithful in blessing the community where He has placed NLCS.



# NEW LIFE



# 2020

## BOARD MEMBERS

NAME & DESIGNATION		ATTENDANCE (out of 12 monthly meetings from Jan – Nov 2020)
<b>Patrick Lim*</b>	Chairman	11/12
<b>Elder Johnny Tan</b>	Vice Chairman	11/12
<b>Jeremiah Lo</b>	Secretary	12/12
<b>Sim Teow Hong</b>	Treasurer Stepped down after July 2020 AGM	5/6
<b>Adelyn Teo</b>	Treasurer Moved from Assistant Treasurer to Treasurer after July 2020 AGM	11/12
<b>Nicholas Lee</b>	Assistant Treasurer Moved from Board Member to Assistant Treasurer after July 2020 AGM	10/12
<b>Cheah Sin Hean*</b>	Member	12/12
<b>Pamela Lee</b>	Member	10/12
<b>Adrienne Sng</b>	Member	12/12
<b>Eddie Tan</b>	Member	12/12
<b>Darrell Tan</b>	Member (Elected to the Board at the July 2020 AGM)	5/6
<b>Elias Toh</b>	Member (Elected to the Board at the July 2020 AGM)	5/6

\*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 Services' 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.

### Other Notes

- No board members are remunerated for their Board services in the financial year.
- Three of the charity's staff each receives salary between \$100,000 to \$200,00 in annual remuneration.
- The charity has no paid staff, who are close members of the family of the Executive Head or Board members, who each receives total remuneration of more than \$50,000 during the year.

## BOARD COMMITTEES (FY2020/2021)

### STRATEGY COMMITTEE

**Patrick Lim** (Chair)  
Adelyn Teo  
Adrienne Sng  
Cheah Sin Hean  
Eddie Tan  
Elder Johnny Tan  
Jeremiah Lo  
Nicholas Lee  
Pamela Lee

