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22nd ANNUAL GENERAL MEETING

**Sunday, 18 APRIL 2021
@ 11.30 AM**

2020 ANNUAL REPORT

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GOOD NEWS COMMUNITY SERVICES ("GNCS")

NOTICE IS HEREBY GIVEN that the 22nd Annual General Meeting of GNCS will be held on 18th April 2021 (Sunday) at 11.30 am at the COR Conference Room #02-15.

AGENDA

1. President's Address
2. Opening Prayer
3. Confirmation of Minutes of the 21st AGM held on 25th April 2020
4. Matters Arising
 - Amendments to the minutes for FY2019 financial report to approve FY2019 Treasurer's Report
 - To pass resolution to approve the virtual modality of conducting and voting during AGM in FY2020
 - Election of new MC members
5. To receive and adopt the audited financial statements for the year ended 31st December 2020
6. To appoint E H Luar & Co as auditor and to authorize Executive Committee to approve the audit fees for the year ended 31st December 2021
7. Reports from the Centres
 - Pasir Ris Family Service Centre
 - Sonshine Childcare Centre
8. Election of Management Committee Member
9. Any other matters
10. Closing Prayer

President's Address

2020 was indeed a tumultuous and challenging year. All over the world, healthcare systems were put under tremendous stress; many lives were lost; communities divided and livelihood affected by the pandemic. While we are beginning to see the light with the approval of vaccines and the roll out of vaccination programs in many countries, the global economy will take some time to recover to pre-COVID level. The needs in the community remain great and Good News Community Services (GNCS) must be ready to respond as the Lord leads and as opportunities arise.

Internally, 2020 was a year of consolidation for GNCS as Sonshine Childcare Centre (SCC) was finally transferred to Anglican Preschool Services (APS) on 13 Jul 2020. With the completion of this exercise, the childcare centres of the various Anglican parishes will be better positioned to continue the diocesan education mission in the pre-school sector. We want to thank management committee members Mr Gan Tian Huat and Mr Lee Kong Wee who were overseeing SCC as members of the SCC Supervisory Board. We also want to show appreciation to Mr Timothy Ng who was instrumental in negotiating the terms of transfer. While APS is now providing the professional services, Chapel of the Resurrection continues to be engaged with SCC through the chaplaincy program. Pasir Ris Family Service Centre (PRFSC) is now the only program in GNCS. In this season of change and transition, it is timely for us to seek the Lord to re-envision the mission of GNCS for a post-COVID world. Leveraging on PRFSC's core expertise and experience, and our network of partners on the ground, we look to expand the range and scope of services both to the heartland in Pasir Ris and beyond, paying attention to opportunities especially in Bidadari and Potong Pasir. We have also appointed Mr See Choon Wai to be the Executive Director of GNCS. We believe that with his appointment, Mr See will chart the way forward for GNCS to remain relevant and effective in serving the community. Indeed, under his charge, GNCS has begun the Good News Shelter in Changi Point. During the Circuit Breaker period, we were also invited by MCCY to provide Safe, Sound Sleeping Places (S3Ps) shelter to the homeless. The program, which ended in January 2021 provided our team with many learning opportunities in running a shelter. We are now looking at expanding our capacity and ministry in Changi Point.

I want to commend this report to you so that you will be properly informed of the good work of GNCS and continue to render your support to our ministry. In the words of the Prophet Isaiah, let us be alert to the new things that God is doing in and through us.

"Remember not the former things,
nor consider the things of old.

¹⁹ Behold, I am doing a new thing;
now it springs forth, do you not perceive it?

I will make a way in the wilderness
and rivers in the desert (Isa 43:18-19).

President,
Rev David Lee

GOOD NEWS COMMUNITY SERVICES
21st ANNUAL GENERAL MEETING

MINUTES OF MEETING

Date: 25th April 2020
Time: 10.00am – 12.00pm
Venue: Via Video Conference
Chaired by: Rev David Lee Peng Ong, President

