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17TH ANNUAL GENERAL MEETING

**TUESDAY, 19 APRIL 2016
@ 6.30 PM**

2015 ANNUAL REPORT

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GOOD NEWS COMMUNITY SERVICES (“GNCS”)

NOTICE IS HEREBY GIVEN that the 17th Annual General Meeting of GNCS will be held on 19th April 2015 at 6.30 p.m. at #02-15 COR Conference Room

AGENDA

1. President’s Address
2. Opening Prayer
3. Confirmation of Minutes of the 16th AGM held on 12th Apr 2015
4. Matters Arising
5. To receive and adopt the audited financial statements for the year ended 31st December 2015
6. To appoint Subraco LLP as auditor and to authorize Executive Committee to approve the audit fees for the year ended 31st December 2016
7. Report from the Centres
 - Pasir Ris Family Service Centre
 - Sonshine Child Care Centre
 - Commonwealth Student Care Centre
8. Any other matters
9. Closing Prayer

President's Address

Dear Friends, thank you for making the time to be at this AGM. I warmly welcome you to the meeting.

We are a charity that seeks to provide social services 'for the alleviation of poverty, suffering, ignorance of ill-health whether physical or mental, without limitation of age, sex, race, nationality, religion or moral character, by the provision of assistance, education, training, service or counselling.' In short we are a help organisation that seeks to serve all in our society, (technically speaking, even non-Singaporeans) regardless of their personal backgrounds.

As we meet for AGM today, I like to reflect with you on the first two words of our name - 'Good News'. This phrase distinguishes us from many other Community Services organisations in Singapore. We all know that the phrase 'Good News' comes straight out of the Bible, specifically from Mark 1:1 (NIV translation) - 'the good news about Jesus the Messiah, the Son of God.' and similar passages. Other Bible translations of Mark 1:1 would render 'Good News' as 'Gospel'. Of course, for someone with no Christian vocabulary, the phrase 'Good News' make better sense than the word 'Gospel.'

In what way is 'Jesus the Messiah, the Son of God' good news? What Mark, the Gospel writer, asserts right in the beginning of his writing, he explains in the next 16 chapters and culminates in Mark 16:15, when he recorded this instruction of Jesus to His followers, 'Go into all the world and preach the Good News to all creation.' The Good News is about God's love for all humanity and how He sent Jesus into our world to die for the sins of humanity so that through Jesus the Messiah, the long promised Saviour (to the Jewish people in the first instance), human sins may be forgiven and we may in consequence live in reconciliation with God. We refer to this instruction as the Great Commission.

Some people refer to the social angle of the Christian message, i.e. to love others, to care for the needy and the disadvantaged, as the Great Compassion. It is right that we Christians should reflect the love of God by His compassion in us. The 'Good News' is both Great Commission and Great Compassion - they both reflect the love of God for all humanity.

As we serve our communities, whether it is via the Commonwealth Student Care Centre, the Sonshine Childcare Centre, or the Pasir Ris Family Service Centre, it is right that our effort is driven by the Great Compassion as well as the Great Commission as they both collectively make up the 'Good News ...'. It goes without saying that without the life and the Holy Spirit of Jesus in our lives, the Good News Community Services would never have been birthed in the first place. Therefore as we serve God and people through the various arms of GNCS, we need to keep in mind what truly motivates us.

Finally, it leaves me to thank all present at this AGM, and in particular, Ms. Tiong Siew Eng, Ms. Sangeeta, Mr. Peter Chiang and all the Executive Committee of the GNCS for your service unto the Lord. May we offer our services to God as our act of worship, and may He bless us with His grace and abiding presence. Amen.

Bishop Kuan Kim Seng,
President, GNCS

GOOD NEWS COMMUNITY SERVICES**Minutes of the 16th Annual General Meeting of Good News Community Services
held on 12th April 2015 at 1230 hrs in COR Conference Room #02-15****Present**

Rev Canon Daniel Tong	(DT)	President
Dr Leong Soon Kai	(SK)	Vice President
Mr. Tay Khoon Eng	(KE)	Honorary Secretary
Ms Jacqueline Tan Yi Ping	(JT)	Management Committee Member
Mr Simon Soh Soon Heng	(SS)	Management Committee Member
Mr Dui Sian Ling	(SL)	Management Committee Member
Mr Timothy Ng Heo Yong	(TN)	Ordinary Member
Ms Fay Cherly Lim Huey Shan	(FL)	Ordinary Member
Mr Scott Lee Hon Mun	(SL)	Ordinary Member
Mr Peter Chang Kay Hoi	(PC)	Ordinary Member
		Executive Director-Pasir Ris Family Service Centre (PRFSC)

In Attendance

Rev Victor Teo	(VT)	COR representative
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Absent with Apologies

Mr Gan Tian Huat	Honorary Treasurer
Mr Christopher Krishnasamy	Management Committee Member
Mr Chelladurai Subasanran	Management Committee Member
Mr Peter Hui Kwok Thong	Management Committee Member
Ms Yvonne Chiam Phaik Lean	Ordinary Member
Mr Vincent Wang Zexiong	Ordinary Member
Ms Dawn Soh Ling Na	Ordinary Member
Ms Catherine Zhang Jieling	Ordinary Member
Mr Gene Tan Wing Loon	Ordinary Member

Absent with Apologies (By Invitation)

Ms Umaglia K Sangeeta	Supervisor-Sonshine Childcare Centre (SCC)
Ms Tiong Siew Ing	Supervisor-Commonwealth Student Care Centre (CSCC)

**Action
By****1.0 PRESIDENT'S OPENING ADDRESS**

President opened the meeting, reading the passage from Psalms 137.

In view of the challenges faced by the members in running GNCS HQ as well as the various centres, having to find staff, playing catch up with all the government policies changes and pressing in to the future with new centres, President reminded all through the reading of this Psalm, especially in verse 1 "unless the Lord builds the house, the builders labor in vain" that we are to learn to surrender our stress and put it in God's hands. We are, however, not to take it as a call to relax and not work as voiced in Verse 2.

Just as in Verse 3, there is a need for GNCS to think in terms of renewal – requiring new blood in the future for both the members as well as the Management Committee so as to continue to grow and develop from generation to generation.

With that, he urged all to continue to pray for the Lord to bring in new members and staff, and pray that He will bless the labor of our hands as we press on with the work at GNCS.

2.0 OPENING PRAYER

Rev Victor Teo opened the meeting with a word of prayer.

After the Prayer, the President welcomed all to the meeting.

3.0 CONFIRMATION OF MINUTES OF THE 15TH ANNUAL GENERAL MEETING HELD ON 27TH APRIL 2014.

Referring to Items 5.0, Timothy Ng enquired on the “Accountancy Fee” of \$2000. Leong Soon Kai explained the rationale behind the \$2000 audit fee and that it was mainly on account reconciliation and not bookkeeping per se.

There being no further query or amendment to the minutes, the minutes were approved by all present.

Proposer: Leong Soon Kai

Secunder: Jacqueline Tan Yi Ping

4.0 MATTERS ARISING

4.1 The terms “Accountancy Fee” used by the Auditor

SK

President agreed to review the terms raised earlier by Timothy Ng, for better clarity. Leong Soon Kai will check with the Auditor on this issue.

4.2 Sub-committees

MC

Elaborating on Item 7.1, President affirmed that two sub-committees had been formed, namely, the Audit Committee and the Human Resources (HR) Committee.

Timothy Ng (Chairman of Audit Committee) remarked that members for the Audit Committee were as yet firmed. This would be looked into asap.

4.3 Allocation of Surpluses from PRFSC (Item 7.3)

President reported that the allocation of surpluses from PRFSC was still in the works, pending a clearer indication from the national agency.

Vice President clarified that the authority had written to Treasurer concerning the proper usage of the surpluses. Those funds from the surpluses that were originated from the grant given by the government and the donor (Singapore Pool) must

be used for specific purposes and it should be classified as restricted fund and not unrestricted. Currently, surpluses from the 3 centres were lumped into the common pool (general fund) in which the authority felt was incorrect. At this stage, they have requested GNCS to reflect the changes in the 2013 and 2014 accounts, discounting those prior to 2013. Even then, Vice President felt that it is still a challenge for the Finance Department to generate the figures. In this case, PRFSC needs to identify the specific purposes of the 2013 and 2014 grants (a requirement under the CAS to departmentalise the account) and not to use any designated surpluses from 2013 and 2014 for setting up the bursary fund, until the fund is clearly segregated.

PC

5.0 TO RECEIVE AND ADOPT THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2014

In the absence of Honorary Treasurer (hospitalised), Vice President presented the accounts of the three operating units;

Referring to the combined Balance Sheet of GNCS (shown in Page 3), he highlighted the following points:

- i. The net assets had grown by about \$600,000
- ii. A sizable fixed deposit and cash were accumulated
- iii. This has caused the authorities to query whether our accumulated funds might not be used for its primary purpose. Thus GNCS will have to re-study the “unrestricted fund” to further identify and then transfer the identified amount to the restricted fund. There is need to work in tandem with the Auditor and the authority.

(Just a recap - majority of the surpluses were accumulated by PRFSC through savings in manpower expenses, rather than operational expenses.)

Vice President pre-empted that the account for 2015 will have a different presentation based on CAS which will be compulsory for all charitable organisations, with segregated accounts for project identification.

There was a great interest among the members on the separation of restricted and unrestricted funds. President finally rounded up the discussion by approximated a surpluses of \$3millions from the 2013 and 2014 operation based on the account presented, with roughly two-thirds likely to be classified under “unrestricted”. Assuming that is the outcome, then there are two actions for the next MC to deliberate:

MC

- i. The bursary can continue.
- ii. The MC must have plan to manage the sizeable restricted fund.

5.1 Good News Community Services – combined financial results for the year ended 31st December, 2014.

GNCS Annual Report 2015

Items	YTD 2014	YTD 2013	% change 2014 vs. 2013
Total Income	\$2,635,305	\$2,845,523	-7.4%
Expenditure Manpower	\$1,632,966	\$1,703,673	-4.2%
Other Operating Expenditure	\$328,301	\$353,068	-7.0%
Total Expenditure	\$1,961,267	\$2,056,741	-4.6%
Surplus for the year transferred to General Fund	\$674,038	\$788,782	-14.5%

For the year ended 31st December 2014, Total Income decreased by \$210,218, mainly contributed by

- a. Grants for FSC operations increased by \$95,165 – 7.9% but grants for CSP operations decreased by \$171,986 – 35.7%.
- b. Income in SCC and CSCC decreased by \$120,820 – 12% from lower enrolment.
- c. Receipts under Special Employment Credit/Wage Credit Scheme increased by \$39,533 – 161.7%.

Total Manpower Expenditure decreased by \$70,707, contributed by

- a. Due to delays in filling vacancies in PRFSC and SCC.

Total Other Operating Expenditure decreased by \$24,767, contributed by

- a. Depreciation of plant and equipment fully depreciated.

5.2 Financial Results of the three operating centres were as follows:

Surplus for the Year	YTD 2014	YTD 2013	% change 2014 vs. 2013
PRFSC	\$605,930	\$655,779	-7.6%
SCC	\$53,900	\$130,735	-58.8%
CSCC	\$14,208	\$2,268	+526.4%
GNCS	-	-	
Combined GNCS	\$674,038	\$788,782	-14.5%

GNCS Annual Report 2015

For the year ended 31st December 2014, overall surplus was down by \$114,744, partly contributed by

Pasir Ris Family Service Centre

Reduction in CSP funding and higher operating expenses resulted in the lower operating surplus.

Sonshine Childcare Centre

Reduction in enrolment resulted in the lower operating surplus.

Commonwealth Student Care Centre

Increased in school fees in 2014 together with increased receipts for SEC/WCS resulted in the higher operating surplus.

Combined operating surplus for all the three centres decreased by 14.5% to \$674,038.

Overall, the balance sheet reflected a healthy operating surplus from the three centres increased the General Fund by 16.7% to slightly more than 4.6 million.

Summary comparison of the Funds

	2014	2013	Variance
Unrestricted Funds			
General Fund	\$4,694,016	\$4,019,978	\$674,038
Restricted Funds			
Other Funds	\$370,169	\$384,557	-\$14,388
Total Funds	\$5,064,185	\$4,404,535	

During the year donations total \$21,991 and C&S grants \$3,862.50 for the Five Loaves and Two Fishes Fund was received and \$20,627.29 was used to purchase groceries and household supplies for needy households in Pasir Ris.

Movements in the Deferred Capital Donations/Grant Fund reflect purchase of computers and amortization of fixed assets.

As we start to implement CAS in 2015 there is an increasing need to differentiate surpluses.

Recently we received a request to designate the surplus that we receive from their grants to a Restricted Fund. We are presently in dialogue to clarify the amount.

The 2015 budget projects a substantial reduction in the operating surplus from the present \$675,038 to slightly more than \$85,000.

The reduction of slightly more than \$590,000 was to recognize the end of funding for CSP activities and to provide for the full complement of staff in PRFSC and SCC.

There being no other questions, the accounts were adopted.

Proposed : Dui Sian Ling

Seconded : Leong Soon Kai

All present approved the audited accounts.

6.0 TO APPOINT SUBRACO LLP AS AUDITOR AND TO AUTHORIZE EXECUTIVE COMMITTEE TO APPROVE THE AUDIT FEES FOR THE YEAR ENDED 31ST DECEMBER 2015

Vice President shared that the Auditor had actually tendered their resignation in 2014 due to heavy workload but after some persuasion by the Treasurer and Vice President the Auditor agreed to continue for another one year.

In Year 2016, the MC will have to look for another Auditor firm.

The appointment was passed by the MC and the Executive Committee was authorized to approve the audit fees for the year ended 31st December 2013.

Proposed: Tay Khoon Eng

Seconded: Simon Soh Soon Heng

MC

7.0 REPORT FROM THE CENTRES

President gave a brief summary report on all the 3 Centres, highlighting the challenges facing each one of them.

7.1 Pasir Ris Family Service Centre (PRFSC)

In PRFSC, staffing is still a major challenge, especially the social workers category with more government agencies forming their own social arm, for example MOE is also recruiting social workers. One of the staff left PRFSC to join MOE. Hospitals are recruiting medical social workers and on top of that more FSCs are also coming on stream. As such we have been asked to look to overseas for staff, in particular those from Hong Kong. But on the other hand, MOM is restricting foreign workers. Nonetheless, the MC may have to look to a policy for hiring staff from overseas, giving due consideration to social impact.

With the new formation under the MSF, secondary programmes such as those involving the community services and counselling run by PRFSC had to be terminated, unless the programme is directly related to their clients.

PRFSC has been considering setting up an alternate counselling centre such that the secondary programmes can potentially move over to the centre. The incoming MC would have to explore further.

There is also a need for leadership renewal as Peter Chang has another one and half year to serve before his retirement.

MC

7.2 Sonshine Childcare Centre (SCC)

SCC too faced the staffing problem and with the government putting more childcare centres in new estates that may cause a demographic shift. The hiring of foreigner applied to Childcare centres also.

At the moment the intake of children is still very basic with more challenges ahead like the ageing estate and other centres are upgrading.

SCC is due for cyclical maintenance this year.

7.3 Commonwealth Student Care Centre (CSCC)

The MC has made the decision to let the lease of CSCC to run down till 2021, and not seek to renew it thereafter. The current site is due for redevelopment and many of the residents will be relocated.

CSCC has been offered an alternate site in Dawson. However the area was saturated with 5 or more churches that were very active in ministry works.

The other option is to consider tender for centres in the Bidadari estate or other places nearer to COR where there will be more opportunity for ministry works also.