### CHILDREN & CHILDCARE COMMITTEE

**Pamela Lee** (Chair)  
Eddie Tan  
Elias Toh  
Jeremiah Lo  
Raine Too (Co-opted)

### YOUTH COMMITTEE

**Adrienne Sng** (Chair)  
Adelyn Teo  
Darrell Tan  
Choon Siong (Co-opted)  
Oliver Loke (Co-opted)

### CASEWORK & COUNSELLING

**Nicholas Lee** (Chair)  
Adelyn Teo  
Adrienne Sng  
Jeremiah Lo

### HUMAN RESOURCE

**Jeremiah Lo** (Chair)  
Cheah Sin Hean  
Elder Johnny Tan  
Patrick Lim  
Joey Lam (Co-opted)

### FINANCE & INVESTMENT

**Adelyn Teo** (Chair)  
Nicholas Lee  
Elder Sherman Chow  
(Co-opted)

### FUNDRAISING & OUTREACH

**Eddie Tan** (Chair)  
Adrienne Sng  
Cheah Sin Hean  
Caleb Gau (Co-opted)  
Michael Mok (Co-opted)

### AUDIT & GOVERNANCE

**Elder Johnny Tan** (Chair)  
Darrell Tan  
Eddie Tan  
Pamela Lee  
Joshua Tan (Co-opted)  
Teo Guozheng (Co-opted)

### BUILDING & INFRASTRUCTURE

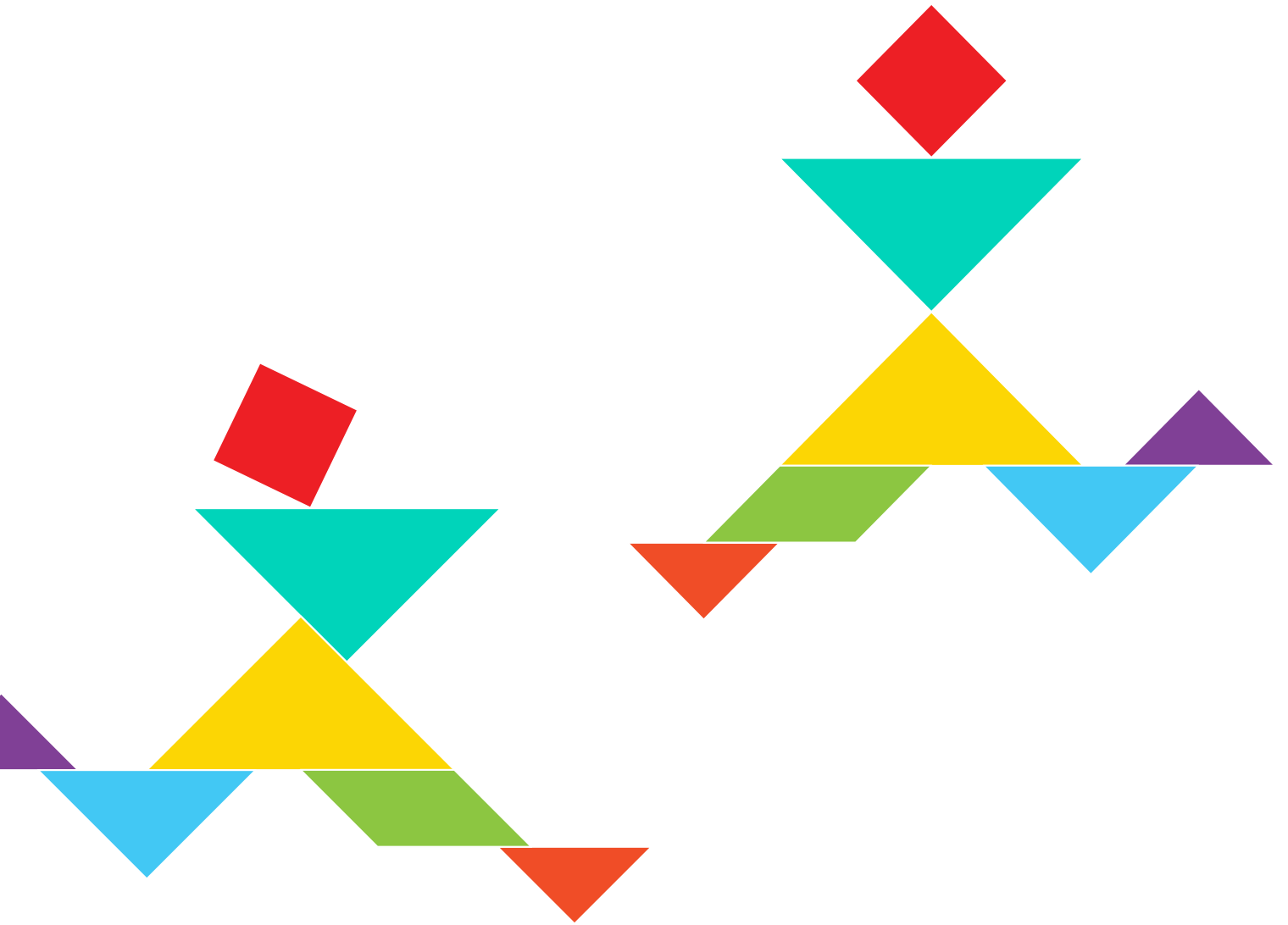
**Cheah Sin Hean** (Chair)  
Elias Toh

### NOMINATIONS

**Patrick Lim** (Chair)  
Eddie Tan  
Elder Johnny Tan  
Jeremiah Lo

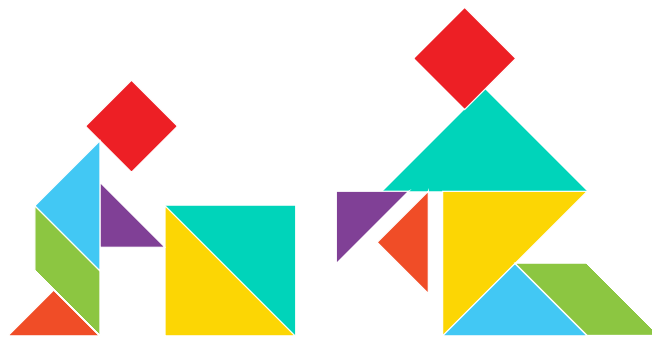
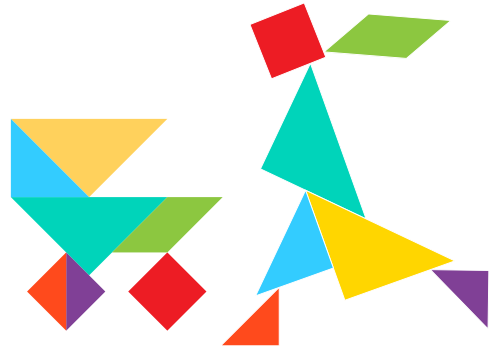
# SEAMICES

## REPORTS



# SERVICES' REPORTS

## CHILDCARE



*“Nurturing wholesome children in partnership with families and the community”*

### 2021 STRATEGIC PLANS

- Develop new initiatives to support children’s development and learning
- **People Development**
  - Enhance teaching skills to deliver New Life’s curriculum
  - Increase teachers’ participation in national projects and competitions to gain more exposure
- **Improve physical environment to enhance learning experience**
  - Uplift Woodlands Childcare environment through Cyclical Maintenance
  - Build a green corner in J10 Childcare to promote holistic development and learning
- **Improve processes through digital transformation**

### HIGHEST ENROLMENT

BUKIT PANJANG	JUNCTION 10	WOODLANDS
<b>115</b>	<b>95</b>	<b>143</b>
CHILDREN	CHILDREN	CHILDREN



TOTAL  
**353**  
CHILDREN

### KEY HIGHLIGHTS

#### → BLESSING THE COMMUNITY

- 112 pieces of artwork handmade for the migrant workers community
- 20 parents & children contributed 522 masks to underprivileged families in Sabah
- 95 parents & children participated in walkathon to raise rice packs for underprivileged families
- 45 children participated in creative craftwork activities and celebration of festivals and birthdays of 18 Senior Citizens from Care Corner Senior Activity Centre.

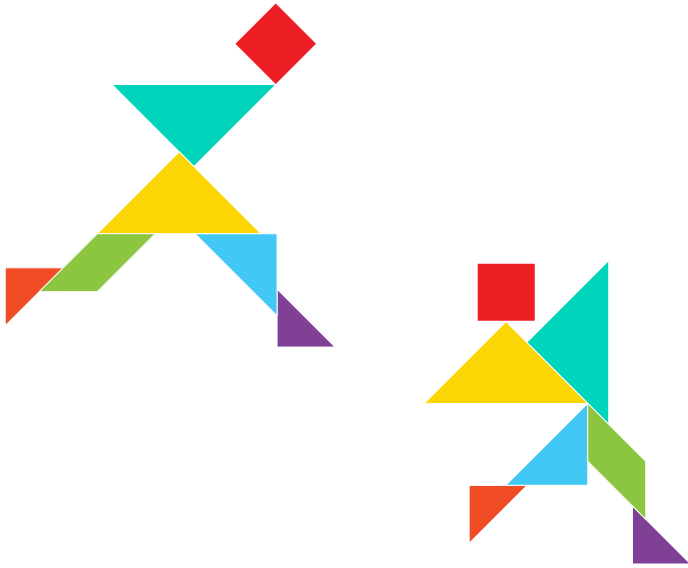


#### → CARING FOR FAMILIES & CHILDREN

- \$10,900 fee offset extended beyond Singaporeans to 52 PRs and foreigners
- \$6,974 disbursed to 3 families affected by COVID-19
- 541 care calls made to children & their families during Circuit Breaker

- **IMPLEMENTED CASHLESS FEE PAYMENT** for efficiency, security and convenience

# CHILDREN PROGRAMMES



## CHILDREN PARTICIPATION

STEADY READERS

174

CHILDREN

KIDS CHAMP CLUB

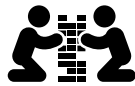
15

CHILDREN

P.A.N.D.A. CHAMPS

56

CHILDREN



TOTAL

245

CHILDREN

### STEADY READERS (SR)

Intervention Programme to help children read at their academic level.

**77%** OF THE CHILDREN SHOWED IMPROVEMENT IN READING, CONFIDENCE & INTEREST



HOLIDAY ENRICHMENT WORKSHOPS

68

CHILDREN



ONLINE PROGRAMMES: JUL - NOV

5

MONTHS



### KIDS CHAMP CLUB (KCC)

Character mentoring programme for at-risk children.

ONLINE PROGRAMMES: JUN - OCT

5

MONTHS



### P.A.N.D.A. CHAMPS

Character programme during June and November/December school holidays covering values of Perseverance, Acts of Love, eNcouragement, Discipline, Accepting Differences.

NOV / DEC SESSIONS CONDUCTED ONSITE

*“Loving children by mentoring them to become champions in life”*

## KEY HIGHLIGHTS

#### → PIVOTING TO MEET NEEDS IN CHANGING CIRCUMSTANCES

- Developed online curriculum to support the learning of SR and KCC children amidst strict COVID-19 measures for second half of 2020

#### → ENHANCING KIDS CHAMP CLUB CURRICULUM

- through new collaboration with EDIS Cares under iShine Programme
- 2 Robotics and drone coding sessions funded by EDIS



#### → CARING FOR FAMILIES & CHILDREN DURING CIRCUIT BREAKER

- Provided weekly supplementary literacy support for 18 Steady Readers children
- 2 care calls made to each of the 15 Kids Champ Club children

## 2021 STRATEGIC PLANS

- Expand Steady Readers in school and New Life Student Care Centres
- Pioneer Kids Champ Club in Woodlands
- Improve Steady Readers online curriculum and engagement experience