Present

1.	Rev David Lee Peng Ong	President
2.	Mr Peter Hui Kwok Thong	Vice President
3.	Mr Gan Tian Huat	Honorary Treasurer
4.	Ms Jacqueline Tan Yi-Ping	Honorary Secretary
5.	Mr Simon Soh Soon Heng	MC Member
6.	Mr Dui Sian Ling	MC Member & HR Committee Chairman
7.	Mr Timothy Ng Heo Yong	MC Member & Audit Committee Chairman
8.	Ms Lim Siew Lin	MC Member
9.	Mr Lee Kong Wee	MC Member & Sonshine Supervisory Board Chairman
10.	Mr Dennes Tai Wen Liang	Ordinary Member
11.	Ms Lim Huey Shan Cherly Fay	Ordinary Member
12.	Mr Peter Chang Kay Hoi	Ordinary Member
13.	Ms Carol Lee Seok Hwa	Ordinary Member
14.	Ms Annie Ong Chwee Yee	Ordinary Member
15.	Mr Chua Siang Guan	Ordinary Member

By Invitation

1.	Mr See Choon Wai	GNCS Executive Director
2.	Mr James Zhou Guangquan	HQ Development Manager

Absent with Apologies

1.	Dr Leong Soon Kai	Ordinary Member
2.	Mr Tay Khoon Eng	Ordinary Member
3.	Mr Vincent Wang Zexiong	Ordinary Member
4.	Mr Chelladurai Subasanran	Ordinary Member
5.	Mr Christopher Krishnasamy	Ordinary Member

S/N	Item	Action
1.	President's Address	
1.1	We are barely past the first quarter of 2020 and it is already turning out to be an eventful and challenging year. The Covid-19 pandemic has affected lives the world over. In a bid to contain the spread of the virus, many countries have employed drastic measures to lockdown and restrict movements within their nations. This has brought tremendous impact to the world economy, with adverse effect on businesses and the livelihood of individuals all over the world. We thank God for the swift response of the Singapore	

	Government which has spared our nation of such drastic measures and allowed us to continue with our lives with some form of normalcy. Like many other countries, the Singapore government has also put in place the Resilience Budget to help our nation tie through this difficult time. Nevertheless, the economic challenge will likely be protracted and the need in the community remains great.	
1.2	In such a time of great darkness, we are grateful for the bright lights that have shone in our midst. The frontline personnel, especially our medical workers have been labouring tirelessly since the outbreak of the virus. There have also been community efforts to help our fellow countryman and residents affected by the virus. Now is the time for the church to arise and fulfil our god given responsibility to care for our neighbours. You and I can respond to this crisis in faith and hope because we serve a God who is in control and who works all things in accordance to His sovereign purposes. We can look to God for His continued provision and guidance in these uncertain times.	
1.3	Yes 2020 will be a challenging year. But it will also be a year of opportunities. In March this year, ECDA has approved the transfer of Sonshine Childcare Centre to St James Preschool Services (soon to morph into Anglican Preschool Services). We expect the transfer to be completed in the coming weeks. With that, GNCS will be left with only one program – Pasir Ris Family Service Centre. Now is a good time to re-envision our service to the community and to re-organize ourselves to stay relevant and become more effective in serving the needs of our society. I want to commend this report to you so that you will be properly informed of the good work in GNCS and continue to render your support in this difficult time. In the words of the Prophet Isaiah, let us	
1.4	<p>“Arise, shine, for your light has come, and the glory of the LORD rises upon you.</p> <p>² See, darkness covers the earth and thick darkness is over the peoples, but the LORD rises upon you and his glory appears over you.”</p>	
2.	Opening Prayer	
2.1	Rev David led the meeting with a word of prayer.	
3.	Confirmation of Minutes	
	<u>20th AGM held on 27th Apr 2019</u>	
3.1	<p>There being no further query or amendment to the minutes, the minutes were approved by all present.</p> <ul style="list-style-type: none"> • Proposer: Mr Simon Soh Soon Heng • Seconder: Ms Jacqueline Tan Yi-Ping 	