With that the President registered a note of thanks to Ms Tiong Siew Ing for her work in CSCC.

Moving on, the incoming MC will have to make preparation concerning Ms Tiong's future in the organisation.

Overall in GNCS, a new position, a Development Manager, has been created at the HQ level. James Zhou has accepted the appointment and he will commence work from 15 May 2015.

The goal is for James to operationalise the projected tasks such as the PRFSC counselling centre, SCC cyclical maintenance and the Bidadari project.

With regard to the question on CEO, President replied that there was no CEO but presently the task is split between the Centres' Head and the President.

MC

8.0 ELECTION OF MANAGEMENT COMMITTEE (MC)

The following members were nominated and seconded for the respective positions (refer to List of Nominees for Management Committee for details):

- | | |
|-------------------------|---------------------------|
| 1) President | Rt Rev Kuan Kim Seng |
| 2) Vice President | Dr Leong Soon Kai |
| 3) Honorary Treasurer | Mr Tay Khoon Eng |
| 4) Honorary Secretary | Mr. Gan Tian Huat |
| 5) Management Committee | Ms Jacqueline Tan Yi Ping |

	Member	
6)	Management Committee Member	Mr Simon Soh Soon Heng
7)	Management Committee Member	Mr Dui Sian Ling
8)	Management Committee Member	Mr Peter Hui Kwok Thong
9)	Management Committee Member	Mr Scott Lee Hon Mun
10)	Management Committee Member	Mr Vincent Wang
<p>The outgoing President thanked everyone for the support rendered to him. His involvement in GNCS for the last 8 years was an interesting learning journey amidst all the challenges.</p>		
9.0 ANY OTHER MATTERS		
9.1 Data Protection Policy		
<p>Simon Soh enquired on the progress with regard to the Data Protection Regime.</p>		
<p>President shared that James Zhou will take on the development of the Data Protection Procedures.</p>		
<p>Peter Chang further added that the Data Protection Policy and Procedures are in place at PRFSC but the system cannot be modelled for SCC as the nature of work is different.</p>		
9.2 Note of thanks		
<p>On behalf of the MC and GNCS members, Vice President thanked the outgoing President for his leadership in GNCS for the last 8 years, spearheading expansion programmes and looking into the welfare of the staff, among many contributions.</p>		
10.0 CLOSING PRAYER		
<p>There being no further issues to discuss, President closed the meeting with words of prayer.</p>		

Minutes recorded by:
Tay Khoon Eng

Minutes approved by:

Rev. Canon Daniel Tong
President

GNCS Annual Report 2015

GOOD NEWS COMMUNITY SERVICES Annual Report for Year Ended 31 December 2015

Good News Community Services ("GNCS") was set up in 23 April 1999 as a society. It was registered under the Charities Act on 29 September 2000. The Society changed its name from "Good News Community Services Centre" to "Good News Community Services" with effect from 18 April 2008.

Charity Registration Number: 01461

IPC Number: IPC000167

ROS Registration Number: ROS 0269/1998 [UEN: S99SS0015F]

Registered Address: 1 Francis Thomas Drive #02-17
Diocesan Centre Building
Singapore 359340

Management Committee: The Management Committee was elected at the Annual General Meeting held on 12 April 2015 for a term of 2 years

- 1) Kuan Kim Seng President
- 2) Leong Soon Kai Vice President
- 3) Tay Khoon Eng Honorary Treasurer
- 4) Gan Tian Huat Honorary Secretary
- 5) Peter Hui Kwok Thong Committee Member
- 6) Tan Yi Ping Jacqueline Committee Member
- 7) Soh Soon Heng Simon Committee Member
- 8) Dui Sian Ling Committee Member
- 9) Scott Lee Hon Mun Committee Member
- 10) Wang Zexiong Vincent Committee Member

Banker: DBS and UOB

Auditor: M/s Subraco LLP

OBJECTIVE

The objective of the society is to initiate, assist and organize activities and scheme of social service for the alleviation of poverty, suffering, ignorance of ill-health whether physical or mental, without limitation of age, sex, race, nationality, religion or moral character, by the provision of assistance, education, training, service or counselling.

In furtherance, of the above objects, the Society may co-operate with recognised bodies, religion organizations and other welfare agencies, government or private, in conformity with the above objects.

POLICIES

Finance & Funding

The Society raise, receive, administer, invest or distribute funds and property for use as centres or homes for children, aged, sick or any other uses as may deemed necessary for the pursuit of the above objects.

Family Service Centre operations received funds from MSF/ NCSS, TBSSF, Comchest, and from public donations.

For the student care and childcare operations the centres collect fees from the students and clients and subsidies from ECDA.

In addition the centres received significant ongoing non-financial resource support from MSF, NCSS and ECDA for its operations.

STATEMENT OF ACCOUNTS

Audited financial statement for the financial year ended 31 December 2015 of:-

- 1) Good News Community Services (incorporating the results of PRFSC, SCC and CSCC)
- 2) Pasir Ris Family Service Centre
- 3) Sonshine Childcare Centre
- 4) Commonwealth Student Care Centre

REVIEW OF YEAR 2015

Refer to reports of each of the following centres:-

- 1) Pasir Ris Family Service Centre
- 2) Sonshine Childcare Centre
- 3) Commonwealth Student Care Centre

FUTURE PLANS AND COMMITMENTS

GNCS will explore the setting up of student care centres in primary schools.

GOOD NEWS COMMUNITY SERVICES
(Incorporating the results of
Commonwealth Student Care Centre,
Sonshine Childcare Centre and
Pasir Ris Family Service Centre)

REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2015

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SUBRACO LLP
Public Accountants and
Chartered Accountants

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

STATEMENT BY MEMBERS OF THE GOOD NEWS COMMUNITY SERVICES MANAGEMENT COMMITTEE

In the opinion of the members of the Good News Community Services Management Committee, the financial statements of Good News Community Services (Incorporating the results of Commonwealth Student Care Centre, Sonshine Childcare Centre and Pasir Ris Family Service Centre) set out on pages 3 to 21 are drawn up in accordance with the provisions of the Societies Act, Cap 311, The Charities Act, Cap 37 and Charities Accounting Standard so as to give a true and fair view of the financial position of Good News Community Services (Incorporating the results of Commonwealth Student Care Centre, Sonshine Childcare Centre and Pasir Ris Family Service Centre) as at 31 December 2015 and of its results of financial activities and cash flows of Good News Community Services (Incorporating the results of Commonwealth Student Care Centre, Sonshine Childcare Centre and Pasir Ris Family Service Centre) for the year then ended.

The Good News Community Services Management Committee authorised these financial statements for issue on 30 March 2016.

On behalf of the Good News Community Services Management Committee,



BISHOP KUAN KIM SENG
President



TAY KHOON ENG
Honorary Treasurer

Singapore,
30 March 2016

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GOOD NEWS COMMUNITY SERVICES**

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

Report on the Financial Statements

We have audited the financial statements of Good News Community Services (the "Society") (Incorporating the results of Commonwealth Student Care Centre, Sonshine Childcare Centre and Pasir Ris Family Service Centre) set out on pages 3 to 21, which comprise the statement of financial position as at 31 December 2015, and the statement of financial activities and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Committee's Responsibility for the Financial Statements

The Management Committee is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act, Cap 311 ("the Act"), the Singapore Charities Act, Chapter 37 (the "Charities Act") and Charities Accounting Standard, and for devising and maintaining a system of internal accounting control sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of financial activities and statement of financial position and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Society's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Cap 311, the Charities Act, Cap 37 and Charities Accounting Standard so as to give a true and fair view of the financial position of the Society as at 31 December 2015, and the results of financial activities and cash flows of the Society for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Society have been properly kept in accordance with the provisions of the Act.

During the course of our audit, nothing has come to our attention that causes us to believe that during the year, the use of donation monies was not in accordance with the objectives of the Society as required under regulation 16 of the Charities (Institutions of a Public Character) Regulations.


SUBRACO LLP
Public Accountants and
Chartered Accountants

Singapore,
30 March 2016

Partner in charge of audit: Ann A Nargeswari
Effective from year ended 31 December 2014

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

<u>Note</u>	<u>Unrestricted funds</u> \$	<u>Restricted funds</u> \$	<u>2015 Total</u> \$	<u>2014 Total</u> \$
INCOME				
<u>Income from generated funds:</u>				
Voluntary income	27,855	-	27,855	21,991
Activities for generating funds	801,947	-	801,947	923,165
Investment income	4,938	32,755	37,693	25,757
Income from charitable activities	1,207	1,933,351	1,934,558	1,775,266
Other income	104,056	1,690	105,746	104,573
Total income	940,003	1,967,796	2,907,799	2,850,752
EXPENDITURES				
Cost of generating funds	856,750	-	856,750	862,551
Charitable activities	2,424	1,240,148	1,242,572	1,235,667
Governance costs	69,539	86,985	156,524	92,314
Other expenditure	256	-	256	570
Total expenditures	928,969	1,327,133	2,256,102	2,191,102
Net income for the year	11,034	640,663	651,697	659,650
Gross transfers between funds				
Gross transfer (from unrestricted funds)/ to restricted funds	11(a) (3,144,409)	3,144,409	-	-
Net movement in funds	(3,133,375)	3,785,072	651,697	659,650
Reconciliation of funds				
Total funds brought forward	5,036,510	27,675	5,064,185	4,404,535
Total funds carried forward	1,903,135	3,812,747	5,715,882	5,064,185

The notes set out on pages 6 to 21 form an integral part of these financial statements.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

	<u>Note</u>	<u>2015</u> \$	<u>2014</u> \$
ASSETS			
Current assets			
School fees receivables		-	1,053
Other receivables	5	59,372	56,767
Other current assets	6	11,221	9,355
Cash and cash equivalents	7	5,805,893	5,124,961
		<u>5,876,486</u>	<u>5,192,136</u>
Non-current asset			
Plant and equipment	8	<u>42,561</u>	<u>32,058</u>
Total assets		<u>5,919,047</u>	<u>5,224,194</u>
LIABILITIES			
Current liabilities			
Other payables	9	160,385	110,299
Refundable deposits		<u>42,780</u>	<u>49,710</u>
Total liabilities		<u>203,165</u>	<u>160,009</u>
NET ASSETS		<u>5,715,882</u>	<u>5,064,185</u>
FUNDS			
Unrestricted funds			
General fund		1,534,801	4,694,016
Designated funds	10	<u>368,334</u>	<u>342,494</u>
		1,903,135	5,036,510
Restricted funds	11	<u>3,812,747</u>	<u>27,675</u>
TOTAL FUNDS		<u>5,715,882</u>	<u>5,064,185</u>

The notes set out on pages 6 to 21 form an integral part of these financial statements.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	<u>Note</u>	<u>2015</u> \$	<u>2014</u> \$
Cash flows from operating activities:			
Net income for the year		651,697	659,650
Adjustment for:			
Depreciation of plant and equipment	8	11,988	32,015
Plant and equipment written off		256	570
Interest received		(37,693)	(25,757)
Operating income before working capital changes		626,248	666,478
Change in working capital:			
School fees receivable		1,053	478
Other receivables		(2,605)	(4,047)
Other current assets		(1,866)	712
Other payables		50,086	30,092
Refundable deposits		(6,930)	(27,460)
Cash generated from operations		665,986	666,253
Interest received		37,693	25,757
Net cash provided by operating activities		<u>703,679</u>	<u>692,010</u>
Cash flows from investing activities			
Purchases of plant and equipment	8	<u>(22,747)</u>	<u>(1,698)</u>
Net cash used in investing activities		<u>(22,747)</u>	<u>(1,698)</u>
Net increase in cash and cash equivalents		680,932	690,312
Cash and cash equivalents at the beginning of the year		<u>5,124,961</u>	<u>4,434,649</u>
Cash and cash equivalents at end of the year	7	<u>5,805,893</u>	<u>5,124,961</u>

The notes set out on pages 6 to 21 form an integral part of these financial statements.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

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

1 GENERAL INFORMATION

Good News Community Services (the "Society") is registered under the Societies Act, Cap. 311 and is a Charity domiciled in Singapore (UEN No. S99SS0015F). The registered office of the Society is located at 1 Francis Thomas Drive, #02-17, Singapore 359340.

The principal activities of the Society are to provide education, supervision care for young children, student care services, counselling services and family life education programmes targeted at parents, married couples, youths and families.

The financial statements of the Society incorporates the results of Commonwealth Student Care Centre, Sonshine Childcare Centre and Pasir Ris Family Service Centre.

In the financial statements, CDC, CPF, ECDA, NCSS and MSF represent Community Development Council, Central Provident Fund, Early Childhood Development Agency, National Council of Social Service and Ministry of Social and Family Development.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with Charities Accounting Standard ("CAS") as issued by the Singapore Accounting Standards Council. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements requires the Management Committee 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 year. Although these estimates are based on Management Committee's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

In the current financial year, the Society has adopted CAS which is applicable to financial periods beginning on or after 1 January 2015 in place of previously adopted Singapore Financial Reporting Standards. The adoption of CAS did not result in substantial changes to the Society's accounting policies nor have any significant material impact on these financial statements.

The comparative figures in the financial statements have been reclassified to conform to the current financial year's presentation.

(b) Functional and presentation currency

The Management Committee has determined the currency of the primary economic environment in which the Society operates to be Singapore Dollar ("the functional currency"). The financial statements are presented in Singapore Dollar which is the Society's functional and presentation currency.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Plant and equipment

(i) Measurement

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation.

(ii) Components of costs

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Management Committee.

(iii) Depreciation

Depreciation of plant and equipment is calculated using the straight line method to allocate their depreciable amounts over their estimated useful lives at the following annual rates:

Computers	100%
Furniture and fittings	20%
Office equipment	20%
Renovation	20%

The residual values and useful lives of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision of the residual values and useful lives are recognised in the statement of financial activities when the changes arise.

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

(iv) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the statement of financial activities when incurred.

(v) Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the statement of financial activities in the year the asset is derecognised.

(d) Financial assets

The Society classifies the following financial assets as loans and receivables and are presented in the balance sheet as follows:

- (i) cash and cash equivalents; and
- (ii) school fees receivables, other receivables and deposits.

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

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Financial assets (continued)

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in the statement of financial activities when the loans and receivables are derecognised or impaired and through the amortisation process.

(e) Impairment of financial assets

The Society assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the statement of financial activities.

The impairment allowance is reduced through the statement of financial activities in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(f) Financial liabilities

Financial liabilities includes other payables and refundable deposits.

Financial liabilities are recognised when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. The Society determines the classification of its financial liabilities at initial recognition. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the statement of financial activities when the liabilities are derecognised and through the amortisation process. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(g) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise of short term bank deposits, cash in hand and bank balances.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Funds

(i) Unrestricted funds

Unrestricted funds comprises of general fund and designated funds.

General fund is used for general purposes of the Society. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separated fund (known as "Designated funds"). The designation has an administrative purpose only and does not legally restrict the Management Committee's discretion to apply the fund.

(ii) Restricted funds

Restricted funds are funds subject to specific funded programmes by the government and charity bodies, but still within the wider objects of the Society.

Restricted funds may be utilised in accordance with the purposes established by the sources of such funds whereas unrestricted fund can be used in a manner the Society sees fit in achieving its institutional purposes.

(i) Income recognition

Income comprises the fair value of the consideration received or receivable in the ordinary course of the Society's activities.

(i) Income from generated funds

Voluntary income

Voluntary income in the form of donations is recognised when received with unconditional entitlements to the receipts.