# CHILDREN & STUDENT CARE



## HIGHEST ENROLMENT

BUKIT PANJANG

**91**

CHILDREN

TECK WHYE

**46**

CHILDREN



TOTAL

**137**

CHILDREN

*“Mentoring children to become disciplined and confident individuals”*

## 2021 STRATEGIC PLANS

- Establish new centre in Woodlands
- Enhance nurturing environment with Teck Whye Student Care Cyclical Maintenance
- Deepen relationships with existing & new partners for holistic development of children
- Pilot Project Hope programme for low-income students

## KEY HIGHLIGHTS

### → ENHANCING HOLISTIC DEVELOPMENT THROUGH PARTNERS

#### Virtually via Zoom

- 129 children celebrated Children's Day with Keppel by learning Clay Keychain Workshop
- 56 children learnt acceptance of different cultures through Food Aid programme organized by Ngee Ann Polytechnic

- 60 children danced and sang at the Intergenerational Christmas party for seniors at Sengkang Community Hospital and Pacific Healthcare Senior Activity Centre
- 1-to-1 English and Chinese reading for 10 children conducted by Hwa Chong Institution

#### Face-to-face



- 30 children gained confidence and new sport skills through Month of Vitality programme organized by Glyph Asia
- 60 children participated in Nature Clay Art Workshop

### → EXPANDING STUDENT CARE SERVICES

- Teck Whye Student Care opened for operations in Jan 2020 with 46 students

### → CARING FOR FAMILIES & CHILDREN DURING CIRCUIT BREAKER

- Care calls made to 76 children and their families through Zoom
- Assisted 6 families with New Life Bursary

### → IMPLEMENTED CASHLESS FEE PAYMENT

- for efficiency, security and convenience

# YOUTH SERVICES

## OVERVIEW

### 269

YOUTH IMPACTED

### 8186

ENGAGEMENTS

### 699

1-TO-1 MENTORING SESSIONS

### 99

PROGRAMMES SESSIONS



## YOUTH MENTORING IN THE COMMUNITY

YOUTH HUB	Fajar	Junction 10	Woodlands	TOTAL
YOUTHS	70	36	32	138
ENGAGEMENTS	2002	1945	1816	5763
1-1 MENTORING SESSIONS	286	199	214	699

## SCHOOL

SECONDARY SCHOOL	Zhenghua	West Spring	Fajar	TOTAL
YOUTHS	35	57	39	131
ENGAGEMENTS (GEAR-UP)	410	1347	666	2423
PROGRAMMES SESSIONS	37	17	45	99

## KEY HIGHLIGHTS

### EVERY PLATFORM CREATED TO DRIVE MENTORING




→ **6109**

**FACE-TO-FACE ENGAGEMENTS**  
using skill-based and play-based platforms

**Skill-based**

- ▶ Culinary 
- ▶ Arts 
- ▶ Sports 
- ▶ Camps 

**Play-based**




- ▶ Console/Switch game 
- ▶ Board game 
- ▶ Pool table 



→ **2077**

**DIGITAL-BASED ENGAGEMENTS**  
during Circuit Breaker and COVID-19 Phase 1 & 2

**Digital-based**

- ▶ **#WatchOut:** IG livestreamed programmes started during Circuit Breaker and Phase 2 for mentors to engage youths 
- ▶ **#HangOut:** virtual hangout rooms via Zoom for youths and mentors to bond over homework/work 
- ▶ **#Hub-online** virtual hub via DISCORD platform for youths and mentors across hubs to engage via games and music 

→ **RENOVATED WOODLANDS YOUTH HUB** to create a more conducive environment for mentoring and engagements



[https://fb.watch/4Y\\_Vc2yQB1/](https://fb.watch/4Y_Vc2yQB1/)

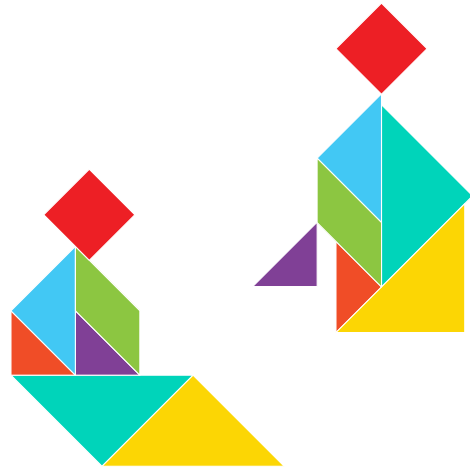


*“Building character and developing resilience in youths through life-transforming purpose”*

## 2021 STRATEGIC PLANS

- Develop volunteer-mentor development framework
- Partner with neighbourhood schools in the Bukit Panjang and Woodlands community to become a centre of excellence for mentoring

# CASEWORK & COUNSELLING



*“Mitigating the needs of disadvantaged and low-income families and supporting them through life transitions to give hope and empower them for a better future”*

## FINANCIAL ASSISTANCE

DISBURSED

**\$100,825.92** (INCLUSIVE OF \$17,656.45 FOR NEW LIFE BURSARY)



**88**  
CASES

**(67 + 21)**  
NEW

EXISTING /  
RENEWED  
ASSISTANCE  
CASES

**836**  
SESSIONS

## REFORMATIVE TRAINING CENTRE (RTC)



**23**  
CASES

**65**  
SESSIONS

## COUNSELLING REFERRAL AND EE21\*



**19**  
CASES

**242**  
SESSIONS

### 2021 STRATEGIC PLANS

- Expand Project Love beyond sustenance and education to provide comprehensive support and empower families
- Synergise with Youth Services to provide casework and counselling services in schools
- Expand youth counselling services to support youths with mild mental health issues or addictive behaviours

## KEY HIGHLIGHTS

### → BRINGING HOPE TO YOUTH OFFENDERS

- Awarded Star Partner Award for pilot project with State Courts on EE21
- Completed RTC contract with 581 youth offender cases counselled between 2016 to 2020

### → EXTENDING CARE AND SUPPORT TO FAMILIES IN CRISIS

- Project Love criteria expanded to individuals and families affected by COVID-19

\* Early Engagement for Youth Under 21 is a programme under State Courts targeted at engaging youths between their first mention in Court and the day they are sentenced

# WORLDWIDE TEACHERS



**GRAND  
TOTAL OF  
335\*  
VOLUNTEERS**

## CHILDREN & STUDENT CARE

### REGULAR

#### INSTITUTE OF HIGHER LEARNING

SINGAPORE POLY	NTU	HWA CHONG INSTITUTE	NGEE ANN POLY	SUSS	COVENANT EVANGELICAL FREE CHURCH	AD HOC KEPPEL	<b>124</b>
<b>49</b>	<b>17</b>	<b>15</b>	<b>14</b>	<b>3</b>	<b>6</b>	<b>20</b>	

## CHILDREN PROGRAMMES

<b>STEADY READERS</b>	<b>161</b>	<b>KIDS CHAMP CLUB</b>	<b>20</b>	<b>P.A.N.D.A. CHAMPS</b>	<b>17</b>	<b>198</b>
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**YOUTH  
SERVICES**

**9**

**CASEWORK &  
COUNSELLING**

**4**

## KEY HIGHLIGHTS

### → DECLINE IN SINGLE-EVENT VOLUNTEERS

due to  
cancellation of  
mass events such  
as Children's  
Fest, outings and  
graduations