	<u>EGM held on 6th October 2019</u>																	
3.2	There being no amendment to the minutes, the minutes were approved by all present. <ul style="list-style-type: none">• Proposer: Mr Lee Kong Wee• Seconder: Mr Gan Tian Huat																	
4.	Matters Arising																	
	<u>Sonshine Childcare Centre (SCC) and St James Preschool Services (SJPS)</u>																	
4.1	During EGM on 6th Oct 2019, EGM unanimously approved the following: <ul style="list-style-type: none">1) Transfer of ownership of Sonshine Childcare Centre to St James’ Preschool Services2) Empower EXCO to manage the transfer process																	
4.2	As GNCS is an Institute of Public Character (IPC), a status higher than a Charity, MSF only allows for transfer of SCC’s licence to another charity. SJPS is currently not a charity but is in process of applying for charity status, pending the approval from Ministry of Education (MOE). The Committee of Charity has appointed MOE to approve charity status for SJPS.																	
4.3	On 26 th December 2019, GNCS signed a management agreement with SJPS to let SJPS manage the operations of SCC with effect from 1 st Jan 2020. SCC staff had also been novated to SJPS with effect from 1 st Jan 2020. This management agreement will be void once SCC’s licence is fully transferred to SJPS.																	
4.4	GNCS will work closely with SJPS to facilitate transfer of SCC’s licence to SJPS once SJPS obtains charity status.																	
4.5	Rev Siang Guan updated that MOE had reverted back to ECDA for confirmation before releasing results of SJPS’ charity status application. SJPS had cleared most of application processes and are expecting results soon. SJPS sought prayers for the application results.																	
4.6	AGM discussed having an agreement between GNCS and SJPS to facilitate transfer of favourable tenancy T&C during the transfer of ownership of SCC.	MC & SSB																
5.	To receive and adopt the audited financial statements for the year ended 31st December 2019																	
5.1	Combined financial results: <table><tr><th>Items</th><th>YTD 2019 Audited</th><th>YTD 2018 Audited</th><th>% change 2019 vs 2018</th></tr><tr><td>Total Income</td><td>\$2,453,364</td><td>\$2,314,109</td><td>6.0%</td></tr><tr><td>Total Expenditure</td><td>\$2,558,373</td><td>\$2,420,231</td><td>5.7%</td></tr><tr><td>Surplus (Deficit) for the year</td><td>(\$105,010)</td><td>(\$106,121)</td><td>-1.0%</td></tr></table>	Items	YTD 2019 Audited	YTD 2018 Audited	% change 2019 vs 2018	Total Income	\$2,453,364	\$2,314,109	6.0%	Total Expenditure	\$2,558,373	\$2,420,231	5.7%	Surplus (Deficit) for the year	(\$105,010)	(\$106,121)	-1.0%	
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Total Expenditure	\$2,558,373	\$2,420,231	5.7%															
Surplus (Deficit) for the year	(\$105,010)	(\$106,121)	-1.0%															

5.2

Financial results by Centres:

	GNCS	PRFSC	SCC	YTD 2019 Audited	YTD 2018 Audited
Total Income	\$243,671	\$1,752,866	\$695,289	\$2,691,826	\$2,501,317
Total Expenditure	\$202,049	\$1,765,855	\$828,930	\$2,796,834	\$2,607,438
Net Operating Income/Deficit	\$41,622	(\$12,990)	(\$133,641)	(\$105,009)	(\$106,121)

5.3

Total Funds:

	Unrestricted Fund			Restricted Fund	Total Funds
By Operating Centres	General Fund	Designated Fund	Total Unrestricted Fund		
GNCS	\$173,876	\$64,690	\$238,566		\$238,566
PRFSC	\$537,401	\$263,823	\$801,224	\$4,736,778	\$5,538,001
SCC	\$51,370	\$8,000	\$59,370	-	\$59,370
Total	\$762,647	\$336,513	\$1,099,160	\$4,736,778	\$5,835,938

5.4

AGM noted significant balance funds in PRFSC and plans to expand service footprint to better utilise these funds to serve the community. One example is shelter for homeless.

5.5

The audited financial statements for the year ended 31st December 2019 was received and adopted by all present.

Proposed: Mr Gan Tian Huat

Seconded: Mr Lee Kong Wee

(Note: Refer to Annual Report for details)

6.

To appoint E H Luar & Co as auditor and to authorize Executive Committee to approve the audit fees for the year ended 31st December 2020

6.1

Audit Committee had met External Auditors (EA) E H Luar & Co and were happy with their performance in terms of their independence. AC Chairman clarified that there was no conflict of interest for EA to concurrently audit PRFSC’s active casework as it is another area of audit.

6.2

Treasurer clarified that appointment of E H Luar & Co for FY2020 runs into 3rd year of appointment which fulfils regulatory requirement of up to 5yrs appointment for each partner.