Activities for generating funds

Programme fees, counselling fees, school fees, subsidies from ECDA and tuition fees are recognised as revenue over the period the programmes are conducted and services are rendered.

Investment income

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

(ii) Income from charitable activities

Comprise government grants for the programmes run by the Society. These are recognised as income according to the terms of the funding agreements, on an accrual basis with unconditional entitlement to the receipts.

(iii) Other Income

Comprise of government credits i.e. special employment credit, temporary employment credit, wage credit scheme and other income are recognised as and when received in the current financial year.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Expenditures

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the respective activity. Where costs cannot be wholly attributed to an activity, they have been apportioned on a basis consistent with the use of resources.

(i) Costs of generating funds

Costs of generating funds are those costs attributable to generating income for the Society.

(ii) Costs of charitable activities

Cost of charitable activities comprises of direct costs incurred in the pursuit of the charitable objects of the Society.

(iii) Governance costs

Governance costs include the costs of governance arrangements, which relate to the general running of the Society as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. Expenditure on the governance of the Society will normally include both direct and related support costs which include internal and external audit, apportioned manpower costs and general costs in supporting the governance activities and cost associated with constitutional and statutory requirements.

(k) Operating leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are taken to the statement of financial activities on a straight line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, 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.

(l) Employee benefits - defined contribution plans

The Society makes contributions to the state provident fund known as Central Provident Fund (CPF). CPF contributions are recognised as compensation expense in the same period as the employment that gives rise to the contributions.

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Society makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

GOOD NEWS COMMUNITY SERVICES
(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

4 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds			Restricted funds					Total funds
	General fund	Designated funds	Total	FSC Operation fund	Care and Share fund	FSC Comcare fund	NEER fund	SPMF fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
INCOME									
Income from generated funds:									
<u>Voluntary income</u>									
- Tax deductible donations	-	27,855	27,855	-	-	-	-	-	27,855
Activities for generating funds									
- School fees-Centre based student care and childcare	388,113	-	388,113	-	-	-	-	-	388,113
- School fees subsidies	354,836	-	354,836	-	-	-	-	-	354,836
- Income from school programme	58,998	-	58,998	-	-	-	-	-	58,998
	801,947	-	801,947	-	-	-	-	-	801,947
<u>Investment income</u>									
Interest income	4,938	-	4,938	32,755	-	-	-	-	37,693
Total income from generated funds	806,885	27,855	834,740	32,755	-	-	-	-	867,495
Income from charitable activities									
Capital grant received	-	1,207	1,207	10,773	-	-	-	-	11,980
Counselling fees	-	-	-	40,247	-	-	-	-	40,247
Funding from MSF	-	-	-	1,669,948	-	-	-	-	1,669,948
Programme funding	-	-	-	65,834	34,138	5,200	-	107,211	212,383
Total income from charitable activities	-	1,207	1,207	1,786,802	34,138	5,200	-	107,211	1,934,558
Other Income									
Government credits	100,475	-	100,475	-	-	-	-	-	100,475
Others	3,581	-	3,581	1,690	-	-	-	-	5,271
Total other income	104,056	-	104,056	1,690	-	-	-	-	105,746
TOTAL INCOME	910,941	29,062	940,003	1,821,247	34,138	5,200	-	107,211	2,907,799

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015

4 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (continued)

	Unrestricted funds			Restricted funds					Total funds
	General fund	Designated funds	Total	FSC Operation fund	Care and Share fund	FSC Comcare fund	NEER fund	SPMF fund	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
EXPENDITURES									
Cost of generating funds									
Cost of school programme	34,066	-	34,066	-	-	-	-	-	34,066
Manpower benefit costs:									
- Staff salaries and bonuses	573,185	-	573,185	-	-	-	-	-	573,185
- Employer CPF contribution and Skills Development levy	82,432	-	82,432	-	-	-	-	-	82,432
- Staff medical insurance	9,562	-	9,562	-	-	-	-	-	9,562
- Staff training	682	-	682	-	-	-	-	-	682
- Staff transport	130	-	130	-	-	-	-	-	130
- Staff welfare	1,234	-	1,234	-	-	-	-	-	1,234
- Honorarium	37,267	-	37,267	-	-	-	-	-	37,267
Advertisement	1,005	-	1,005	-	-	-	-	-	1,005
Amortisation charge	-	798	798	-	-	-	-	-	798
Bank charges	359	-	359	-	-	-	-	-	359
Depreciation of plant and equipment	1,344	-	1,344	-	-	-	-	-	1,344
Food and beverages	33,057	-	33,057	-	-	-	-	-	33,057
General expenses	846	-	846	-	-	-	-	-	846
Impairment loss on school fees receivables	2,146	-	2,146	-	-	-	-	-	2,146
Insurance	1,017	-	1,017	-	-	-	-	-	1,017
Maintenance of equipment	620	-	620	-	-	-	-	-	620
Maintenance of premises	8,215	-	8,215	-	-	-	-	-	8,215
Non-capitalised purchases	886	-	886	-	-	-	-	-	886
Printing, stationery and postage	4,125	-	4,125	-	-	-	-	-	4,125
Rent and conservancy fees	28,927	-	28,927	-	-	-	-	-	28,927
Rent of equipment	222	-	222	-	-	-	-	-	222
Student healthcare and medical expenses	91	-	91	-	-	-	-	-	91
Teaching materials and toys	17,412	-	17,412	-	-	-	-	-	17,412
Telecommunications	2,390	-	2,390	-	-	-	-	-	2,390
Utilities	14,732	-	14,732	-	-	-	-	-	14,732
Total cost of generating funds	855,952	798	856,750	-	-	-	-	-	856,750

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

	Unrestricted funds			Restricted funds					Total funds				
	General fund	Designated funds	Total	FSC		Care and Share		FSC		NEER	SPMIF	Total	
				Operation fund	Share fund	Comcare fund	NEER fund	SPMIF fund					
EXPENDITURES (continued)													
Charitable activities													
Programme costs	-	1,200	1,200	16,872	11,565	2,180	240	105,480			136,337	137,537	
Manpower benefit costs	-	-	-	877,453	-	-	-	-	-	-	877,453	877,453	
- Staff salaries and bonuses	-	-	-	135,162	-	-	-	-	-	-	135,162	135,162	
- Employer CPF contribution and Skills Development levy	-	-	-	8,987	-	-	-	-	-	-	8,987	8,987	
- Staff medical insurance	-	-	-	15,617	-	-	-	-	-	-	15,617	15,617	
- Staff training	-	-	-	7,409	-	-	-	-	-	-	7,409	7,409	
- Staff welfare	-	-	-	2,050	-	-	-	-	-	-	2,050	2,050	
- Honorarium	-	-	-	494	-	-	-	-	-	-	494	494	
Bank charges	-	1,224	1,224	-	-	-	-	-	-	-	-	1,224	
Amortisation charge	-	-	-	8,862	-	-	-	-	-	-	8,862	8,862	
Depreciation of plant and equipment	-	-	-	903	-	-	-	-	-	-	903	903	
General expenses	-	-	-	365	-	-	-	-	-	-	365	365	
Insurance	-	-	-	1,862	-	-	-	-	-	-	1,862	1,862	
Maintenance of equipment	-	-	-	1,314	-	-	-	-	-	-	1,314	1,314	
Maintenance of premises	-	-	-	119	-	-	-	-	-	-	119	119	
Non-capitalised purchases	-	-	-	4,333	-	-	-	-	-	-	4,333	4,333	
Printing, stationery and postage	-	-	-	510	-	-	-	-	-	-	510	510	
Refreshments	-	-	-	14,227	-	-	-	-	-	-	14,227	14,227	
Rent and consensancy fees	-	-	-	3,120	-	-	-	-	-	-	3,120	3,120	
Rental of equipment	-	-	-	5,802	-	-	-	-	-	-	5,802	5,802	
Telecommunications	-	-	-	7,259	-	-	-	-	-	-	7,259	7,259	
Transport	-	-	-	7,963	-	-	-	-	-	-	7,963	7,963	
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	
	-	2,424	2,424	1,120,683	11,565	2,180	240	105,480			1,242,148	1,242,572	

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre, Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015

4 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (continued)

	Unrestricted funds			Restricted funds					Total funds
	General fund	Designated Funds	Total	FSC Operation fund	Care and Share fund	FSC Comcare fund	NEER fund	SPMF fund	
EXPENDITURES (continued)									
Governance costs									
Administrative support costs	51,904	-	51,904	71,678	-	-	-	-	123,582
- Manpower benefit costs	3,017	-	3,017	4,164	-	-	-	-	7,181
- Other operating expenses	1,260	-	1,260	1,740	-	-	-	-	3,000
Accountancy fees									
Auditors' remuneration									
- current year	5,720	-	5,720	9,080	-	-	-	-	14,800
- certification of subsidy claims	3,500	-	3,500	-	-	-	-	-	3,500
- certification of subsidy claims - under provision in respect of previous year	1,700	-	1,700	-	-	-	-	-	1,700
License fees	688	-	688	323	-	-	-	-	1,011
Internal audit fees	1,750	-	1,750	-	-	-	-	-	1,750
	69,539	-	69,539	86,985	-	-	-	-	156,524
Other expenditure	256	-	256	-	-	-	-	-	256
Plant and equipment written-off									
TOTAL EXPENDITURE	925,747	3,222	928,969	1,207,668	11,565	2,180	240	105,480	2,256,102
NET (EXPENDITURE)/INCOME FOR THE YEAR	(14,806)	25,840	11,034	613,579	22,573	3,020	(240)	1,731	651,697
Gross transfers between funds									
Transferred (from unrestricted funds)/ to restricted funds	(3,144,409)	-	(3,144,409)	3,144,409	-	-	-	-	-
Reconciliation of funds									
Total funds brought forward	(3,159,215)	25,840	(3,133,375)	3,757,988	22,573	3,020	(240)	1,731	651,697
	4,694,016	342,494	5,036,510	-	-	5,000	1,090	21,585	5,064,185
TOTAL FUNDS CARRIED FORWARD	1,534,801	368,334	1,903,135	3,757,988	22,573	8,020	850	23,316	5,715,882

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015
5 OTHER RECEIVABLES

	<u>2015</u>	<u>2014</u>
	\$	\$
Fixed deposit interest receivable	20,587	14,552
Amount due from Diocese of Singapore	-	540
Programme fund receivable from MSF	38,027	33,680
Programme fund receivable from NCSS	-	3,007
School fees subsidies receivable from ECDA	-	600
Others	758	4,388
	<u>59,372</u>	<u>56,767</u>

6 OTHER CURRENT ASSETS

	<u>2015</u>	<u>2014</u>
	\$	\$
Deposits	6,848	6,338
Prepayments	4,373	3,017
	<u>11,221</u>	<u>9,355</u>

7 CASH AND CASH EQUIVALENTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Cash and bank balances:		
Bank balances	2,100,024	1,450,550
Cash in hand	4,500	4,500
	<u>2,104,524</u>	<u>1,455,050</u>
Short term bank deposits	3,701,369	3,669,911
	<u>5,805,893</u>	<u>5,124,961</u>

Short term bank deposits at reporting date have an average maturity of 7 months (2014: 7 months) from the end of the financial year with weighted average effective interest rate of 1.25% (2014: 0.93%) per annum.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015
8 PLANT AND EQUIPMENT

	<u>Computers</u>	<u>Furniture and fittings</u>	<u>Office equipment</u>	<u>Renovation</u>	<u>Total</u>
	\$	\$	\$	\$	\$
Cost					
At 1 January 2014	34,633	137,035	68,315	225,628	465,611
Additions	1,698	-	-	-	1,698
Disposals	-	-	(900)	-	(900)
At 31 December 2014	36,331	137,035	67,415	225,628	466,409
At 1 January 2015	36,331	137,035	67,415	225,628	466,409
Additions	1,615	4,205	16,927	-	22,747
Disposals	-	(2,560)	(1,280)	-	(3,840)
At 31 December 2015	37,946	138,680	83,062	225,628	485,316
Accumulated depreciation					
At 1 January 2014	34,633	132,063	32,407	203,563	402,666
Charge for the year	1,140	4,590	8,643	17,642	32,015
Disposals	-	-	(330)	-	(330)
At 31 December 2014	35,773	136,653	40,720	221,205	434,351
At 1 January 2015	35,773	136,653	40,720	221,205	434,351
Charge for the year	1,500	708	8,069	1,711	11,988
Disposals	-	(2,560)	(1,024)	-	(3,584)
At 31 December 2015	37,273	134,801	47,765	222,916	442,755
Net carrying amount					
At 31 December 2014	558	382	26,695	4,423	32,058
At 31 December 2015	673	3,879	35,297	2,712	42,561

9 OTHER PAYABLES

	<u>2015</u>	<u>2014</u>
	\$	\$
Accrued operating expenses	133,775	76,106
Amount to be refunded to MSF	-	8,100
Deferred income	25,000	-
Grant received in advance from MSF	-	17,991
School fees received in advance	580	5,216
Others	1,030	2,886
	<u>160,385</u>	<u>110,299</u>

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015
10 DESIGNATED FUNDS

	Balance at 01.01.2015	Income	Expenditure	Amortisation	Balance at 31.12.2015
	\$	\$	\$	\$	\$
2015					
Bursary fund	8,000	-	-	-	8,000
Deferred capital grants	3,901	1,207	-	(2,022)	3,086
Dwelling place tuition fund	1,834	-	-	-	1,834
Economic downturn assistance fund	6,700	-	(1,200)	-	5,500
Elderly fund	47,320	-	-	-	47,320
Financial assistance fund	14,430	-	-	-	14,430
Five loaves and two fish fund	26,574	27,855	-	-	54,429
Property maintenance fund	13,014	-	-	-	13,014
Renovation fund	113,989	-	-	-	113,989
Sinking fund	102,550	-	-	-	102,550
Staff training fund	4,182	-	-	-	4,182
	342,494	29,062	(1,200)	(2,022)	368,334

	Balance at 01.01.2014	Income	Expenditure	Amortisation	Balance at 31.12.2014
	\$	\$	\$	\$	\$
2014					
Bursary fund	8,000	-	-	-	8,000
Deferred capital grants	29,589	769	-	(26,457)	3,901
Dwelling place tuition fund	1,834	-	-	-	1,834
Economic downturn assistance fund	8,800	-	(2,100)	-	6,700
Elderly fund	48,320	-	(1,000)	-	47,320
Financial assistance fund	16,309	-	(1,879)	-	14,430
Five loaves and two fish fund	21,348	21,991	(16,765)	-	26,574
Property maintenance fund	13,014	-	-	-	13,014
Renovation fund	113,989	-	-	-	113,989
Sinking fund	102,550	-	-	-	102,550
Staff training fund	4,182	-	-	-	4,182
	367,935	22,760	(21,744)	(26,457)	342,494

The designated funds were established for the following purposes:

Bursary fund - to grant bursary to children of needy families at Sonshine Childcare Centre.

Deferred capital grants - to reflect the corresponding credit of the capitalised plant and equipment and expenses which were financed from government grants. The deferred capital grants would be amortised over a period between one to five years to match the estimated useful lives of the capitalised plant and equipment.

Dwelling place tuition fund - for the publicity of the tuition programme, holiday outings for the students, and also for future development of the tuition work at Commonwealth Student Care Centre.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015
10 DESIGNATED FUNDS (continued)

Economic downturn assistance fund – to provide financial aid to people in the Pasir Ris community directly affected by retrenchment or loss of employment by Pasir Ris Family Service Centre.

Elderly fund - to be used by Pasir Ris Family Service Centre for the work of elderly care.

Financial assistance fund – to help needy families to reduce their burden in meeting school fees payable to Good News Community Services.