### → INCREASE IN PARTICIPATIONS

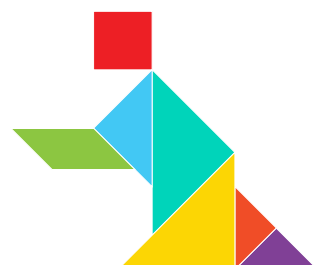
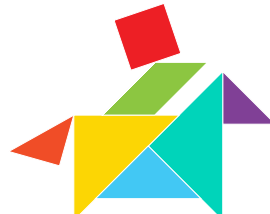
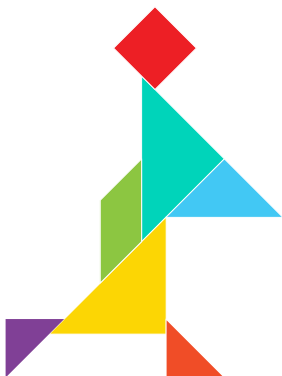
from Institute of  
Higher Learning for  
Student Care and  
Youth Services

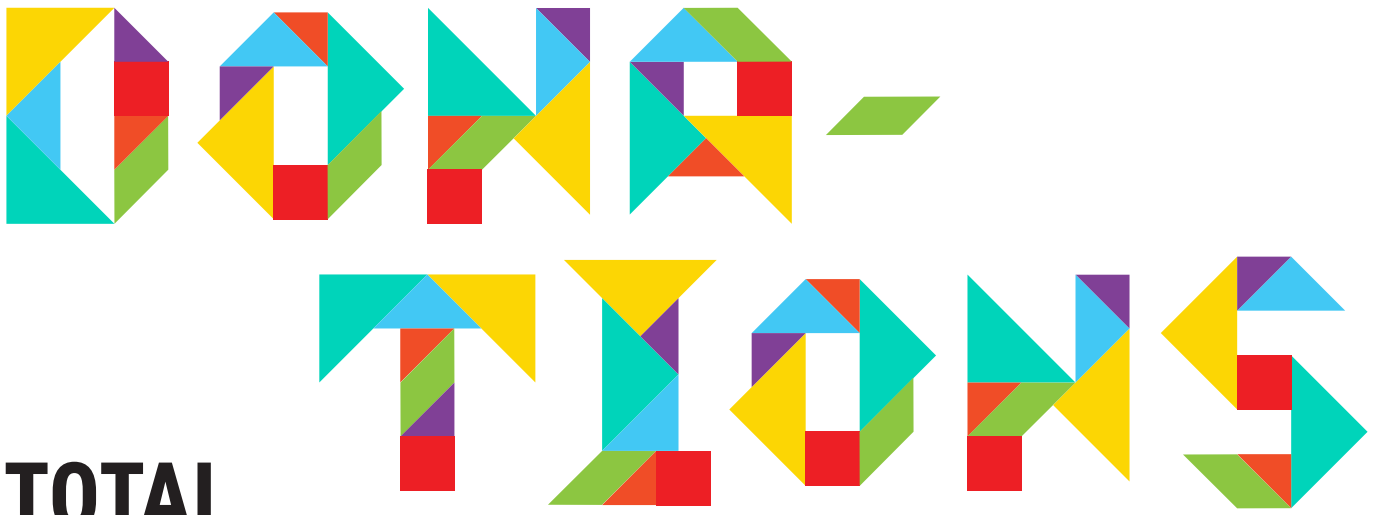
### → INCREASE IN SR VOLUNTEERS

attributed to  
flexibility and  
accessibility of  
SR Online

### → HOPE TUITION PROGRAMME FROM CASEWORK & COUNSELLING

created new  
volunteer opportunity





**TOTAL  
DONATIONS  
\$4,055,600**

INDIVIDUAL DONORS	CORPORATE DONORS	GRANTS
<b>4,633</b>	<b>44</b>	<b>2</b> (NATIONAL COUNCIL OF SOCIAL SERVICE AND COMMUNITY FOUNDATION OF SINGAPORE)

**KEY HIGHLIGHTS**  
 → **33% INCREASE IN DONATIONS** vs 2019 largely from public online giving to Project Love Covid-19 fundraising campaign

**MAJOR FUNDRAISING  
EVENTS & CAMPAIGNS**

<b>PROJECT LOVE</b> <b>\$652,028</b>	<b>CHARITY RUN</b> ON 23 OCTOBER <b>\$163,422</b> Event Partners: MetaSport & DC Production Studio Pte Ltd
<b>NEW LIFE DAY</b> <b>\$142,999</b>	<b>STEADY READERS</b> <b>\$28,913</b>
<b>YOUTH PROGRAMMES</b> <b>\$28,732</b>	

**CORPORATE DONORS**

- Aircastle Singapore Pte Ltd
- AM Global Pte Ltd
- Axon Management Consultants Pte Ltd
- B & I Capital Pte Ltd
- Bernice Management Pte Ltd
- BP De Silva Jewellers Pte Ltd
- Bukit Panjang Citizens' Consultative Committee
- Capital International, Inc.
- Chugai Pharmabody Research Pte Ltd
- Clifford Handover
- Covenant Professional Services Pte Ltd
- Credit Suisse AG (Singapore Branch)
- Crescendo Global Pte Ltd
- DBS Internet Banking
- D'Light (2007) Pte Ltd
- ECWON
- GYMMBOXX Pte Ltd
- Heitman Wellness Centre Pte Ltd
- Horse Can Listen Pte Ltd
- HSBC HR
- Intertech Electronics
- Keng Photography
- Kian Soon Mechanical Components Pte Ltd
- Majer Business Services Pte Ltd
- MBS Employment Agency
- Meta Fusion Pte Ltd
- Micron Technology, Inc.
- Nabcore Pte Ltd
- Odyssey Technical Solutions Singapore Pte Ltd
- P Teo Engineers Pte Ltd
- Red Bug Communication
- Richwell Global Forwarding Pte Ltd
- Roche Diabetes Care Asia Pacific Pte Ltd
- Roche Diagnostics Asia Pacific Pte Ltd
- Roche Singapore Pte Ltd
- Roche Singapore Technical Operations Pte Ltd
- School of Advanced Photography
- Southern Ridges Capital
- The Majority Trust Limited
- Tong Da Renovation Pte Ltd
- Urbancraft Studio
- Vitol Foundation
- Wyser Creation Media Resources Pte Ltd
- Xtreme Solution Pte Ltd

# FINANCIAL STATEMENTS

FOR THE FINANCIAL  
YEAR ENDED  
31 DECEMBER 2020

**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 Adelyn Teo Wei Lin, 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 2020 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

17 April 2021



Adelyn Teo Wei Lin  
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 2020, 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 2020 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 obtained at the date of this auditor's report is the Statement by the Board Members as set out on page 1, 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 on the other information obtained prior to the date of this auditor's report, 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.