6.3

The meeting approved the appointment of E H Luar & Co as auditor for FY2020 and authorized Executive Committee to approve the audit fees for the year ended 31st December 2020.

Proposer: Mr Gan Tian Huat

	<ul style="list-style-type: none">• Seconder: Ms Jacqueline Tan Yi-Ping																	
6.4	On behalf of GNCS, President expressed appreciation to Treasurer Tian Huat for going the extra mile during past four years. GNCS would need to appoint a new Treasurer during 2021 AGM as part of regulatory requirements and President urged members to keep a look out for suitable candidates.																	
7.	Reports from Centres - Pasir Ris Family Service Centre (PRSC)																	
7.1	Choon Wai presented PRFSC report (refer to Annual Report).																	
7.2	Major events included President Halimah Yacob’s visit to PRFSC as Guest-of - Honour during Gift of Love Carnival and MSF Minister Mr Desmond Lee joining night walk to outreach to the Homeless in Changi Village.																	
7.3	Regarding homeless shelter project, outreach to clients can be funded by MSF hence positioned under PRFSC whereas operation of shelter has to be funded by GNCS hence positioned under GNCS. We currently operate a short-term shelter at Buangkok arising from COVID-19 situation. Changi Village shelter operational date is pending COVID-19 situation as MSF wants to minimise exposure of social workers.																	
7.4	<table><tr><th>Cases</th><th>2017</th><th>2018</th><th>2019</th></tr><tr><td>Total no. of cases Managed</td><td>333</td><td>413</td><td>504</td></tr><tr><td>Total no. of cases Referrals / Enquires</td><td>514</td><td>519</td><td>541</td></tr><tr><td>Total no. of cases Opened</td><td>127</td><td>120</td><td>148</td></tr></table>	Cases	2017	2018	2019	Total no. of cases Managed	333	413	504	Total no. of cases Referrals / Enquires	514	519	541	Total no. of cases Opened	127	120	148	
Cases	2017	2018	2019															
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7.5	<table><tr><th>Top Five Presenting Problems From Referrals/ Enquires</th><th>2019</th></tr><tr><td>Family and Marital Issues</td><td>45%</td></tr><tr><td>Financial Issues</td><td>18%</td></tr><tr><td>Health / Mental Issues</td><td>12%</td></tr><tr><td>Shelter / Care Arrangement Issues</td><td>9%</td></tr><tr><td>Interpersonal issues</td><td>9%</td></tr></table>	Top Five Presenting Problems From Referrals/ Enquires	2019	Family and Marital Issues	45%	Financial Issues	18%	Health / Mental Issues	12%	Shelter / Care Arrangement Issues	9%	Interpersonal issues	9%					
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Shelter / Care Arrangement Issues	9%																	
Interpersonal issues	9%																	
7.6	In terms of future plans for GNCS, we will explore more opportunities to operate shelters as this is the current focus from MSF. GNCS would be looking for donations in kind to furnish these shelter units and are collaborating with COR for collection of donations in kind from COR members.																	
7.7	Choon Wai will transit to become Executive Director of GNCS whilst he coaches and guides PRFSC leadership team to manage PRFSC operations. Let’s continue pray for God to bless Choon Wai with vision and favour as he continues the good work for GNCS.																	
7.8	On behalf of GNCS, President expressed appreciation to Choon Wai and PRFSC team for the good work at PRFSC.																	