Five loaves and two fish fund – to provide groceries and other daily essentials for families seeking help because of financial difficulties or loss of employment at the Pasir Ris Family Service Centre.

Property maintenance fund - for the upkeep and repairs on the premises occupied by Sonshine Childcare Centre.

Renovation fund - for capital expenditure to be incurred for major replacements and repairs of Pasir Ris Family Service Centre.

Sinking fund - for capital expenditure to be incurred for major replacements, repairs and cyclical maintenance of Sonshine Childcare Centre.

Staff training fund - to provide training subsidies for teachers of Sonshine Childcare Centre attending training institutions.

11 RESTRICTED FUNDS

	Balance at 01.01.2015	Transferred from unrestricted funds	Income	Expenditure	Balance at 31.12.2015
	\$	\$	\$	\$	\$
2015					
Family Service Centre (FSC)					
Operation Fund	-	3,144,409	1,821,247	(1,207,668)	3,757,988
Care and Share Fund	-	-	34,138	(11,565)	22,573
Family Service Centre					
Comcare Fund (FCF)	5,000	-	5,200	(2,180)	8,020
North East Essential Relief					
Fund (NEER)	1,090	-	-	(240)	850
School Pocket Money Fund (SPMF)	21,585	-	107,211	(105,480)	23,316
	<u>27,675</u>	<u>3,144,409</u>	<u>1,967,796</u>	<u>(1,327,133)</u>	<u>3,812,747</u>

	Balance at 01.01.2014	Income	Expenditure	Balance at 31.12.2014
		\$	\$	\$
2014				
Care and Share Fund	-	3,862	(3,862)	-
FSC Comcare Fund (FCF)	4,700	6,400	(6,100)	5,000
Milk Fund	2,500	-	(2,500)	-
NEER Fund	1,310	-	(220)	1,090
SPMF	8,112	147,068	(133,595)	21,585
	<u>16,622</u>	<u>157,330</u>	<u>(146,277)</u>	<u>27,675</u>

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015

11 RESTRICTED FUNDS (continued)

(a) Family Service Centre Operation Fund ("FSC")

FSC supports the low-income families, especially those with a socially disadvantaged background, and to help them out of the poverty cycle. The Centre facilitates the access to social services, financial and other resources; enhancing the ability to achieve sustainable financial independence and strengthening their integration into the neighbourhoods or communities.

The FSC service model includes Casework and Counselling where community workers help families reach mutually satisfactory resolutions to the problems presented. If the specific needs of the families cannot be met by the FSC, they will provide the necessary information and referrals to appropriate agencies.

On 5 November 2015, the Centre has transferred the amount of \$3,144,409 from the general fund to the restricted funds of FSC Operation Fund. This is due to the fund being ring-fenced for FSC programme.

(b) FSC Comcare Fund ("FCF")

Established by the Ministry of Social and Family Development to support the FSC's role in helping needy Singaporeans. FCF provides immediate assistance to clients of FSC who require urgent and temporary financial relief to tide over their current situations.

(c) School Pocket Money Fund ("SPMF")

The SPMF is a charity fund-raising project organised by the Straits Times to heighten public awareness of the plight of the children from low-income families who were attending school without proper breakfast or pocket money to sustain their day in school. The fund is distributed to all FSC through NCSS to benefit the eligible clients of the Centre.

(d) North East Essential Relief Fund ("NEER")

The Centre participates in the North East Essential Relief scheme with North East CDC. The Centre can provide provisions as well as transport assistance to needy residents capped at \$40 per household per month.

(e) Care and Share Fund

Integral to the SG50 Celebration, the National Council of Social Service initiated the Care and share movement – a national fund-raising and volunteerism movement. With the support from Government, eligible donations raised by the Volunteer Welfare Organisations ("VWO") is matched dollar-for-dollar to develop social service related VWOs and their programmes to better serve beneficiaries. VWOs can use the grant in four areas namely (i) capability building, (ii) capacity building, (iii) new programmes/enhancement/expansion of existing services and (iv) critical existing needs.

The grant quantum was enhanced in 2015. It was increased to 1.25 times matching for the first 1 million donations received followed by a dollar matched for next \$1 million. Overall matching by the Government is capped at \$2.25 million for the million raised by VWO within the qualifying period. The utilisation of the grant expires in 2019.

12 TAX-EXEMPT RECEIPTS

The Society is an Institution of Public Character (IPC). The IPC status was renewed for a period of two years and three months with effect from 1 July 2015. Tax-exempt receipts issued for donations during the year amounted to \$27,855 (2014: \$21,991).

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015
13 INCOME TAX

The Society is a recognised Charity under the Charities Act, Chapter 37 and is exempted from income tax.

14 LEASE COMMITMENTS

The future aggregate minimum lease payments under a non-cancellable operating lease in respect of the rental of photocopiers contracted for at the reporting date but not recognised as liabilities, is as follows:

	<u>2015</u>	<u>2014</u>
	\$	\$
Not later than one year	3,120	3,120
Later than one year but not later than five years	8,060	11,180
	<u>11,180</u>	<u>14,300</u>

15 RELATED PARTY TRANSACTIONS

Included in the expenditure are compensation paid to key management personnel, comprising of the Heads of the Service Centres as follows:

Key management compensation

	<u>2015</u>	<u>2014</u>
	\$	\$
Salaries, bonuses and employer's CPF contribution	<u>226,050</u>	<u>184,300</u>
	<u>2015</u>	<u>2014</u>
Number of key management in remuneration bands:		
\$50,000 - \$100,000	3	2
Below or equal to \$50,000	0	2
	<u>3</u>	<u>4</u>

Members of the Management Committee did not receive any remuneration from the Society during the financial year (2014: Nil).

16 FINANCIAL RISK INSTRUMENTS**(a) Risk management**

The Society's operations do not expose itself to any significant financial risk arising from financial instruments.

(b) Sensitivity analysis

The operation of the Society does not expose itself to any significant market risk. In view of this, the sensitivity analysis of market risk is not disclosed as the effect on the statement of financial activities is considered not significant.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Commonwealth Student Care Centre,
Sonshine Childcare Centre and Pasir Ris Family Service Centre)

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015

16 FINANCIAL RISK INSTRUMENTS (continued)

(c) Fair value

The carrying amounts of current financial assets and current financial liabilities recorded in the financial statements approximates their respective net fair values due to the relatively short term maturity of these financial instruments.

17 FUND MANAGEMENT POLICY

The primary objective of the Society is to safeguard its assets; to effectively and efficiently manage the usage of available capital resources towards supporting the Centre's principal and related activities, and ensuring long-term financial sustainability.

18 AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution of the Management Committee of Goods News Community Services on 30 March 2016.

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of
Good News Community Services)

REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2015

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Notes to the Financial Statements	6 - 18

SUBRACO LLP
Public Accountants and
Chartered Accountants

PASIR RIS FAMILY SERVICE CENTRE

(A Community Service Project of Good News Community Services)

**STATEMENT BY MEMBERS OF THE GOOD NEWS COMMUNITY
SERVICES MANAGEMENT COMMITTEE**

In the opinion of the members of the Good News Community Services Management Committee, the financial statements of Pasir Ris Family Service Centre (the "Centre") set out on pages 3 to 18 are drawn so as to give a true and fair view of the financial position of the Centre as at 31 December 2015 and the results of financial activities and cash flows of the Centre for the year then ended.

The Good News Community Services Management Committee authorised these financial statements for issue on 30 March 2016.

On behalf of the Good News Community Services Management Committee,



BISHOP KUAN KIM SENG
President



TAY KHOON ENG
Honorary Treasurer

Singapore,
30 March 2016

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GOOD NEWS COMMUNITY SERVICES -
PASIR RIS FAMILY SERVICE CENTRE**

We have audited the accompanying financial statements of Pasir Ris Family Service Centre (the "Centre") (A Community Service Project of Good News Community Services) set out on pages 3 to 18, which comprise the statement of financial position as at 31 December 2015, the statement of financial activities and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Committee's Responsibility for the Financial Statements

The Management Committee is responsible for the preparation of financial statements that give a true and fair view in accordance with the Charities Accounting Standard, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of financial activities and statement of financial position and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Centre's preparation of the financial statements that give a true and fair view 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 Centre's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the accompanying financial statements are properly drawn so as to give a true and fair view of the financial position of the Centre as at 31 December 2015 and the results of financial activities and cash flows of the Centre for the financial year ended on that date.

Subraco LLP

SUBRACO LLP
Public Accountants and
Chartered Accountants

Singapore,
30 March 2016

Partner in charge of audit: Ann A Nargeswari
Effective from year ended 31 December 2014

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of Good News Community Services)

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	<u>Note</u>	<u>Unrestricted Funds</u> \$	<u>Restricted Funds</u> \$	<u>2015 Total</u> \$	<u>2014 Total</u> \$
INCOME					
<u>Income from generated funds:</u>					
Voluntary income					
- Tax deductible donations		27,855	-	27,855	21,991
Activities for generating funds					
- School-based student care income		-	-	-	58,550
Investment income		-	32,755	32,755	22,399
Income from charitable activities	4	-	1,933,351	1,933,351	1,775,266
Other income	5	52,627	1,690	54,317	61,253
Total income		80,482	1,967,796	2,048,278	1,939,459
EXPENDITURES					
<u>Cost of generating funds</u>					
Activities for generating fund	6	-	-	-	60,816
<u>Charitable activities</u>					
Manpower benefit costs	6	-	1,046,678	1,046,678	915,103
Programme costs	7	1,200	136,337	137,537	208,915
Other operating expenses	8	200	57,133	57,333	109,322
Governance costs	9	1,750	86,985	88,735	51,404
Total expenditures		3,150	1,327,133	1,330,283	1,345,560
Net income for the year		77,332	640,663	717,995	593,899
Gross transfers between funds					
Gross transfer (from unrestricted funds)/ to restricted funds	17	(3,144,409)	3,144,409	-	-
Net movement in funds		(3,067,077)	3,785,072	717,995	593,899
Reconciliation of funds					
Total funds brought forward		4,165,673	27,675	4,193,348	3,599,449
Total funds carried forward		1,098,596	3,812,747	4,911,343	4,193,348

The notes set out on pages 6 to 18 form an integral part of these financial statements.

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of Good News Community Services)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	<u>Note</u>	<u>2015</u>	<u>2014</u>
		\$	\$
ASSETS			
Current assets			
Other receivables	11	43,870	50,146
Other current assets	12	2,733	3,232
Cash and cash equivalents	13	5,007,229	4,224,254
		<u>5,053,832</u>	<u>4,277,632</u>
Non-current asset			
Plant and equipment	14	<u>38,740</u>	<u>27,770</u>
Total assets		<u>5,092,572</u>	<u>4,305,402</u>
LIABILITIES			
Current liabilities			
Other payables	15	<u>181,229</u>	<u>112,054</u>
Total liabilities		<u>181,229</u>	<u>112,054</u>
NET ASSETS		<u>4,911,343</u>	<u>4,193,348</u>
FUNDS			
Unrestricted funds			
General fund	16(a)	876,841	3,970,373
Designated funds	16(b)	<u>221,755</u>	<u>195,300</u>
		1,098,596	4,165,673
Restricted funds	17	<u>3,812,747</u>	<u>27,675</u>
TOTAL FUNDS		<u>4,911,343</u>	<u>4,193,348</u>

The notes set out on pages 6 to 18 form an integral part of these financial statements

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of Good News Community Services)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	<u>Note</u>	<u>2015</u>	<u>2014</u>
		<u>\$</u>	<u>\$</u>
Cash flows from operating activities			
Net income for the year		717,995	593,899
Adjustment for:			
Depreciation of plant and equipment	14	8,862	28,656
Interest received		(32,755)	(22,399)
Operating income before working capital changes		694,102	600,156
Change in working capital:			
Other receivables		6,276	717
Other current assets		499	404
Other payables		69,175	21,331
Refundable deposits		-	(2,860)
Cash generated from operations		770,052	619,748
Interest received		32,755	22,399
Net cash provided by operating activities		<u>802,807</u>	<u>642,147</u>
Cash flows from investing activities			
Purchases of plant and equipment	14	(19,832)	-
Net cash used in investing activities		<u>(19,832)</u>	<u>-</u>
Net increase in cash and cash equivalents		782,975	642,147
Cash and cash equivalents at the beginning of the year		<u>4,224,254</u>	<u>3,582,107</u>
Cash and cash equivalents at end of the year	13	<u>5,007,229</u>	<u>4,224,254</u>

The notes set out on pages 6 to 18 form an integral part of these financial statements.

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

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

1 GENERAL INFORMATION

The Pasir Ris Family Service Centre is a community service project of Good News Community Services, which is registered with the Registry of Societies. The Pasir Ris Family Service Centre is located at Blk 256, Pasir Ris Street 21, #01-289, Singapore 510256.

The principal activities of the Centre are to provide counselling services and family life education programmes targeted at parents, married couples, youths and families.

In the financial statements, CDC, CPF, NCSS and MSF represent Community Development Council, Central Provident Fund, National Council of Social Service and Ministry of Social and Family Development.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with Charities Accounting Standard ("CAS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements requires the Management Committee to exercise its judgement in the process of applying the Centre'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 year. Although these estimates are based on Management Committee's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

In the current financial year, the Centre has adopted CAS which is applicable to financial periods beginning on or after 1 January 2015 in place of previously adopted Singapore Financial Reporting Standards. The adoption of CAS did not result in substantial changes to the Centre's accounting policies nor have any significant material impact on these financial statements.

The comparative figures in the financial statements have been reclassified to conform to the current financial year's presentation.

(b) Functional and presentation currency

The Good News Community Services Management Committee has determined the currency of the primary economic environment in which the Centre operates to be Singapore Dollar ("the functional currency"). The financial statements are presented in Singapore Dollar which is the Centre's functional and presentation currency.

(c) Plant and equipment

(i) Measurement

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation.

(ii) Components of costs

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Management Committee.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Plant and equipment (continued)

(iii) Depreciation

Depreciation of plant and equipment is calculated using the straight line method to allocate their depreciable amounts over their estimated useful lives at the following annual rates:

Computers	100%
Furniture and fittings	20%
Office equipment	20%
Renovation	20%

The residual values and useful lives of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision of the residual values and useful lives are recognised in the statement of financial activities when the changes arise.

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

(iv) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Centre and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the statement of financial activities during the financial year in which it is incurred.

(v) Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the statement of financial activities in the year the asset is derecognised.

(d) Financial assets

The Centre classifies the following financial assets as loans and receivables and are presented in the statement of financial position as follows:

- (i) cash and cash equivalents; and**
- (ii) other receivables and deposits.**

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

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in the statement of financial activities when the loans and receivables are derecognised or impaired and through the amortisation process.

(e) Impairment of financial assets

The Centre assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Impairment of financial assets (continued)

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the statement of financial activities.

The impairment allowance is reduced through income or expenditure in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(f) Financial liabilities

Financial liabilities includes other payables.

Financial liabilities are recognised when, and only when, the Centre becomes a party to the contractual provisions of the financial instrument. The Centre determines the classification of its financial liabilities at initial recognition. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the statement of financial activities when the liabilities are derecognised and through the amortisation process. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(g) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise of short term bank deposits, cash in hand and bank balance.

(h) Funds

(i) Unrestricted funds

Unrestricted funds comprises of general fund and designated funds.

General fund is used for general purposes of the Centre. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separated fund (known as "Designated fund"). The designation has an administrative purpose only and does not legally restrict the Management Committee's discretion to apply the fund.