**Baker Tilly TFW LLP** (trading as Baker Tilly) is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

Baker Tilly TFW LLP (Registration No.T10LL1485G) is an accounting limited liability partnership registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A).

## **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 FRs, 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 2020 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 of the Charities (Institutions of a Public Character) Regulations.



Baker Tilly TFW LLP  
Public Accountants and  
Chartered Accountants  
Singapore

17 April 2021

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

**STATEMENT OF COMPREHENSIVE INCOME**  
**For the financial year ended 31 December 2020**

	Note	Unrestricted fund \$	Restricted funds \$	Total 2020 \$	Unrestricted funds \$	Restricted funds \$	Total 2019 \$
<b>Income</b>							
School fees from Childcare and Student care	2b	3,091,726	–	3,091,726	3,017,935	–	3,017,935
Interest income	10	82,783	–	82,783	116,677	–	116,677
Donations	3	3,320,432	735,168	4,055,600	2,903,877	132,000	3,035,877
Donation-in-kind	15, 17a	99,950	2,150,000	2,249,950	104,096	–	104,096
Amortisation of deferred capital grants	11	399,201	–	399,201	477,425	–	477,425
Other Programmes income	2b	357,418	–	357,418	1,264,846	–	1,264,846
Government grants and subsidies	4	1,273,535	–	1,273,535	116,688	–	116,688
Others		47,501	–	47,501	29,472	–	29,472
<b>Total income</b>		<b>8,672,546</b>	<b>2,885,168</b>	<b>11,557,714</b>	<b>8,031,016</b>	<b>132,000</b>	<b>8,163,016</b>
<b>Less expenses</b>							
Staff costs	5	5,648,061	79,580	5,727,641	5,600,899	27,531	5,628,430
Charities expenses	6	1,358,344	1,006	1,359,350	1,425,572	3,625	1,429,197
Depreciation	7	497,953	153,551	651,504	523,533	59,328	582,861
Financial assistance		–	100,826	100,826	134,425	46,656	181,081
Programmes costs		96,557	1,101	97,658	151,740	9,249	160,989
Allowance for impairment of receivables	9	10,260	–	10,260	49,416	–	49,416
Interest expense on lease liability		3,068	–	3,068	3,709	–	3,709
<b>Total expenses</b>		<b>7,614,243</b>	<b>336,064</b>	<b>7,950,307</b>	<b>7,889,294</b>	<b>146,389</b>	<b>8,035,683</b>
<b>Net surplus/(deficit) and total comprehensive income/(loss) for the financial year</b>	14, 15	<b>1,058,303</b>	<b>2,549,104</b>	<b>3,607,407</b>	<b>141,722</b>	<b>(14,389)</b>	<b>127,333</b>

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 2020**

	Note	2020 \$	2019 \$
<b>Non-current asset</b>			
Property, plant and equipment	7	4,968,763	2,436,725
		<hr/>	<hr/>
<b>Current assets</b>			
Other receivables	9	410,155	933,347
Fixed deposits	10	7,591,067	6,482,776
Bank and cash balances		2,178,811	1,535,569
		<hr/>	<hr/>
		10,180,033	8,951,692
		<hr/>	<hr/>
<b>Total assets</b>		15,148,796	11,388,417
		<hr/>	<hr/>
<b>Non-current liabilities</b>			
Deferred capital grants	11	66,658	247,917
Lease liability	12	41,264	55,405
		<hr/>	<hr/>
		107,922	303,322
		<hr/>	<hr/>
<b>Current liabilities</b>			
Deferred capital grants	11	181,259	399,201
Accruals and other payables	13	1,375,701	810,060
Lease liability	12	14,141	13,468
		<hr/>	<hr/>
		1,571,101	1,222,729
		<hr/>	<hr/>
<b>Total liabilities</b>		1,679,023	1,526,051
		<hr/>	<hr/>
<b>Net assets</b>		13,469,773	9,862,366
		<hr/>	<hr/>
<b>Funds</b>			
Unrestricted fund - General Fund	14	9,360,706	8,302,403
Restricted funds	15	4,109,067	1,559,963
		<hr/>	<hr/>
<b>Total funds</b>		13,469,773	9,862,366
		<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 2020**

	<b>Unrestricted fund - General Fund \$</b>	<b>Restricted funds \$</b>	<b>Total funds \$</b>
Balance at 1 January 2019	8,160,681	1,574,352	9,735,033
Net surplus/(deficit) and total comprehensive income/(loss) for the financial year	141,722	(14,389)	127,333
Balance at 31 December 2019	8,302,403	1,559,963	9,862,366
Net surplus and total comprehensive income for the financial year	1,058,303	2,549,104	3,607,407
<b>Balance at 31 December 2020</b>	<b>9,360,706</b>	<b>4,109,067</b>	<b>13,469,773</b>

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 2020**

	2020 \$	2019 \$
<b>Cash flows from operating activities</b>		
Net surplus for the financial year	3,607,407	127,333
Adjustments for:		
Allowance for impairment of receivables	10,260	49,416
Amortisation of deferred capital grants	(399,201)	(477,425)
Interest expense on lease liability	3,068	3,709
Depreciation	651,504	582,861
Interest income	(82,783)	(116,677)
Loss on disposal of property, plant and equipment	-	2,202
Donation-in-kind - Leasehold property	(2,150,000)	-
<b>Operating cash flows before working capital changes</b>	<b>1,640,255</b>	<b>171,419</b>
Receivables	487,423	(597,769)
Payables	303,368	(15,213)
<b>Net cash generated from/(used in) operating activities</b>	<b>2,431,046</b>	<b>(441,563)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (Note A)	(771,269)	(368,531)
Interest received	108,292	114,255
<b>Net cash used in investing activities</b>	<b>(662,977)</b>	<b>(254,276)</b>
<b>Cash flows from financing activities</b>		
Repayment of lease liability	(13,468)	(12,827)
Interest paid	(3,068)	(3,709)
<b>Net cash used in financing activities</b>	<b>(16,536)</b>	<b>(16,536)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,751,533</b>	<b>(712,375)</b>
Cash and cash equivalents at beginning of the financial year	8,018,345	8,730,720
<b>Cash and cash equivalents at end of the financial year</b>	<b>9,769,878</b>	<b>8,018,345</b>
<b>Cash and cash equivalents comprise:</b>		
Bank and cash balances	2,178,811	1,535,569
Fixed deposits	7,591,067	6,482,776
	<b>9,769,878</b>	<b>8,018,345</b>
<b>Note A</b>		
Property, plant and equipment purchased during the financial year (Note 7)	3,183,542	385,046
Add: Amount outstanding at beginning of financial year	16,515	-
Less: Amount outstanding at end of financial year	(278,788)	(16,515)
Less: Donation-in-kind - Leasehold property	(2,150,000)	-
<b>Net cash paid for purchase of property, plant and equipment</b>	<b>771,269</b>	<b>368,531</b>

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 2020**

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 6 Woodlands Square, Woods Square Tower 2, #03-01, Singapore 737737.