8.	Reports from Centres – Sonshine Childcare Centre (SCC)																																																									
8.1	Kong Wee presented SCC report (refer to Annual Report).																																																									
8.2	Major events or projects included Open House, Open House cum Family Carnival, parent talk on transition to primary school, staff engagement session by SSB, obtaining Singapore Pre-School Accreditation Framework (SPARK) accreditation, SJPS staff and parents engagement session, primary one preparation program and relicensing.																																																									
8.3	Enrolment as of 2020 March stands as 89. Following enrolment details from 2017-2019:																																																									
	<table><tr><th>Yr/ Mth</th><th>Jan</th><th>Feb</th><th>Mar</th><th>Apr</th><th>May</th><th>Jun</th><th>Jul</th><th>Aug</th><th>Sep</th><th>Oct</th><th>Nov</th><th>Dec</th><th>Annual Avg</th></tr><tr><td>2017</td><td>74</td><td>78</td><td>80</td><td>81</td><td>82</td><td>82</td><td>81</td><td>82</td><td>81</td><td>80</td><td>78</td><td>75</td><td>80</td></tr><tr><td>2018</td><td>68</td><td>66</td><td>67</td><td>69</td><td>68</td><td>71</td><td>73</td><td>72</td><td>74</td><td>74</td><td>76</td><td>75</td><td>71</td></tr><tr><td>2019</td><td>71</td><td>69</td><td>71</td><td>73</td><td>75</td><td>74</td><td>77</td><td>81</td><td>84</td><td>86</td><td>87</td><td>83</td><td>78</td></tr></table>	Yr/ Mth	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Avg	2017	74	78	80	81	82	82	81	82	81	80	78	75	80	2018	68	66	67	69	68	71	73	72	74	74	76	75	71	2019	71	69	71	73	75	74	77	81	84	86	87	83	78	
Yr/ Mth	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Avg																																													
2017	74	78	80	81	82	82	81	82	81	80	78	75	80																																													
2018	68	66	67	69	68	71	73	72	74	74	76	75	71																																													
2019	71	69	71	73	75	74	77	81	84	86	87	83	78																																													
8.4	With the attainment of SPARK and relicensing, the year has indeed been a fruitful one. In addition, marketing efforts resulted in an increase in the enrolment numbers towards the second half of the year. On the whole, the staff feel that their efforts have paid off and that the Management has recognized their hard work. Staff are looking forward towards the upcoming integration of preschools under St James’ Preschool Services.																																																									
8.5	On behalf of GNCS, President expressed appreciation to Kong Wee, Tian Huat, Sangeeta, James and SCC team for the good work at SCC.																																																									
9.	Election of Additional Management Committee Member																																																									
9.1	President nominated Mr Dennes Tai Wen Liang as new MC member. Dennes is also a COR PCC member and his appointment would foster the link between GNCS and COR. President highlighted and reiterated GNCS’ importance as the community arm for COR to serve the community.																																																									
9.2	AGM unanimously approved appointment of Mr Dennes Tai Wen Liang as new MC member.																																																									
10.	Closing Prayer																																																									
10.1	Dennes Tai closed the meeting with a word of prayer.																																																									

Prepared by: James Zhou, Development Manager

Approved by:

Rev David Lee Peng Ong, President

GOOD NEWS COMMUNITY SERVICES
Annual Report for Year Ended 31 December 2020

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 28 April 2019 for a term of 2 years		
	SN	Name	Designation
	1.	Rev David Lee Peng Ong	President
	2.	Mr Peter Hui Kwok Thong	Vice President
	3.	Mr Gan Tian Huat	Honorary Treasurer
	4.	Ms Jacqueline Tan Yi Ping	Honorary Secretary
	5.	Mr Simon Soh Soon Heng	Committee Member
	6.	Mr Dui Sian Ling	Committee Member
	7.	Mr Timothy Ng Heo Yong	Committee Member
	8.	Ms Lim Siew Lin	Committee Member
	9.	Mr Lee Kong Wee	Committee Member
	10.	Mr Dennes Tai Wen Liang	Committee Member
Bankers	DBS Bank Ltd United Overseas Bank Limited Hong Leong Finance Limited RHB Bank Berhad		
Auditor	E H Luar & Co		

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 and from public donations.

Childcare Centre operations collect fees from the students and clients and subsidies from ECDA up to the end of July 2020 when the operation was transferred to SJPS.

In addition, Family Service Centre received significant financial resource support from Community Foundation of Singapore and public donation for its new Shelter for Homeless projects.

STATEMENT OF ACCOUNTS

Audited financial statement for the financial year ended 31 December 2020 of:

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

REVIEW OF YEAR 2020

Refer to reports of each of the following centres:

- 1) Pasir Ris Family Service Centre
- 2) Sonshine Childcare Centre

Treasurer's Report on the Good News Community Services - combined financial results for the year ended 31st December 2020 (as prepared on the SOFA Format).