(ii) Restricted funds

Restricted funds are funds subject to specific funded programmes by the government and charity bodies, but still within the wider objects of the Centre.

Restricted funds may be utilised in accordance with the purposes established by the sources of such funds and are in contrast with unrestricted funds over which the management committee retains full control to use in achieving its institutional purposes.

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Income recognition

Income comprises the fair value of the consideration received or receivable in the ordinary course of the Centre's activities.

(i) Income from generated funds

Voluntary income

Voluntary income in the form of donations is recognised when received with unconditional entitlements to the receipts.

Investment income

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

(ii) Income from charitable activities

Comprise government grants for the programmes run by the Centre. These are recognised as income according to the terms of the funding agreements, on an accrual basis with unconditional entitlement to the receipts.

(iii) Other Income

Comprise of government credits i.e. special employment credit, temporary employment credit, wage credit scheme, and other income which are recognised as and when received in the current financial year.

(j) Expenditures

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the respective activity. Where costs cannot be wholly attributed to an activity, they have been apportioned on a basis consistent with the use of resources.

(i) Costs of charitable activities

Cost of charitable activities comprises of direct costs incurred in the pursuit of the charitable objects of the Centre.

(ii) Governance costs

Governance costs include the costs of governance arrangements, which relate to the general running of the Centre as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. Expenditure on the governance of the Centre will normally include both direct and related support costs which include internal and external audit, apportioned manpower costs and general costs in supporting the governance activities and cost associated with constitutional and statutory requirements.

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Operating leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are recognised in the statement of financial activities on a straight line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, 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.

(l) Employee benefits - defined contribution plans

The Centre makes contributions to the state provident fund known as Central Provident Fund (CPF). CPF contributions are recognised as compensation expense in the same period as the employment that gives rise to the contributions.

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Centre makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 INCOME FROM CHARITABLE ACTIVITIES

	<u>2015</u>	<u>2014</u>
	<u>\$</u>	<u>\$</u>
Restricted funds:		
Capital grant received from MSF	10,773	-
Care and share matching grant	34,138	3,862
Casework and counselling from MSF	40,247	41,392
Children programme	26,988	176,030
Enhanced step up grant	(540)	21,968
Family Service Centre Com care grant	5,200	6,400
Funding grant from MSF	1,165,540	659,901
Funding grant from NCSS	91,370	131,981
Funding grant from TBSFF	413,038	514,723
Hope mentoring programme from MSF	37,706	70,429
School Pocket Money Fund administrative fee	1,680	1,512
School Pocket Money Fund grant	107,211	147,068
	<u>1,933,351</u>	<u>1,775,266</u>

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

5 OTHER INCOME

	<u>2015</u>	<u>2014</u>
	\$	\$
Unrestricted funds:		
Amortisation of deferred capital grant	200	25,210
Special and temporary employment credit	11,736	8,024
Wage credit scheme	38,680	20,403
Consultancy grant for internal audit	1,400	-
Other income	611	1,616
	<u>52,627</u>	<u>55,253</u>
Restricted funds		
SSNet Data Migration grant	-	4,000
Supervision fees	1,690	2,000
	<u>1,690</u>	<u>6,000</u>
	<u>54,317</u>	<u>61,253</u>

6 MANPOWER BENEFIT COSTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Unrestricted funds:		
Staff salaries and bonuses	-	51,795
Employer CPF contribution and Skills Development levy	-	4,763
Staff medical insurance	-	795
Staff welfare	-	85
Staff transport and other costs		3,378
	<u>-</u>	<u>60,816</u>
Restricted funds:		
Staff salaries and bonuses	877,453	766,341
Employer CPF contribution and Skills Development levy	135,162	110,909
Staff medical insurance	8,987	8,007
Staff training	15,617	21,116
Staff welfare	7,409	8,116
Honorarium	2,050	614
	<u>1,046,678</u>	<u>915,103</u>
	<u>1,046,678</u>	<u>975,919</u>

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

7 PROGRAMME COSTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Unrestricted funds:		
Economic downturn assistance	1,200	2,100
Elderly care	-	1,000
Five loaves and two fish fund	-	16,765
	<u>1,200</u>	<u>19,865</u>
Restricted funds:		
Casework and counselling	3,340	4,280
Care and share	11,565	3,862
Children programme expenses	3,632	19,969
Community outreach fund	1,800	-
Enhanced step-up	-	2,141
FSC Comcare fund	2,180	6,100
Hope mentoring expenses	8,100	7,337
Milk fund	-	2,500
North East Community Development Council fund	240	220
School Pocket Money Fund disbursement	105,480	133,595
Non-funded programme fee	-	9,046
	<u>136,337</u>	<u>189,050</u>
	<u>137,537</u>	<u>208,915</u>

8 OTHER OPERATING COSTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Unrestricted funds:		
Amortisation charge for deferred capital grant	200	25,210
Restricted funds:		
Bank charges	494	512
Depreciation charge	8,862	28,656
General expenses	903	2,554
Insurance	365	348
Maintenance of equipment	1,862	1,395
Maintenance of premises	1,314	2,610
Non-capitalised purchases	119	338
Printing, stationery and postage	4,333	5,287
Refreshments	510	681
Rental of equipment	3,120	6,845
Rent and conservancy fees	14,227	14,217
Telecommunication	5,802	4,075
Transport	7,259	6,203
Utilities	7,963	10,391
	<u>57,133</u>	<u>84,112</u>
	<u>57,333</u>	<u>109,322</u>

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

9 GOVERNANCE COSTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Unrestricted funds:		
Internal audit fees	1,750	-
Restricted funds		
Accountancy fee	1,740	1,160
Administrative support costs	75,842	42,457
Auditors' remuneration	9,080	7,464
License fees	323	323
	<u>86,985</u>	<u>51,404</u>
	<u>88,735</u>	<u>51,404</u>

10 ADMINISTRATIVE SUPPORT COSTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Restricted funds:		
Manpower benefit costs	71,678	37,661
Other operating costs	4,164	4,796
	<u>75,842</u>	<u>42,457</u>

11 OTHER RECEIVABLES

	<u>2015</u>	<u>2014</u>
	\$	\$
Fixed deposit interest receivable	18,616	13,147
Programme fund receivable from MSF	24,827	33,680
Programme fund receivable from NCSS	-	3,007
Others	427	312
	<u>43,870</u>	<u>50,146</u>

12 OTHER CURRENTASSETS

	<u>2015</u>	<u>2014</u>
	\$	\$
Deposits	2,132	2,662
Prepayments	601	570
	<u>2,733</u>	<u>3,232</u>

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

13 CASH AND CASH EQUIVALENTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Cash and bank balances:		
Bank balance	1,729,004	973,147
Cash in hand	1,600	1,600
	<u>1,730,604</u>	<u>974,747</u>
Short term bank deposits	3,276,625	3,249,507
	<u>5,007,229</u>	<u>4,224,254</u>

Short term bank deposits at the reporting date have an average maturity of 7 months (2014: 8 months) from the end of the financial year with weighted average effective interest rate of 1.39% (2014: 1.11%) per annum.

14 PLANT AND EQUIPMENT

	<u>Computers</u>	<u>Office equipment</u>	<u>Furniture and fittings</u>	<u>Renovation</u>	<u>Total</u>
	\$	\$	\$	\$	\$
Cost					
At 1 January 2014	27,313	43,258	57,632	167,850	296,053
At 31 December 2014	27,313	43,258	57,632	167,850	296,053
At 1 January 2015	27,313	43,258	57,632	167,850	296,053
Additions	-	15,627	4,205	-	19,832
Disposals	-	-	(2,560)	-	(2,560)
At 31 December 2015	27,313	58,885	59,277	167,850	313,325
Accumulated depreciation					
At 1 January 2014	27,313	12,593	53,936	145,785	239,627
Charge for the year	-	7,318	3,696	17,642	28,656
At 31 December 2014	27,313	19,911	57,632	163,427	268,283
At 1 January 2015	27,313	19,911	57,632	163,427	268,283
Charge for the year	-	6,825	326	1,711	8,862
Disposals	-	-	(2,560)	-	(2,560)
At 31 December 2015	27,313	26,736	55,398	165,138	274,585
Carrying amount					
At 31 December 2014	-	23,347	-	4,423	27,770
At 31 December 2015	-	32,149	3,879	2,712	38,740

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

15 OTHER PAYABLES

	<u>2015</u>	<u>2014</u>
	\$	\$
Accrued operating expenses	102,851	40,947
Amount due to Commonwealth Student Care Centre	7	-
Amount due to Good News Community Services	77,511	44,112
Amount due to Sonshine Childcare Centre	140	-
Amount to be refunded to MSF	-	8,100
Grant received in advance from MSF	-	17,991
Others	720	904
	<u>181,229</u>	<u>112,054</u>

16 UNRESTRICTED FUNDS

(a) General fund

	<u>2015</u>	<u>2014</u>
	\$	\$
Beginning balance for the year	3,970,373	3,364,443
Transferred to restricted funds	(3,144,409)	-
	<u>825,964</u>	<u>3,364,443</u>
Net income for the year	50,877	605,930
	<u>876,841</u>	<u>3,970,373</u>

(b) Designated funds

	<u>Balance at</u>	<u>Income</u>	<u>Expenditure</u>	<u>Amortisation</u>	<u>Balance at</u>
	<u>01.01.2015</u>				<u>31.12.2015</u>
	\$	\$	\$	\$	\$
2015					
Economic downturn assistance fund	6,700	-	(1,200)	-	5,500
Elderly fund	47,320	-	-	-	47,320
Five loaves and two fish fund	26,574	27,855	-	-	54,429
Renovation fund	113,989	-	-	-	113,989
Deferred capital grants	717	-	-	(200)	517
	<u>195,300</u>	<u>27,855</u>	<u>(1,200)</u>	<u>(200)</u>	<u>221,755</u>

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

16 UNRESTRICTED FUNDS (continued)

(b) Designated funds (continued)

	Balance at 01.01.2014	Income	Expenditure	Amortisation	Balance at 31.12.2014
	\$	\$	\$	\$	\$
2014					
Economic downturn assistance fund	8,800	-	(2,100)	-	6,700
Elderly fund	48,320	-	(1,000)	-	47,320
Five loaves and two fish fund	21,348	21,991	(16,765)	-	26,574
Renovation fund	113,989	-	-	-	113,989
Deferred capital grants	25,927	-	-	(25,210)	717
	<u>218,384</u>	<u>21,991</u>	<u>(19,865)</u>	<u>(25,210)</u>	<u>195,300</u>

The designated funds were established for the following purposes:

- (i) Economic downturn assistance fund is to provide financial aid to people in the Pasir Ris community directly affected by retrenchment or loss of employment.
- (ii) Elderly fund is to be used by the Centre for the work of elderly care.
- (iii) Five loaves and two fish fund is to provide groceries and other daily essentials for families seeking help because of financial difficulties or loss of employment.
- (iv) Renovation fund is set up for capital expenditure to be incurred for major replacements and repairs of the Family Service Centre.
- (v) Deferred capital grant is to reflect the corresponding credit of the capitalised plant and equipment which were financed from government grants. The deferred capital donations would be amortised over a period between one to five years to match the estimated useful lives of the capitalised plant and equipment.

17 RESTRICTED FUNDS

	Balance at 01.01.2015	Transferred from unrestricted funds	Income	Expenditure	Balance at 31.12.2015
	\$	\$	\$	\$	\$
2015					
Family Service Centre					
Operation Fund (FSC)	-	3,144,409	1,821,247	(1,207,668)	3,757,988
Care and Share Fund	-	-	34,138	(11,565)	22,573
Family Service Centre					
Comcare Fund (FCF)	5,000	-	5,200	(2,180)	8,020
North East Essential Relief Fund (NEER)	1,090	-	-	(240)	850
School Pocket Money Fund (SPMF)	21,585	-	107,211	(105,480)	23,316
	<u>27,675</u>	<u>3,144,409</u>	<u>1,967,796</u>	<u>(1,327,133)</u>	<u>3,812,747</u>

PASIR RIS FAMILY SERVICE CENTRE

(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2015****17 RESTRICTED FUNDS (continued)**

	Balance at 01.01.2014	Income	Expenditure	Balance at 31.12.2014
		\$	\$	\$
2014				
Care and Share Fund	-	3,862	(3,862)	
FCF	4,700	6,400	(6,100)	5,000
Milk Fund	2,500	-	(2,500)	-
NEER Fund	1,310	-	(220)	1,090
SPMF	8,112	147,068	(133,595)	21,585
	<u>16,622</u>	<u>157,330</u>	<u>(146,277)</u>	<u>27,675</u>

(a) Family Service Centre Operation Fund ("FSC")

FSC supports the low-income families, especially those with a socially disadvantaged background, and to help them out of the poverty cycle. The Centre facilitates the access to social services, financial and other resources; enhancing the ability to achieve sustainable financial independence and strengthening their integration into the neighbourhoods or communities.

The FSC service model includes Casework and Counselling where community workers help families reach mutually satisfactory resolutions to the problems presented. If the specific needs of the families cannot be met by the FSC, they will provide the necessary information and referrals to appropriate agencies.

On 5 November 2015, the Centre has transferred the amount of \$3,144,409 from the general fund to the restricted funds of FSC Operation Fund. This is due to the fund being ring-fenced for FSC programme.

(b) FSC Comcare Fund ("FCF")

Established by the Ministry of Social and Family Development to support the FSC's role in helping needy Singaporeans. FCF provides immediate assistance to clients of FSC who require urgent and temporary financial relief to tide over their current situations.

(c) School Pocket Money Fund ("SPMF")

The SPMF is a charity fund-raising project organised by the Straits Times to heighten public awareness of the plight of the children from low-income families who were attending school without proper breakfast or pocket money to sustain their day in school. The fund is distributed to all FSC through NCSS to benefit the eligible clients of the Centre.

(d) North East Essential Relief Fund ("NEER")

The Centre participates in the North East Essential Relief scheme with North East CDC. The Centre can provide provisions as well as transport assistance to needy residents capped at \$40 per household per month.

(e) Care and Share Fund

Integral to the SG50 Celebration, the National Council of Social Service initiated the Care and share movement – a national fund-raising and volunteerism movement. With the support from Government, eligible donations raised by the Volunteer Welfare Organisations ("VWO") is matched dollar-for-dollar to develop social service related VWOs and their programmes to better serve beneficiaries. VWOs can use the grant in four areas namely (i) capability building, (ii) capacity building, (iii) new programmes/enhancement/expansion of existing services and (iv) critical existing needs.

The grant quantum was enhanced in 2015. It was increased to 1.25 times matching for the first 1 million donations received followed by a dollar matched for next \$1 million. Overall matching by the Government is capped at \$2.25 million for the million raised by VWO within the qualifying period. The utilisation of the grant expires in 2019.

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

18 OPERATING LEASE COMMITMENTS

The future aggregate minimum lease payments under a non-cancellable operating lease in respect of the rental of photocopier contracted for at the reporting date but not recognised as liabilities, is as follows:

	<u>2015</u>	<u>2014</u>
	<u>\$</u>	<u>\$</u>
Not later than one year	3,120	3,120
Later than one year but not later than five years	8,060	11,180
	<u>11,180</u>	<u>14,300</u>

19 FINANCIAL RISK INSTRUMENTS

(a) Risk management

The Centre's operations do not expose itself to any significant financial risk arising from financial instruments.

(b) Sensitivity analysis

The operation of the Centre does not expose itself to any significant market risk. In view of this, the sensitivity analysis of market risk is not disclosed as the effect on the statement of financial activities is considered not significant.