**2. Summary of significant accounting policies**

**a) Basis of preparation**

The financial statements 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 Society adopts fund accounting in these financial statements. The financial activities of the Society are organised by separate individual funds for accounting purposes, each of which is a separate account segregated to carry on specific activities or attain certain objectives in accordance with specific regulations, restrictions, or limitations. Each fund has its own income and expenditure. Each fund is also independently maintained from other funds. Income and expenditure relating to the funds are accounted for directly in the funds to which they relate.

The financial statements are presented in Singapore Dollar ("S\$"), which is the Society's functional currency.

The preparation of these financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Society's accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affects 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 income and expenses during the financial period. 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. Summary of significant accounting policies (cont'd)

### a) Basis of preparation (cont'd)

#### *New and revised standards that are adopted*

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.

#### *New and revised standards not yet effective*

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 2020 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 child care, children & student care and education services to children aged from 2 months to 6 years old. The Society has the right to school fees (including other related fees) from the children for an amount that corresponds directly with the provision of child care and other incidental services on a monthly basis.

#### *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 for an amount that corresponds directly with the provision of services over the period of the programme.

Accordingly, programme income is recognised as income over the period of the programme as services are rendered.

#### *Revenue from youth school program*

The Society provides specialised after-school programme to youths in secondary schools. The Society has the right to programme income (including other related fees) from the schools for 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 the period of the programme as services are rendered.

#### *Revenue from Reformatory 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 Singapore Prison Service 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.

## 2. Summary of significant accounting policies (cont'd)

### b) Income recognition (cont'd)

#### *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 are expected to be complied with. When the grant relates to an expense item, it is recognised in income or expenditure over the period necessary to match 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.

### 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 to 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.

## 2. Summary of significant accounting policies (cont'd)

### 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.

### 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.

## 2. Summary of significant accounting policies (cont'd)

### g) Financial assets (cont'd)

#### *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.

#### *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.

## 2. Summary of significant accounting policies (cont'd)

### 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.

### l) Leases

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

#### *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.

## 2. Summary of significant accounting policies (cont'd)

### 1) Leases (cont'd)

#### *Lease liabilities (cont'd)*

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.

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 Provisions, Contingent Liabilities and Contingent Assets*. 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 Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(d).

**2. Summary of significant accounting policies (cont'd)**

**m) Funds**

Fund balances restricted by outside sources (“restricted funds”) are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the Board Members. Externally restricted funds may only be utilised in accordance with the purposes for which they are established. Unrestricted funds represent funds received by the Society that are expendable for any activity of the Society at the discretion of the Board Members in furtherance of the Society’s objectives.

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

**3. Donations**

	<b>Total funds</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Tax-deductible donations	3,712,489	2,810,938
Non-tax-deductible donations	343,111	224,939
	<b>4,055,600</b>	<b>3,035,877</b>

**4. Government grants and subsidies**

	<b>Total funds</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Jobs Support Scheme [Note 13(b)]	997,774	–
Wage Credit Scheme/Special Employment Credit	133,676	93,796
IA and HR Grants	79,998	–
Levy rebate	30,809	–
Property Tax and Rental Relief	17,457	–
COVID-19 LOA/SHN Support Programme	10,670	–
Others	3,151	22,892
	<b>1,273,535</b>	<b>116,688</b>

**5. Staff costs**

	<b>Total funds</b>	
	<b>2020</b>	<b>2019</b>
	\$	\$
Salaries and bonus	4,843,865	4,675,025
Contributions to CPF	615,729	633,825
Other staff benefits	268,047	319,580
	<b>5,727,641</b>	<b>5,628,430</b>

**6. Charities expenses**

	<b>Total funds</b>	
	<b>2020</b>	<b>2019</b>
	\$	\$
Repair and maintenance	346,005	285,583
Fund-raising costs	941	69,989
Lease expense - short-term leases (Note 8)	117,556	113,064
Rental of equipment	14,994	22,524
Centres' operating costs	541,882	543,728
Children festival costs	11,899	103,942
Utilities	70,000	81,310
Audit fees	12,000	13,000
Professional fees	45,278	11,064
Subscription fees	42,082	35,047
Out-sourced service costs	42,090	49,330
Communication/internet	25,387	24,994
GST expenses	34,366	14,166
Others	54,870	61,456
	<b>1,359,350</b>	<b>1,429,197</b>

**7. Property, plant and equipment**

	Leasehold properties \$	Furniture and fittings \$	Kitchen equipment \$	Playgroup equipment \$	Renovation \$	Computer \$	Office equipment \$	Asset under construction \$	Total \$
<b>2020</b>									
<b>Cost</b>									
Balance at 1.1.2020	1,861,700	332,886	11,656	26,665	3,315,085	238,174	163,809	8,151	5,958,126
Additions	2,300,500	82,871	8,495	—	663,899	—	39,362	88,415	3,183,542
Write-off	—	—	(284)	—	—	—	—	—	(284)
Balance at 31.12.2020	<b>4,162,200</b>	<b>415,757</b>	<b>19,867</b>	<b>26,665</b>	<b>3,978,984</b>	<b>238,174</b>	<b>203,171</b>	<b>96,566</b>	<b>9,141,384</b>
<b>Accumulated depreciation</b>									
Balance at 1.1.2020	326,050	243,634	7,438	26,665	2,590,493	173,073	154,048	—	3,521,401
Depreciation charge	174,565	46,316	2,111	—	391,084	28,850	8,578	—	651,504
Write-off	—	—	(284)	—	—	—	—	—	(284)
Balance at 31.12.2020	<b>500,615</b>	<b>289,950</b>	<b>9,265</b>	<b>26,665</b>	<b>2,981,577</b>	<b>201,923</b>	<b>162,626</b>	<b>—</b>	<b>4,172,621</b>
<b>Net carrying value</b>									
At 31.12.2020	<b>3,661,585</b>	<b>125,807</b>	<b>10,602</b>	<b>—</b>	<b>997,407</b>	<b>36,251</b>	<b>40,545</b>	<b>96,566</b>	<b>4,968,763</b>

**7. Property, plant and equipment (cont'd)**

	Leasehold properties \$	Furniture and fittings \$	Kitchen equipment \$	Playgroup equipment \$	Renovation \$	Computer \$	Office equipment \$	Asset under construction \$	Total \$
<b>2019</b>									
<b>Cost</b>									
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
<b>Cost at 1.1.2019, restated</b>	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)
<b>Balance at 31.12.2019</b>	1,861,700	332,886	11,656	26,665	3,315,085	238,174	163,809	8,151	5,958,126
<b>Accumulated depreciation</b>									
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)
<b>Balance at 31.12.2019</b>	326,050	243,634	7,438	26,665	2,590,493	173,073	154,048	-	3,521,401
<b>Net carrying value At 31.12.2019</b>	1,535,650	89,252	4,218	-	724,592	65,101	9,761	8,151	2,436,725

**7. Property, plant and equipment (cont'd)**

(a) The Society received a donation-in-kind in the form of a lease from a third party to co-share a community space with two non-profit organisations at rent-free. The initial lease is for a term of 20 years 11 months from the date of the 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. The fair value of the donation-in-kind is based on a valuation carried out by an independent professional valuer using the Replacement Cost Approach. The fair value of the property was determined by an independent professional valuer to be \$2,150,000 as at 5 February 2020 (based on temporary occupation permit) and adding incidental costs.

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

	2020 \$	2019 \$
General Fund	497,953	523,533
Restricted Fund - Asset Capitalisation Reserve (Note 15)	153,551	59,328
Statement of comprehensive income	<u>651,504</u>	<u>582,861</u>

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

(d) Included in property, plant and equipment is right-of-use asset of \$52,864 (2019: \$67,282) (Note 8).

**8. 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 18(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 7) as follows:

	2020 \$	2019 \$
Leasehold properties	<u>52,864</u>	<u>67,282</u>

## 8. Leases (cont'd)

Information about leases for which the Society is a lessee is presented below (cont'd):

*Amounts recognised in the statement of comprehensive income*

	2020	2019
	\$	\$
<i>Depreciation charge for the financial year</i>		
- Leasehold properties	14,418	14,418
<i>Lease expense not included in the measurement of lease liabilities</i>		
- Lease expense - short-term leases (Note 6)	117,556	113,064
Interest expense on lease liability	3,068	3,709

Total cash flows for leases amounted to \$134,092 (2019: \$129,600).

## 9. Other receivables

	2020	2019
	\$	\$
Other receivables	282,170	876,912
<i>Less: Allowance for expected credit loss</i>		
Balance at beginning of financial year	(49,416)	-
Allowance for impairment - lifetime ECL (credit impaired)	(10,260)	(49,416)
Receivables written off	22,128	-
Balance at end of financial year	(37,548)	(49,416)
Net	244,622	827,496
Prepayments	29,174	40,825
Deposits	19,290	32,448
Jobs Support Scheme grant receivable [Note 13(b)]	110,000	-
Interest receivable	7,069	32,578
	410,155	933,347

## 10. Fixed deposits

The fixed deposits are placed with the banks and mature varying from 2 to 12 (2019: 2 to 12) months from the balance sheet date. These deposits earn interests ranging from 0.10% to 0.60% (2019: 1.40% to 2.10%) per annum.

**11. Deferred capital grants**

	2020 \$	2019 \$
<b>Cost</b>		
Balance at 1 January	2,517,482	2,414,082
Payment for purchase of property, plant and equipment (Note 13)	–	103,400
Balance at 31 December	<u>2,517,482</u>	<u>2,517,482</u>
<b>Accumulated amortisation</b>		
Balance at 1 January	1,870,364	1,392,939
Amortisation during the financial year	399,201	477,425
Balance at 31 December	<u>2,269,565</u>	<u>1,870,364</u>
<b>Net carrying amount</b>		
Balance at 31 December	<u>247,917</u>	<u>647,118</u>
Representing:		
Non-current	66,658	247,917
Current	181,259	399,201
	<u>247,917</u>	<u>647,118</u>
Represented by:		
Care and Share Grants (Note A)	184,154	546,332
ECDA Grant (Note B)	63,763	100,786
	<u>247,917</u>	<u>647,118</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**

Care and Share 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; and

**Note B**

ECDA 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.

**12. Lease liability**

	2020 \$	2019 \$
Non-current	41,264	55,405
Current	14,141	13,468
<b>Total</b>	<b>55,405</b>	<b>68,873</b>

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

	<b>Lease liability</b>	
	2020 \$	2019 \$
Balance as at 1 January	68,873	–
Adoption of FRS 116	–	81,700
Changes from financing cash flows:		
- Repayments	(13,468)	(12,827)
- Interest paid	(3,068)	(3,709)
Non-cash changes:		
- Interest expense on lease liability	3,068	3,709
<b>Balance at 31 December</b>	<b>55,405</b>	<b>68,873</b>

**13. Accruals and other payables**

	2020 \$	2019 \$
Deposits received	278,439	249,235
Contract liability	18,457	16,624
Accrued operating expenses	864,516	424,966
Sundry payables	104,289	119,235
Deferred grant income - Care and Share Grant (a)	–	–
Deferred grant income - Jobs Support Scheme (b)	110,000	–
	<b>1,375,701</b>	<b>810,060</b>

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

	2020 \$	2019 \$
Balance as at beginning of the financial year	–	10,788
Received during the financial year	–	103,400
Expenditure - utilised for purchase of property, plant and equipment transferred to deferred capital grants (Note 11)	–	(103,400)
Expenditure expensed to income or expenditure	–	(10,788)
<b>Balance as at end of the financial year</b>	<b>–</b>	<b>–</b>

### 13. Accruals and other payables (cont'd)

(a) Details of deferred grant income - Care and Share Grant are as follows (cont'd):

Under the Care and Share Grant (“CSG”) given 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.

(b) Deferred grant income of \$110,000 relates to Jobs Support Scheme (“JSS”) that was announced at Budget 2020 and further enhanced with the Resilience, Solidarity and Fortitude Budgets. The JSS is intended to provide wage support to employers to help retain the local employees during the period of economic uncertainty caused by COVID-19 pandemic. Under the JSS, the Government will co-fund between 25% to 75% of the first \$4,600 of gross monthly wages paid to each local employee in a ten-month period (up to August 2020) and 10% to 50% of the same in the subsequent seven-month period (September 2020 to March 2021) through cash subsidies.

The Society has recorded JSS grant income of \$997,774 under Government grants and subsidies (Note 4) in the statement of comprehensive income for the financial year ended 31 December 2020 and Jobs support scheme grant receivable of \$110,000 (Note 9) and deferred grant income of \$110,000 on the balance sheet as at 31 December 2020.

### 14. Unrestricted fund - General Fund

	2020 \$	2019 \$
Balance at beginning of financial year	8,302,403	8,160,681
Surplus for the financial year	1,058,303	141,722
Balance at end of financial year	<u>9,360,706</u>	<u>8,302,403</u>

This fund represents the accumulated income for meeting operating expenses of the Society.