(c) Fair value

The carrying amounts of current financial assets and current financial liabilities recorded in the financial statements approximates their respective net fair values due to the relatively short term maturity of these financial instruments.

20 FUND MANAGEMENT POLICY

The primary objective of the Centre is to safeguard its assets; to effectively and efficiently manage the usage of available capital resources towards supporting the Centre's principal and related activities, and ensuring long-term financial sustainability.

21 AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution of the Good News Community Services Management Committee on 30 March 2016.

SONSHINE CHILDCARE CENTRE
(A Community Service Project of
Good News Community Services)

REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2015

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Statement by Members of the Good News Community Services Management Committee	1
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Statement of Financial Position	4
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Notes to the Financial Statements	6 - 15

SUBRACO LLP
Public Accountants and
Chartered Accountants

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

**STATEMENT BY MEMBERS OF THE GOOD NEWS COMMUNITY SERVICES
MANAGEMENT COMMITTEE**

In the opinion of the members of the Good News Community Services Management Committee, the financial statements of Sonshine Childcare Centre (the "Centre") set out on pages 3 to 15 are drawn up so as to give a true and fair view of the financial position of the Centre as at 31 December 2015 and of its results of the financial activities and cash flows of the Centre for the year then ended.

The Good News Community Services Management Committee authorised these financial statements for issue on 30 March 2016.

On behalf of the Good News Community Services Management Committee,



BISHOP KUAN KIM SENG
President



TAY KHOON ENG
Honorary Treasurer

Singapore,
30 March 2016

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GOOD NEWS COMMUNITY SERVICES -
SONSHINE CHILDCARE CENTRE**

We have audited the accompanying financial statements of Sonshine Childcare Centre (the "Centre") (A Community Service Project of Good News Community Services) set out on pages 3 to 15, which comprise the statement of financial position as at 31 December 2015, the statement of financial activities and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Committee's Responsibility for the Financial Statements

The Management Committee is responsible for the preparation of financial statements that give a true and fair view in accordance with Charities Accounting Standard, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of financial activities and statement of financial position and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Centre's preparation of financial statements that give a true and fair view 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 Centre's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management Committee, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the accompanying financial statements are properly drawn so as to give a true and fair view of the financial position of the Centre as at 31 December 2015 and the results of the financial activities and cash flows of the Centre for the financial year ended on that date.


SUBRACO LLP
Public Accountants and
Chartered Accountants

Singapore,
30 March 2016

Partner in charge of audit: Ann A. Nargeswari
Effective from year ended 31 December 2014

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	<u>Note</u>	<u>2015</u> \$	<u>2014</u> \$
INCOME			
<u>Income from generated funds:</u>			
Activities for generating fund	4	688,347	738,870
Investment income		4,269	3,100
Other income	5	42,937	36,682
Total income		<u>735,553</u>	<u>778,652</u>
EXPENDITURES			
<u>Cost of generating funds: Activities</u>			
Direct operating costs	6	80,552	81,659
Manpower benefit costs	7	601,921	546,623
Other operating expenses	8	49,831	58,864
<u>Governance costs</u>			
Accountancy fees		1,200	800
Administrative support costs	9	52,306	29,281
Auditors' remuneration			
- current year		4,200	3,820
- certification on statement of subsidy claims		3,500	1,800
- certification on statement of subsidy claims			
- underprovision in respect of the previous year		1,700	1,700
License fees		434	434
<u>Other expenditure</u>			
Plant and equipment written off		256	570
Total expenditures		<u>795,900</u>	<u>725,551</u>
NET (EXPENDITURE)/INCOME		(60,347)	53,101
Reconciliation of funds			
Total funds brought forward		628,944	575,843
Total funds carried forward	15	<u>568,597</u>	<u>628,944</u>

The notes set out on pages 6 to 15 form an integral part of these financial statements.

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

	<u>Note</u>	<u>2015</u>	<u>2014</u>
		\$	\$
ASSETS			
Current assets			
School fees receivable		-	1,053
Other receivables	10	1,989	6,137
Other current assets	11	5,559	3,907
Cash and cash equivalents	12	661,203	715,831
		<u>668,751</u>	<u>726,928</u>
Non-current asset			
Plant and equipment	13	<u>3,148</u>	<u>3,348</u>
Total assets		<u>671,899</u>	<u>730,276</u>
LIABILITIES			
Current liabilities			
Other payables	14	67,932	59,632
Refundable deposits		<u>35,370</u>	<u>41,700</u>
Total liabilities		<u>103,302</u>	<u>101,332</u>
NET ASSETS		<u>568,597</u>	<u>628,944</u>
FUNDS			
Unrestricted funds			
General fund	15	438,786	498,335
Designated funds	15	<u>129,811</u>	<u>130,609</u>
TOTAL FUNDS		<u>568,597</u>	<u>628,944</u>

The notes set out on pages 6 to 15 form an integral part of these financial statements.

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

STATEMENT OF CASH FLOWS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	<u>Note</u>	<u>2015</u>	<u>2014</u>
		<u>\$</u>	<u>\$</u>
Cash flows from operating activities			
Net (expenditure)/income for the year		(60,347)	53,101
Adjustment for:			
Depreciation of plant and equipment	13	1,244	1,325
Interest received		(4,269)	(3,065)
Plant and equipment written off		256	570
Operating cash flows before working capital changes		(63,116)	51,931
Changes in working capital:			
School fees receivable		1,053	478
Other receivables		4,148	(4,280)
Other current assets		(1,652)	(393)
Other payables		8,300	16,077
Refundable deposits		(6,330)	(22,750)
Cash (used in)/generated from operations		(57,597)	41,063
Interest received		4,269	3,065
Net cash (used in)/provided by operating activities		<u>(53,328)</u>	<u>44,128</u>
Cash flows from investing activities			
Purchase of plant and equipment	13	<u>(1,300)</u>	<u>-</u>
Net cash used in investing activities		<u>(1,300)</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents		<u>(54,628)</u>	<u>44,128</u>
Cash and cash equivalents at the beginning of the year		<u>715,831</u>	<u>671,703</u>
Cash and cash equivalents at end of the year	12	<u>661,203</u>	<u>715,831</u>

The notes set out on pages 6 to 15 form an integral part of these financial statements.

SONSHINE CHILDCARE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

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

1 GENERAL INFORMATION

The Sonshine Childcare Centre (the "Centre") is a community service project of Good News Community Services, which is registered with the Registry of Societies. The Sonshine Childcare Centre is located at Blk 211 Bukit Batok Street 21, #01-252, Singapore 650211.

The principal activities of the Centre are to provide education, supervision and care for young children.

In the financial statements, CDC, CPF and ECDA represent Community Development Council, Central Provident Fund and Early Childhood Development Agency.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with Charities Accounting Standard ("CAS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements requires the Management Committee to exercise its judgement in the process of applying the Centre'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 year. Although these estimates are based on Management Committee's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

In the current financial year, the Centre has adopted CAS which is applicable to financial periods beginning on or after 1 January 2015 in place of previously adopted Singapore Financial Reporting Standards. The adoption of CAS did not result in substantial changes to the Centre's accounting policies nor have any significant material impact on these financial statements.

The comparative figures in the financial statements have been reclassified to conform to the current financial year's presentation.

(b) Functional and presentation currency

The Good News Community Services Management Committee has determined the currency of the primary economic environment in which the Centre operates to be Singapore Dollar ("the functional currency"). The financial statements are presented in Singapore Dollar which is the Centre's functional and presentation currency.

(c) Plant and equipment

(i) Measurement

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation.

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Plant and equipment (continued)

(ii) Components of costs

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Management Committee.

(iii) Depreciation

Depreciation of plant and equipment is calculated using the straight line method to allocate their depreciable amounts over their estimated useful lives at the following annual rates:

Computers	100%
Furniture and fittings	20%
Office equipment	20%
Renovation	20%

The residual values and useful lives of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision of the residual values and useful lives are recognised in the statement of financial activities when the changes arise.

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

(iv) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Centre and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the statement of financial activities during the financial year in which it is incurred.

(v) Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the statement of financial activities in the year the asset is derecognised.

(d) Financial assets

The Centre classifies the following financial assets as loans and receivables and are presented in the statement of financial position as follows:

- (i) cash and cash equivalents; and
- (ii) school fees receivables, other receivables and deposits.

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

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in the statement of financial activities when the loans and receivables are derecognised or impaired and through the amortisation process.

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Impairment of financial assets

The Centre assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the statement of financial activities.

The impairment allowance is reduced through income or expenditure in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(f) Financial liabilities

Financial liabilities include other payables and refundable deposits.

Financial liabilities are recognised when, and only when, the Centre becomes a party to the contractual provisions of the financial instrument. The Centre determines the classification of its financial liabilities at initial recognition. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the statement of financial activities when the liabilities are derecognised and through the amortisation process. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(g) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise of short term bank deposits, cash in hand and bank balance.

(h) Unrestricted Funds

Unrestricted fund comprises of general fund and designated funds.

General fund is used for general purposes of the Centre. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separated fund (known as "Designated fund"). The designation has an administrative purpose only and does not legally restrict the Management Committee's discretion to apply the fund.

(i) Income recognition

Income comprises the fair value of the consideration received or receivable in the ordinary course of the Centre's activities.

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Income recognition (continued)

(i) Income from generated funds

Activities for generating funds

Income from school fees and school programme are recognised as revenue over the period the services are rendered and school programme are conducted.

Investment income

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

(ii) Other income

Comprised of government grants i.e. special employment credit, temporary employment credit, wage credit scheme and other income are recognised as and when received in the current financial year.

(j) Expenditures

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the respective activity. Where costs cannot be wholly attributed to an activity, they have been apportioned on a basis consistent with the use of resources.

(i) Costs of generating funds

Costs of generating funds are those costs attributable to generating income for the Centre, and include an apportionment of the support costs.

(ii) Governance costs

Governance costs include the costs of governance arrangements, which relate to the general running of the Centre as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. Expenditure on the governance of the Centre will normally include both direct and related support costs which include internal and external audit, apportioned manpower costs and general costs in supporting the governance activities and cost associated with constitutional and statutory requirements.

(k) Employee benefits - defined contribution plans

The Centre makes contributions to the state provident fund known as Central Provident Fund (CPF). CPF contributions are recognised as compensation expense in the same period as the employment that gives rise to the contributions.

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Centre makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

SONSHINE CHILDCARE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

4 ACTIVITIES FOR GENERATING FUND

	<u>2015</u>	<u>2014</u>
	\$	\$
School fees, net of discounts	286,318	298,546
School fees subsidies from ECDA	354,836	389,214
Registration fees	1,170	690
Income from school programme	46,023	50,420
	<u>688,347</u>	<u>738,870</u>

5 OTHER INCOME

	<u>2015</u>	<u>2014</u>
	\$	\$
Amortisation of deferred capital grants	798	799
Insurance claim received	-	4,161
Special and temporary	18,177	16,077
Wage credit scheme	23,411	14,293
Others	551	1,352
	<u>42,937</u>	<u>36,682</u>

6 DIRECT OPERATING COSTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Cost of school programme	30,967	35,355
Food and beverages	29,936	29,742
Student healthcare and medical expenses	91	421
Teaching materials and toys	17,412	16,141
Impairment loss on school fees receivables	2,146	-
	<u>80,552</u>	<u>81,659</u>

7 MANPOWER BENEFIT COSTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Staff salaries and bonuses	492,329	445,281
Employer's CPF contribution and Skill Development Levy	70,301	59,448
Honorarium	29,384	32,893
Staff medical and insurance	8,023	7,191
Staff training	672	110
Staff transport	130	407
Staff welfare	1,082	1,293
	<u>601,921</u>	<u>546,623</u>

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2015****8 OTHER OPERATING COSTS**

	<u>2015</u>	<u>2014</u>
	\$	\$
Advertisement	1,005	2,168
Amortisation of deferred capital grant	798	799
Bank charges	252	268
Depreciation of plant and equipment	1,244	1,325
General expenses	655	516
Insurance	648	675
Maintenance of premises	7,685	9,683
Non-capitalised purchases	665	668
Printing, stationery and postage	3,988	6,029
Rent and conservancy fees	19,913	19,913
Rent of equipment	222	3,505
Telecommunication expenses	1,587	1,683
Utilities	11,169	11,632
	<u>49,831</u>	<u>58,864</u>

9 ADMINISTRATIVE SUPPORT COSTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Manpower benefit costs	49,433	25,973
Other operating costs	2,873	3,308
	<u>52,306</u>	<u>29,281</u>

10 OTHER RECEIVABLES

	<u>2015</u>	<u>2014</u>
	\$	\$
Amount due from CPF Board	-	133
Amount due from Pasir Ris Family Service Centre	140	-
Fixed deposit interest receivable	1,624	1,149
School fees subsidies receivable from ECDA	-	600
Others	225	4,255
	<u>1,989</u>	<u>6,137</u>

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2015****11 OTHER CURRENT ASSETS**

	<u>2015</u>	<u>2014</u>
	\$	\$
Deposits	3,633	2,463
Prepayments	1,926	1,444
	<u>5,559</u>	<u>3,907</u>

12 CASH AND CASH EQUIVALENTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Cash and bank balances:		
Bank balance	285,835	344,227
Cash in hand	2,200	2,200
	<u>288,035</u>	<u>346,427</u>
Short term bank deposits	373,168	369,404
	<u>661,203</u>	<u>715,831</u>

Short term bank deposits at the statement of financial position date have an average maturity of 8 months (2014: 8 months) from the end of the financial year with weighted average effective interest rate of 1.29% (2014: 1.06%) per annum.

13 PLANT AND EQUIPMENT

	<u>Computers</u>	<u>Office equipment</u>	<u>Furniture and fittings</u>	<u>Renovation</u>	<u>Total</u>
	\$	\$	\$	\$	\$
Cost					
At 1 January 2014	4,194	15,793	57,823	42,015	119,825
Disposals	-	(900)	-	-	(900)
At 31 December 2014	<u>4,194</u>	<u>14,893</u>	<u>57,823</u>	<u>42,015</u>	<u>118,925</u>
At 1 January 2015	4,194	14,893	57,823	42,015	118,925
Additions	-	1,300	-	-	1,300
Disposals	-	(1,280)	-	-	(1,280)
At 31 December 2015	<u>4,194</u>	<u>14,913</u>	<u>57,823</u>	<u>42,015</u>	<u>118,945</u>

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2015****13 PLANT AND EQUIPMENT (continued)**

	<u>Computers</u>	<u>Office equipment</u>	<u>Furniture and fittings</u>	<u>Renovation</u>	<u>Total</u>
	\$	\$	\$	\$	\$
Accumulated depreciation					
At 1 January 2014	4,194	10,550	57,823	42,015	114,582
Charge for the year	-	1,325	-	-	1,325
Disposals	-	(330)	-	-	(330)
At 31 December 2014	4,194	11,545	57,823	42,015	115,577
At 1 January 2015	4,194	11,545	57,823	42,015	115,577
Charge for the year	-	1,244	-	-	1,244
Disposals	-	(1,024)	-	-	(1,024)
At 31 December 2015	4,194	11,765	57,823	42,015	115,797
Carrying amount					
At 31 December 2014	-	3,348	-	-	3,348
At 31 December 2015	-	3,148	-	-	3,148

14 OTHER PAYABLES

	<u>2015</u>	<u>2014</u>
	\$	\$
Accrued operating expenses	14,290	24,806
Amount due to Good News Community Services	53,582	30,548
School fees received in advance	-	3,186
Others	60	1,092
	<u>67,932</u>	<u>59,632</u>

15 UNRESTRICTED FUNDS

	<u>Balance at 01.01.2015</u>	<u>Net expenditure for the year</u>	<u>Amortisation</u>	<u>Balance at 31.12.2015</u>
	\$	\$	\$	\$
2015				
General fund	498,335	(59,549)	-	438,786
Designated funds:				
Bursary fund	8,000	-	-	8,000
Deferred capital grants	2,863	-	(798)	2,065
Property maintenance fund	13,014	-	-	13,014
Sinking fund	102,550	-	-	102,550
Staff training fund	4,182	-	-	4,182
Total designated funds	130,609	-	(798)	129,811
Total unrestricted funds	628,944	(59,549)	(798)	568,597

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2015****15 UNRESTRICTED FUNDS (continued)**

	Balance at 01.01.2014	Net income for the year	Amortisation	Balance at 31.12.2014
	\$	\$	\$	\$
2014				
General fund	444,435	53,900	-	498,335
Designated funds:				
Bursary fund	8,000	-	-	8,000
Deferred capital grants	3,662	-	(799)	2,863
Property maintenance fund	13,014	-	-	13,014
Sinking fund	102,550	-	-	102,550
Staff training fund	4,182	-	-	4,182
Total designated funds	131,408	-	(799)	130,609
Total unrestricted funds	575,843	53,900	(799)	628,944

The designated funds were established for the following purposes:

Bursary fund - to grant bursary to children of needy families at the childcare centre.