**15. Restricted funds**

	Balance at beginning of year \$	Income \$	Expenditure \$	Net surplus/ (deficit) \$	Balance at end of year \$
<b>2020</b>					
Asset Capitalisation Reserve	1,468,368	2,150,000	(153,551)	1,996,449	3,464,817
Steady Readers' Fund	—	28,913	(28,913)	—	—
Youth Mentoring Programme Fund	—	28,732	(28,732)	—	—
MILK Fund	—	—	—	—	—
Kids Champ Club Fund	—	15,495	(8,766)	6,729	6,729
Project Love Fund	—	652,028	(100,826)	551,202	551,202
Children Counselling and Mentoring Fund	72,000	—	(15,276)	(15,276)	56,724
Early Childhood and Training Fund	19,595	—	—	—	19,595
BPJ Silver Fund	—	10,000	—	10,000	10,000
	<b>1,559,963</b>	<b>2,885,168</b>	<b>(336,064)</b>	<b>2,549,104</b>	<b>4,109,067</b>
<b>2019</b>					
Asset Capitalisation Reserve	1,527,696	—	(59,328)	(59,328)	1,468,368
Steady Readers' Fund	—	40,000	(40,000)	—	—
Youth Mentoring Programme Fund	—	—	—	—	—
MILK Fund	46,656	—	(46,656)	(46,656)	—
Kids Champ Club Fund	—	—	—	—	—
Project Love Fund	—	—	—	—	—
Children Counselling and Mentoring Fund	—	72,000	—	72,000	72,000
Early Childhood and Training Fund	—	20,000	(405)	19,595	19,595
BPJ Silver Fund	—	—	—	—	—
	<b>1,574,352</b>	<b>132,000</b>	<b>(146,389)</b>	<b>(14,389)</b>	<b>1,559,963</b>

***Asset Capitalisation Reserve***

This represents donation-in-kind, comprising a leasehold property received by the Society in financial year 2014 and the lease of a community space granted at rent-free during the financial year (Note 7). The depreciation with respect to the aforesaid assets are charged to the Asset Capitalisation Reserve.

***Steady Readers' Fund***

The Steady Readers' Programme was set up to help children who are not reading at their academic age to improve. The expenses related to the Steady Readers' Programme are reflected as Staff Cost in the Statement of Comprehensive Income.

***Youth Mentoring Programme Fund***

The Youth 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. The expenses related to the Youth Mentoring Programme are reflected as Staff Cost in the Statement of Comprehensive Income.

## 15. Restricted funds (cont'd)

### *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. The expenses related to the MILK Fund are reflected as Financial Assistance in the Statement of Comprehensive Income. The programme ceased in 2019.

### *Kids Champ Club Fund*

Kids Champ Club Fund was set up to help children between 7 to 10 years old to live out good character values and cope with socio-emotional issues. The expenses related to the Kids Champ Club programme are reflected as Staff Cost and Other Costs in the Statement of Comprehensive Income.

### *Project Love Fund*

Project Love Fund was set up as a direct financial assistance scheme to ensure no child is deprived of basic education due to financial hardship and to meet the needs arising from the COVID pandemic. The expenses related to the Project Love Fund are reflected as Financial Assistance in the Statement of Comprehensive Income.

### *Children Counselling and Mentoring Fund*

Donation was received from President's Challenge in the year 2019 to set up a Children Counselling Programme and to cover the rental of Children Mentoring Centre. The expenses related to President's Challenge Funds are reflected as Staff Cost and Charities expenses in the Statement of Comprehensive Income.

### *Early Childhood and Training Fund*

A 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. There is no expense related to Early Childhood & Training Fund during the financial year.

### *BPJ Silver Fund*

Donation was received from Bukit Panjang Citizens' Consultative Committee (CCC) to help vulnerable and needy Bukit Panjang Elderly Residents. There is no expense related to BPJ Silver Fund during the financial year.

## 16. Capital commitments

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

	2020	2019
	\$	\$
Property, plant and equipment	-	171,263

**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 (2019: \$87,600) for rental and \$12,000 (2019: \$12,000) 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 (2019: \$99,600), 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:

	2020	2019
	\$	\$
Salaries, allowance and bonuses	730,777	735,835
CPF contributions	106,993	96,393
	837,770	832,228

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

	No. of key management staff	
	2020	2019
Remuneration band (\$)		
Between \$0 to \$100,000	7	5
Between \$100,001 to \$200,000	3	3
	10	8

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.

**17. Related party disclosures (cont'd)**

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

(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.

None of the Board members and their close family members have received any form of remuneration and benefits from the Society for the financial years ended 31 December 2020 and 31 December 2019.

**18. Financial instruments**

**a) Categories of financial instruments**

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

	2020 \$	2019 \$
<i>Financial assets</i>		
Financial assets at amortised cost	10,040,859	8,910,867
<i>Financial liabilities</i>		
Financial liabilities at amortised cost	1,011,624	741,376

**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 (2019: 1 debtor) that individually represented 49% (2019: 77%) of the other receivables.

**18. 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 2020 and 31 December 2019 is not material, accordingly no expected credit loss allowance is provided as at 31 December 2020 and 31 December 2019 except for credit loss allowance of \$37,548 (2019: \$49,416) being provided for those other receivables which the amounts are past due and no realistic prospect of recovery.

Movements in credit loss allowance is disclosed in Note 9.

*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 manages 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 10).

*Foreign exchange risk*

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

*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.

## 18. 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.

	← 2020 →			← 2019 →		
	\$			\$		
	1 year or less	1 to 5 year	Total	1 year or less	1 to 5 year	Total
Accruals and other payables	956,219	–	956,219	672,504	–	672,504
Lease liability	16,536	44,096	60,632	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.

## 19. Fund management

The Society's objectives when managing its funds are to safeguard and to maintain adequate working capital to continue as a 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.

## 20. Authorisation of financial statements

The financial statements of the Society for the financial year ended 31 December 2020 were authorised for issue by the Board on 17 April 2021.

# ADDITIONAL INFORMATION

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## **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.

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 <https://www.newlife.org.sg/conflict-of-interests/>

## **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.

Reserve Ratio: 1.18 times

General Reserve \$9.4m over

Total Expenditure \$8m

The reasonable period for NLCS to meet its payroll and OPEX without any income is estimated 1 year and 2 months.

# CONTACT US

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## HEADQUARTERS

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6 Woodlands Square, #03-01  
Singapore 737737  
TEL 6892 7191  
email@newlife.org.sg

## STAY CONNECTED



New Life Community Services

 [www.newlife.org.sg](http://www.newlife.org.sg)

## CHILDCARE CENTRES

### BUKIT PANJANG

10 Jelapang Rd  
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TEL 6892 0179  
enquiry.bpjcc@newlife.org.sg

### JUNCTION 10

The Tenny, 1 Woodlands Road  
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### WOODLANDS INFANT & CHILDCARE CENTRE

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## CHILDREN PROGRAMMES

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## CHILDREN & STUDENT CARE

### BUKIT PANJANG

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### TECK WHYE

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### WOODLANDS

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## YOUTH SERVICES

### FAJAR YOUTH HUB

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### JUNCTION 10 YOUTH HUB

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### WOODLANDS YOUTH HUB

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## CASEWORK & COUNSELLING

Blk 540 Woodlands Dr 16  
#01-79 Singapore 730540  
TEL 6892 7116  
email@newlife.org.sg

# CORPORATE DATA

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## 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

**a Registered Charity**  
registered under The Charities Act  
on 13 Aug 2001  
Registration No. 1518

**a Full Member of National Council**  
of Social Service since 16 Sep 2002

**an 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

## AUDITOR

**Baker Tilly TFW LLP**  
Public Accountants and  
Chartered Accountants  
600 North Bridge Road,  
#05-01 Parkview Square,  
Singapore 188778

## AUDIT PARTNER

**Mr Lim Kok Heng**

## VISION



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.

## MISSION

**LOVE THE COMMUNITY  
FOR CHRIST**