Deferred capital grants - to reflect the corresponding credit of the capitalised plant and equipment which were financed from government grants. The deferred capital grants are amortised over a period that match the estimated useful lives of the capitalised plant and equipment.

Property maintenance fund - for the upkeep and repairs on the premises occupied by the Centre.

Staff training fund - to provide training subsidies to teachers attending training institutions.

Sinking fund - for capital expenditure to be incurred for major replacements, repairs and cyclical maintenance.

16 FINANCIAL RISK INSTRUMENTS**(a) Risk management**

The Centre's operations do not expose itself to any significant financial risk arising from financial instruments.

(b) Sensitivity analysis

The operation of the Centre does not expose itself to any significant market risk. In view of this, the sensitivity analysis of market risk is not disclosed as the effect on the statement of financial activities is considered not significant.

(c) Fair value

The carrying amounts of current financial assets and current financial liabilities recorded in the financial statements approximates their respective net fair values due to the relatively short term maturity of these financial instruments.

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

17 FUND MANAGEMENT POLICY

The primary objective of the Centre is to safeguard its assets; to effectively and efficiently manage the usage of available capital resources towards supporting the Centre's principal and related activities, and ensuring long-term financial sustainability.

18 AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution of the Good News Community Services Management Committee on 30 March 2016.

COMMONWEALTH STUDENT CARE CENTRE
(A Community Service Project of
Good News Community Services)

REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2015

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Statement by Members of the Good News Community Services Management Committee	1
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Statement of Financial Activities	3
Statement of Financial Position	4
Statement of Cash Flows	5
Notes to the Financial Statements	6 - 12

SUBRACO LLP
Public Accountants and
Chartered Accountants

COMMONWEALTH STUDENT CARE CENTRE

(A Community Service Project of Good News Community Services)

**STATEMENT BY MEMBERS OF THE GOOD NEWS COMMUNITY SERVICES
MANAGEMENT COMMITTEE**

In the opinion of the members of the Good News Community Services Management Committee, the financial statements of Commonwealth Student Care Centre (the "Centre") set out on pages 3 to 12 are drawn up so as to give a true and fair view of the financial position of the Centre as at 31 December 2015 and of its results of financial activities and cash flows of the Centre for the year then ended.

The Good News Community Services Management Committee authorised these financial statements for issue on 30 March 2016.

On behalf of the Good News Community Services Management Committee,



BISHOP KUAN KIM SENG
President



TAY KHOON ENG
Honorary Treasurer

Singapore,
30 March 2016

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GOOD NEWS COMMUNITY SERVICES -
COMMONWEALTH STUDENT CARE CENTRE**

We have audited the accompanying financial statements of Commonwealth Student Care Centre (the "Centre") (A Community Service Project of Good News Community Services) set out on pages 3 to 12, which comprise the statement of financial position as at 31 December 2015, the statement of financial activities and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Committee's Responsibility for the Financial Statements

The Management Committee is responsible for the preparation of financial statements that give a true and fair view in accordance with Charities Accounting Standard, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of financial activities and statement of financial position and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Centre's preparation of financial statements that give a true and fair view 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 Centre's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management Committee, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the accompanying financial statements are properly drawn so as to give a true and fair view of the financial position of the Centre as at 31 December 2015 and the results of the financial activities and cash flows of the Centre for the financial year ended on that date.

Subraco LLP

SUBRACO LLP
Public Accountants and
Chartered Accountants

Singapore,
30 March 2016

Partner in charge of audit: Ann A Nargeswari
Effective from year ended 31 December 2014

COMMONWEALTH STUDENT CARE CENTRE
(A Community Service Project of Good News Community Services)

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	<u>Note</u>	<u>Unrestricted Funds</u>	
		<u>2015</u>	<u>2014</u>
		\$	\$
INCOME			
<u>Income from generated funds:</u>			
Activities for generating funds:			
- Dwelling Place Tuition programme		1,100	880
- Holiday programmes		11,875	10,365
- School fees, registration and other fees		100,625	114,500
		<u>113,600</u>	<u>125,745</u>
Investment income:			
- Fixed deposits interest income		669	258
		<u>114,269</u>	<u>126,003</u>
Other income	4	8,492	5,869
Total income		<u>122,761</u>	<u>131,872</u>
EXPENDITURES			
<u>Cost of generating funds: Activities</u>			
Bank charges		107	66
Depreciation of plant and equipment	9	100	499
Dwelling place Tuition program expenses		252	184
Food and beverages		3,121	3,459
General expenses		191	77
Insurance		369	396
Holiday program expenses		2,847	2,639
Manpower benefit costs	5	102,571	91,311
Maintenance of equipment		620	464
Maintenance of premises		530	599
Non-capitalised purchases		221	152
Printing, stationery and postage		137	449
Rent and conservancy fees		9,014	9,014
Telecommunication		803	807
Utilities		3,563	4,473
		<u>124,446</u>	<u>114,589</u>
<u>Governance costs</u>			
Accountancy fees		60	40
Administrative support costs	6	2,615	1,465
Auditors' remuneration		1,520	1,316
License fees		254	254
		<u>4,449</u>	<u>3,075</u>
Total expenditures		<u>128,895</u>	<u>117,664</u>
NET (EXPENDITURE)/INCOME		(6,134)	14,208
Reconciliation of funds			
Total funds brought forward		<u>74,593</u>	<u>60,385</u>
Total funds carried forward	11	<u>68,459</u>	<u>74,593</u>

The notes set out on pages 6 to 12 form an integral part of these financial statements.

COMMONWEALTH STUDENT CARE CENTRE
(A Community Service Project of Good News Community Services)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	<u>Note</u>	<u>2015</u>	<u>2014</u>
		\$	\$
ASSETS			
Current assets			
Other receivables		460	484
Other current assets	7	1,141	1,271
Cash and cash equivalents	8	80,314	89,623
		<u>81,915</u>	<u>91,378</u>
Non-current asset			
Plant and equipment	9	-	100
Total assets		<u>81,915</u>	<u>91,478</u>
LIABILITIES			
Current liabilities			
Other payables	10	6,046	8,875
Refundable deposits		7,410	8,010
Total liabilities		<u>13,456</u>	<u>16,885</u>
NET ASSETS		<u>68,459</u>	<u>74,593</u>
FUNDS			
Unrestricted funds			
General fund	11	66,625	72,759
Designated fund	11	1,834	1,834
TOTAL FUNDS		<u>68,459</u>	<u>74,593</u>

The notes set out on pages 6 to 12 form an integral part of these financial statements.

COMMONWEALTH STUDENT CARE CENTRE
(A Community Service Project of Good News Community Services)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	<u>Note</u>	<u>2015</u>	<u>2014</u>
		\$	\$
Cash flows from operating activities			
Net (expenditure)/income for the year		(6,134)	14,208
Adjustment for:			
Depreciation of plant and equipment	9	100	499
Fixed deposits interest income		(669)	(258)
Operating cash flow before working capital changes		(6,703)	14,449
Changes in working capital:			
Other receivables		24	(484)
Other current assets		130	504
Other payables		(2,829)	(3,895)
Refundable deposits		(600)	(1,850)
Cash (used in)/generated from operations		(9,978)	8,724
Interest received		669	258
Net cash (used in)/provided by operating activities		<u>(9,309)</u>	<u>8,982</u>
Cash flows from investing activities			
Purchase of plant and equipment		-	(599)
Net cash used in investing activities		<u>-</u>	<u>(599)</u>
Net (decrease)/increase in cash and cash equivalents		(9,309)	8,383
Cash and cash equivalents at the beginning of the year		<u>89,623</u>	<u>81,240</u>
Cash and cash equivalents at end of the year	8	<u>80,314</u>	<u>89,623</u>

The notes set out on pages 6 to 12 form an integral part of these financial statements.

COMMONWEALTH STUDENT CARE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

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

1 GENERAL INFORMATION

The Commonwealth Student Care Centre (the "Centre") is a community service project of Good News Community Services, which is registered with the Registry of Societies. The Commonwealth Student Care Centre is located at Blk 37B Commonwealth Drive, #01-01 and #02-01, Singapore 140370.

The principal activities of the Centre are to provide student care services.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with Charities Accounting Standard ("CAS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements requires the Management Committee to exercise its judgement in the process of applying the Centre'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 expenditure during the year. Although these estimates are based on Management Committee's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

In the current financial year, the Centre has adopted CAS which is applicable to financial periods beginning on or after 1 January 2015 in place of previously adopted Singapore Financial Reporting Standards. The adoption of CAS did not result in substantial changes to the Centre's accounting policies nor have any significant material impact on these financial statements.

The comparative figures in the financial statements have been reclassified to conform to the current financial year's presentation.

(b) Functional and presentation currency

The Good News Community Services Management Committee has determined the currency of the primary economic environment in which the Centre operates to be Singapore Dollar ("the functional currency"). The financial statements are presented in Singapore Dollar which is the Centre's functional and presentation currency.

(c) Plant and equipment

(i) Measurement

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation.

(ii) Components of costs

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Management Committee.

COMMONWEALTH STUDENT CARE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Plant and equipment (continued)

(iii) Depreciation

Depreciation of plant and equipment is calculated using the straight line method to allocate their depreciable amounts over their estimated useful lives at the following annual rates:

Computers	100%
Office equipment	20%
Furniture and fittings	20%
Renovation	20%

The residual values and useful lives of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision of the residual values and useful lives are recognised in the statement of financial activities when the changes arise.

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

(iv) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Centre and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the statement of financial activities during the financial year in which it is incurred.

(v) Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the statement of financial activities in the year the asset is derecognised.

(d) Financial assets

The Centre classifies the following financial assets as loans and receivables and are presented in the statement of financial position as follows:

- (i) cash and cash equivalents; and
- (ii) other receivables and deposits

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

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in the statement of financial activities when the loans and receivables are derecognised or impaired and through the amortisation process.

(e) Impairment of financial assets

The Centre assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Impairment of financial assets (continued)

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the statement of financial activities.

The impairment allowance is reduced through income or expenditure in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(f) Financial liabilities

Financial liabilities include other payables and refundable deposits.

Financial liabilities are recognised when, and only when, the Centre becomes a party to the contractual provisions of the financial instrument. The Centre determines the classification of its financial liabilities at initial recognition. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the statement of financial activities when the liabilities are derecognised and through the amortisation process. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(g) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise of cash in hand, bank balance and short term bank deposits.

(h) Unrestricted Funds

Unrestricted fund comprises of general fund and designated fund.

General fund is used for general purposes of the Centre. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separated fund (known as "Designated fund"). The designation has an administrative purpose only and does not legally restrict the Management Committee's discretion to apply the fund.

(i) Income recognition

Income comprises the fair value of the consideration received or receivable in the ordinary course of the Centre's activities.

(i) Income from generated funds

Activities for generating funds

Income from school fees and school programme are recognised as revenue over the period the services are rendered and school programme are conducted.

COMMONWEALTH STUDENT CARE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Income recognition (continued)

(i) Income from generated funds (continued)

Investment income

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

(ii) Other income

Comprised of government grants i.e. special employment credit, temporary employment credit, wage credit scheme and other income are recognised as and when received in the current financial year.

(j) Expenditures

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the respective activity. Where costs cannot be wholly attributed to an activity, they have been apportioned on a basis consistent with the use of resources.

(i) Costs of generating funds

Costs of generating funds are those costs attributable to generating income for the Centre, and include an apportionment of the support costs.

(ii) Governance costs

Governance costs include the costs of governance arrangements, which relate to the general running of the Centre as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. Expenditure on the governance of the Centre will normally include both direct and related support costs which include internal and external audit, apportioned manpower costs and general costs in supporting the governance activities and cost associated with constitutional and statutory requirements.

(k) Operating leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are recognised in the statement of financial activities on a straight line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, 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.

(l) Employee benefits - defined contribution plans

The Centre makes contributions to the state provident fund known as Central Provident Fund (CPF). CPF contributions are recognised as compensation expense in the same period as the employment that gives rise to the contributions.

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Centre makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

COMMONWEALTH STUDENT CARE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

4 OTHER INCOME

	<u>2015</u>	<u>2014</u>
	\$	\$
Special employment credit	4,481	3,704
Wage credit scheme	3,990	1,945
Others	21	220
	<hr/> 8,492	<hr/> 5,869

5 MANPOWER BENEFIT COSTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Staff salaries and bonuses	80,857	71,183
Employer's Central Provident Fund contribution and Skills Development Levy	12,131	9,794
Staff medical and insurance	1,540	921
Staff training	10	680
Staff welfare	151	205
Honorarium	7,882	8,528
	<hr/> 102,571	<hr/> 91,311

6 ADMINISTRATIVE SUPPORT COSTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Manpower benefit costs	2,471	1,299
Other operating costs	144	166
	<hr/> 2,615	<hr/> 1,465

7 OTHER CURRENT ASSETS

	<u>2015</u>	<u>2014</u>
	\$	\$
Deposits	1,083	1,213
Prepayments	58	58
	<hr/> 1,141	<hr/> 1,271

COMMONWEALTH STUDENT CARE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

8 CASH AND CASH EQUIVALENTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Cash and bank balances:		
Bank balance	28,238	38,123
Cash in hand	500	500
	<hr/>	<hr/>
	28,738	38,623
Short term bank deposits	51,576	51,000
	<hr/>	<hr/>
	80,314	89,623

9 PLANT AND EQUIPMENT

	<u>Computers</u>	<u>Office</u>	<u>Furniture</u>	<u>Renovation</u>	<u>Total</u>
	\$	\$	\$	\$	\$
Cost					
At 1 January 2014	973	9,264	17,107	15,763	43,107
Additions	599	-	-	-	599
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2014	1,572	9,264	17,107	15,763	43,706
At 1 January 2015	1,572	9,264	17,107	15,763	43,706
At 31 December 2015	1,572	9,264	17,107	15,763	43,706
Accumulated depreciation					
At 1 January 2014	973	9,264	17,107	15,763	43,107
Charge for the year	499	-	-	-	499
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2014	1,472	9,264	17,107	15,763	43,606
At 1 January 2015	1,472	9,264	17,107	15,763	43,606
Charge for the year	100	-	-	-	100
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2015	1,572	9,264	17,107	15,763	43,706
Carrying amount					
At 31 December 2014	100	-	-	-	100
At 31 December 2015	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

10 OTHER PAYABLES

	<u>2015</u>	<u>2014</u>
	\$	\$
Accrued operating expenses	2,453	4,816
Amount due to Good News Community Services	2,763	1,626
School fees received in advance	580	2,030
Others	250	403
	<hr/>	<hr/>
	6,046	8,875

COMMONWEALTH STUDENT CARE CENTRE
(A Community Service Project of Good News Community Services)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

11 UNRESTRICTED FUNDS

	<u>2015</u>	<u>2014</u>
	\$	\$
General fund:		
Beginning of the year	72,759	58,551
(Less)/Add: Net (expenditure)/income for the year	<u>(6,134)</u>	<u>14,208</u>
End of the year	66,625	72,759
Designated fund:		
The Dwelling Place Tuition Fund	<u>1,834</u>	<u>1,834</u>
	<u>68,459</u>	<u>74,593</u>

The Dwelling Place Tuition fund is established for the publicity of the tuition programme, holiday outings for the students, and also for future development of the tuition work in the Centre.

12 FINANCIAL RISK INSTRUMENTS

(a) Risk management

The Centre's operations do not expose itself to any significant financial risk arising from financial instruments.

(b) Sensitivity analysis

The operation of the Centre does not expose itself to any significant market risk. In view of this, the sensitivity analysis of market risk is not disclosed as the effect on the statement of financial activities is considered not significant.

(c) Fair value

The carrying amounts of current financial assets and current financial liabilities recorded in the financial statements approximates their respective net fair values due to the relatively short term maturity of these financial instruments.

13 FUND MANAGEMENT POLICY

The primary objective of the Centre is to safeguard its assets; to effectively and efficiently manage the usage of available capital resources towards supporting the Centre's principal and related activities, and ensuring long-term financial sustainability.

14 AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution of the Good News Community Services Management Committee on 30 March 2016.

5.1 REPORTS FROM THE CENTRES

5.1 Pasir Ris Family Service Centre

5.2 Sonshine Childcare Centre

5.3 Commonwealth Student Care Centre

Reports from Centres - Pasir Ris Family Service Centre

Block 256 Pasir Ris Street 21 #01-289 Singapore 510256

<u>STAFF</u>	<u>NAME</u>	<u>ADDRESS</u>	<u>TEL NO.</u>
President	Rev Canon Daniel Tong (Jan 1 to Apr 11, 2015)	1 Francis Thomas Dr #02-17 Singapore 359340	6289 7611
	Bishop Kuan Kim Seng (wef Apr 12, 2015)		
Executive Director	Peter Chang Kay Hoi	Blk 256 Pasir Ris St 21 #01-289 Singapore 510256	6581 2159

1. MAJOR CHANGES IN 2015

In his speech at the MSF Committee of Supply 2015 during the Parliament session on March 13, 2015, Minister Chan Chun Sing highlighted three critical social challenges that we have to confront in the coming years. First, social mobility. Second, our evolving family support system. Third, the aging population.

In addressing the issues of social inequality, he highlighted that it is not just to transfer help to people at certain point in time. More importantly, we need to ensure that the next generation has to move up the social ladder if they work hard, and if they have the talent to do so.

The next challenge has to do with the shrinking size of our family. We are having fewer children in the average family. Many are living independently, and many could be working or staying overseas. In a hypercompetitive global system, our family will continue to face many stresses and strains in the coming years. Marriages have also transcended the traditional geographical boundaries.

As for the aging population, financial security and assurance will be key considerations for them. Likewise, how we can integrate them socially will also be another challenge.

As part of the social service eco-system, Family Service Centre will need to relook at our social systems and social networks to tackle the three challenges of an aging population, social mobility and our evolving family structure.

2. MAJOR EVENTS IN 2015

2.1 As part of the Ministry's plan to build a future ready social service sector, the Ministry of Social and Family Development (MSF) launched the Code of Social Work Practice (CSWP) and Social Service Network (SSNet).

CSWP aims to integrate casework, group work and community work methods to meet clients' needs holistically. This is to help social work practitioners then better understand and respond more effectively to our clients' needs

based on the Code of Social Work Practice's (CSWP) processes, standards, and outcomes. Our staff were rostered to attend the FSC On-boarding Training Programme throughout the year to develop knowledge and understanding of professional social work practice.

SSNet is a national case management system for the social service sector, with a singular vision of "One Client, One Record, One System". SSNet will enable service providers to better coordinate the delivery of social assistance and social services to individuals and families in need – an integrated case management system across the entire social service sector. The system will include case and referral management system and assessment tools. To enable easy access to the SSNet, all case workers in our FSC will be provided with the necessary IT equipment to streamline the process of capturing information and quick follow up with clients.

2.2 Community Services Program

All Community Services Program ran in previous years were terminated as the CSWP framework now provide for only Group Work and Community Work.

Group Work serves the Emerging to Higher Risk groups who can benefit from this method of practice and will encompass: (1) Support Group, (2) Therapeutic Group, and (3) Psycho-educational group.

Community Work are to be developed for communities presenting emerging risks, escalating risks or higher risks. The objectives of Community Work include: (1) Respond to emerging social concerns and issues, (2) advocate for those service users who are disadvantaged, (3) maximize the use of resources available, (4) develop ways of working with specific groups to maximize their level of functioning and integrate them into the community, and (5) collaborate with various stakeholders and authorities to be more responsive to the community needs and problems.

For Group Work, we ran a program "Mummies Dearest" focus on single mothers in July and August. Through 5 weekly sessions, we were able to encourage them through mutual encouragement and by providing some useful life-skills and parenting workshops.

For Community Work, we collaborate with the Pasir Ris Social Service Office and Hai Seng Catholic School to run a program "Wonder Kids" for latch-key children residing in a block of HDB rental flats. Student leaders from Hai Seng were paired with these children to provide a mentoring environment through games and outings, and to be positive role model for the latch-key children.

2.3 Food, groceries and essential assistance and relief

- a) We continue to collaborate with **Food from the Heart (FFTH)** to provide food and groceries to families who are in need of help. Distributions are conducted every Saturday, with an average of 40 families benefitting from this food assistance program. Groceries, along with bakery items,

have helped greatly in reducing their monthly household expenditure. FFTH also conducted a Toy Buffet where 30 of our clients' children were selected to receive toys for Christmas.

- b) Families seeking help from our Centre because of financial difficulties or loss of employment, often need groceries and other daily essentials to tide them over till we can link them up with jobs or financial assistance schemes. Since 2012, we have been receiving public donations for our **"Five Loaves and Two Fish"** project, which helped us purchase canned food, infant milk formula and child/adult diapers to provide relief. Donations were provided by parish members of COR as well as public donors, and all donations qualify for tax reliefs. For 2015, we expended a total of S\$11,564 to purchase daily essentials for this project.
- c) Self-help organizations and religious groups usually provide groceries or gift packs during major festivals to help their constituents celebrate. Feedback received from our clients in previous years was that such gift packs are sometimes not sufficient for family reunions, dinners and visitations. We decided to supplement these gift packs with groceries and festival tidbits, seeking out churches in our geography to make cash donations or to organize parties.
 - Hari Raya Puasa – 24 Muslim families were provided hampers of seasonal food items to help them celebrate their most important day of the year.
 - Christmas – A group of SAJC students contributed 25 hampers of foodstuff and tidbits so that these can be given out to families who celebrate Christmas. These hampers were very well received by those families who have children with the seasonal tidbits much in demand. Also Pentecost Methodist Church provided 183 booklets valued at \$10 each for 84 of our clients to enjoy themselves at a Christmas Carnival organized by PMC.

3. **RELIGIOUS TEACHING**

Regular devotions for our Christian staff were conducted every Friday. Once a month, the chaplain of Good News Community Service, Rev Victor Teo visits our Centre to provide pastoral ministry to staff members.

4. **FINANCE** – For the year ended 31 December 2015

Income	\$1,863,151
<u>Expenditure</u>	<u>\$1,208,639</u>
<u>Surplus</u>	<u>\$ 654,512</u>

FSC Operating Fund	\$ 602,472
<u>Unrestricted Surplus</u>	<u>\$ 52,039</u>
<u>Surplus</u>	<u>\$ 654,512</u>

5. EVALUATION

5.1 Mission Purpose/Statement

To enhance lives and build resilient families through quality services and active collaboration.

5.2 Vision Statement

We are an organization of competent Social Service Professionals striving towards Excellence in nurturing and empowering individuals and families.

5.3 Review of 2015 Goals

Our monthly active caseload has continued to increase year over year. We continue to qualify for primary and secondary tier co-funding provided by MSF, Singapore Tote Board and the NCSS Community Chest.

In 2015, PRFSC handled a total referral of 583 cases, of which 511 were taken in as casework. Our Social Workers and Counsellors maintained an active caseload averaging 320 per month. Financial/Employment (18%) and Marital (14.6%) problems still remain the two top presenting problems by people seeking help at our Centre. Family (mainly parenting issues), Family Violence and families seeking help to find care/shelter arrangements are other major issues we provided intervention in 2015.

Mandatory counselling under a Counselling Order made by the Court, saw about 25 such cases seen at our Centre.

The breakdown of clients by ethnicity for 2015 saw a slight shift with 62% Chinese, 24% Malays, while Indian and others constituted the balance 14%. The distributions by age group of clients were 36.5% in the 40-54 years and 32% in the 25-39 years, mirroring the national ageing population. Clients aged 55 and above increased to 17%. For 2015, one rental block of HDB flats started to see occupants moving in. Some of the private condominiums also saw residents moving in. This may shift the demographics of Pasir Ris residents and we are preparing ourselves to deal with more elderly and middle income families in the future.

We continue to be a disbursing agency for the FSC Comcare Fund established by MSF in late 2012 which enables FSC to provide immediate assistance to clients requiring urgent or temporary financial relief to tide over a difficult situation.

Of the financial cases that PRFSC counseled in 2015, we disbursed \$105,480 of Straits Times Pocket Money Fund to 218 school-going children in Pasir Ris. The beneficiaries are 184 primary and secondary and 34 post-secondary students. The aim of SPMF is to provide children from low-income families with pocket money to attend school. Beneficiaries of SPMF can also use this monthly allowance to buy food at school, pay for bus fares, books and stationery.

5.4 Development Projects/Other Special Projects

None

5.5 Points for Prayer (2016)

- a) All our Social Workers are now accredited as Registered Social Worker. The remaining two staff performing social work are currently undergoing their degree and post graduate diploma to qualify for accreditation. However, we still lack in experienced social workers to help lead this team to case managed the more complex casework that is starting to present itself in our centre.

Please pray that we will be able to recruit good qualified workers to strengthen our capabilities to deliver quality services to our clients; and to be able to retain the staff that we have continuously sent for upgrading training to improve their skills and competencies to better serve our clients.

- b) Please continue to pray that we will be able to identify specific needs of the community where our Group and Community work programs will be effective in reaching out and changing for the better, families experiencing difficulties.
- c) For the Lord to guide us to identify needs of the underprivileged and needy and the wherewithal to help them build resilience and overcome their difficulties. To open doors for us when we conduct home visits so that there will be no problems kept behind closed doors – especially those middle income families moving into Pasir Ris as condominium projects made TOP.

Mr Peter Chang
Executive Director

Reports from Centres - Sonshine Child Care Centre

Blk 211 Bukit Batok Street 21 #01-252 Singapore 650211

<u>STAFF</u>	<u>NAME</u>	<u>ADDRESS</u>	<u>TEL NO.</u>
President	Rev Canon Daniel Tong (Jan 1 to Apr 11, 2015)	1 Francis Thomas Dr #02-17 Singapore 359340	6289 7611
	Bishop Kuan Kim Seng (wef Apr 12, 2015)		
Principal	U.K Sangeeta	Blk 211 Bukit Batok St 21 #01-252 Singapore 650211	6581 2159

1. **MAJOR CHANGES IN 2015**

NIL

2. **KEY EVENTS IN 2015**

K2 Graduation and Year-End Concert

3. **2 PRAYER POINTS** (for the church to support in prayer)

- Good relationships among staff.
- Staff to have a positive mind-set towards changes that may be implemented in the upcoming year.

4. **FINANCE** – For the year ended 31 December 2015 (Unaudited)

Income	\$736,113
Expenditure	\$795,801
Surplus/Deficit	(\$ 59,689)

5. **EVALUATION**

2015 was a lot smoother than 2014 as we did not run into as many difficulties. Although enrolment was not very high, we managed to hire 3 dedicated Mandarin teachers. With the childcare sector becoming more competitive, we recognized the need to stay abreast with the changes in the sector. We recognized the need to attract and retain staff and students through relaunching the Sonshine brand name. Major renovation of the premises and thereafter working towards obtaining the Quality Rating (SPARKS) in 2016-2017 were identified as the key

factors that would make Sonshine a school that provides quality preschool education for parents. Preparation for SPARKS would enable Sonshine to review existing policies and procedures which may not be relevant anymore.

Ms U.K.Sangeeta
Principal

Reports from Centres – Commonwealth Student Care Centre

Blk. 37B #01-01 Commonwealth Drive Singapore 142037

<u>STAFF</u>	<u>NAME</u>	<u>ADDRESS</u>	<u>TEL NO.</u>
President	Rev Canon Daniel Tong (Jan 1 to Apr 11, 2015)	1 Francis Thomas Dr #02-17 Singapore 359340	6289 7611
	Bishop Kuan Kim Seng (wef Apr 12, 2015)		
Centre Supervisor	Tiong Siew Ing	Blk 37B Commonwealth Drive #01-01 & #02-01 Singapore 142037	6474 9209

1. **MAJOR CHANGES IN 2015**

1.1 **Staff Movement**

The Centre's staff strength comprised of 1 supervisor, 1 part-time BASC assistant teacher and 1 part-time cook cum cleaner.

1.2 **Enrolment**

The Centre continued to operate only for the afternoon session. Average enrolment throughout the year 2015 was about 32, with the lower primary students forming the majority. Upper primary students withdrew from the Centre as they had to stay back in schools for remedial lessons, supplementary lessons, CCAs. Parents of these children felt that their children were able to take care of themselves.

2. **MAJOR EVENTS IN 2015**

2.1 **Excursions**

The Centre organized the following activities during the School Holidays:-

- 1) Movies
- 2) Splash-N-Surf @ Kallang Wave Mall
- 3) Eco Garden @ Singapore Science Centre
- 4) Prawning @ Big Splash
- 5) Heritage Mix! @ Singapore Philatelic Museum

- 6) Sembawang Park Battleship Playground
- 7) Visit to Turtle / Tortoise Museum

2.2 Annual Camp

8 students from the Centre enrolled for Overnight Camp @ COR – Walking in the Light

2.3 Special Events organized by COR:

- 1) Good Friday Special Programme – Shine4Jesus
- 2) COR Evangelistic Dinner @ Ban Heng Restaurant (Harbour Front)
- 3) Christmas Celebrations @ CSCC

3. HAPPY TIME

The children enjoyed two hours of Happy Time every Friday with Brenda, Wei Ling and Annie engaging the children with God's Word, Songs and Games.

4. FINANCE – For the year ended 31 December 2015

Income	\$122,789
Expenditure	\$128,930
Surplus/Deficit	(\$ 6,141)

5. EVALUATION

We give thanks to God for His many blessings, providence and protection. It had been an exciting and eventful year. We look to Him for His grace, wisdom and strength for another year ahead. We would like to thank volunteers from Chapel of the Resurrection for conducting the Children/s Camp, Christmas Celebrations and the invitations to COR for Special Events.

Mdm Tiong Siew Ing
Centre Supervisor