Items	YTD 2020 Draft	YTD 2019 Audited	% change 2020 vs 2019
Total Income	\$2,767,399	\$2,453,364	12.8%
Total Expenditure	\$2,376,084	\$2,558,373	(7.1%)
Surplus (Deficit) for the year	\$391,316	(\$105,010)	(472.6%)

INCOME

For the year ended 31st December 2020, Total Income compared to last year was higher by 12.8% or \$314,035 contributed by the following:

\$218,359	Increased in funding from MSF from handling higher case load.
\$184,253	Other grants - (movement of funds) 1.\$76,750 Shelter for Homeless 2.\$103,124 SPMF 3.\$4,379 Others
\$300,826	Increase in Jobs Support Scheme
(\$382,032)	Lower collection for enrolment in SCC
(\$7,371)	Various Items (2.3% of variance)
\$314,035	

EXPENDITURE

For the year ended 31st December, 2020, Total Expenditure decreased by 7.1% or \$182,289 mainly contributed by the following:

Items	YTD 2020 Draft	YTD 2019 Audited	% change 2020 vs 2019
Total Manpower Cost	\$1,599,954	\$2,120,059	(24.5%)
Total Other Expenditure	\$776,130	\$438,314	77.1%
Total Expenditure	\$2,376,084	\$2,558,373	(7.1)%

Total Manpower Expenditure by Operating Centres are tabulated below:

Centres	YTD 2020 Draft	YTD 2019 Audited	% change 2020 vs 2019
PRFSC	\$1,446,918	\$1,345,710	7.5%
SCC	N.A.	\$601,364	N.A.
GNCS (HQ)	\$153,036	\$172,985	(11.5%)
Total GNCS	\$1,599,954	\$2,120,059	(24.5%)

Total Manpower Expenditure for YTD2020 was 24.5% or \$520,105 lower than last year due to SCC transfer its ownership to Anglican Preschool Services Ltd (SJPS) with effect from 1st January 2020.

Total Manpower Expenditure in PRFSC increased by 7.5% or \$101,208 from the higher salaries and accrual for performance bonuses. In GNCS manpower expenditure decreased by 11.5% or \$19,949 due to gap in the timing of replacement staff.

Total Other Expenditure by Operating Centres are tabulated below:

Centres	YTD 2020 Draft	YTD 2019 Audited	% change 2020 vs 2019
PRFSC	\$292,131	\$252,130	15.9%
SCC	\$433,979	\$157,120	176.2%
GNCS (HQ)	\$50,020	\$29,064	72.1%
Total GNCS	\$776,130	\$438,314	77.1%

Total Other Expenditure for YTD2020 increased by 77.1% or \$337,816 compared to FY2019.

Total Other Expenditure in PRFSC was 15.9% or \$40,001 higher than last year mainly from the following:

\$99,426	Higher Disbursements from the following: Homeless for Shelter @ Buangkok (new)	\$53,656
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	Homeless for Shelter @ Changi Village (new)	\$6,820
	PRFSC Financial Assistance	\$13,565
	SPMF	\$25,385
(\$22,207)	Lower Disbursements from the following:	
	Non Funded Programmes	(\$19,909)
	Miscellaneous Programmes	(\$2,298)
(\$32,488)	Lower Recurrent Expenses	
	Rental	(\$4,528)
	Depn – Computer	(\$25,467)
	Plant & Eqm – Non-Capitalised	(\$2,493)
\$11,500	Higher Governance cost	
	Casework Audit	\$10,000
	Special Purpose Audit	\$1,500
(\$12,230)	Various Items	
\$40,001		

Total Other Expenditure in SCC was 176.2% or \$276,859 higher than FY2019 from the following:

\$282,861	Management Fee (new)
\$128,932	Net loss on transfer of Centre's assets to SJPS (new)
(\$55,606)	Direct operating costs
(\$71,641)	Other Operating costs
(\$7,800)	Audit Fee
\$113	Various items
\$276,859	

Total Other Expenditure in GNCS (HQ) was 72.1% or \$20,956 higher than FY2019 from the following:

\$1,059	Higher Liability Insurance
\$2,150	Higher Postage and Courier during COVID19
\$833	Higher in Depn – Computer (purchase new laptop during COVID19 WFH)
\$1,242	Professional Fee for FY2019
\$4,000	SCC Audit Fee

\$9,000	Internal Audit Fee
\$2,672	Various items
\$20,956	

NET INCOME / (EXPENDITURE) by Centres as below:

Income	GNCS	PRFSC	SCC	YTD 2020 Draft	YTD 2019 Audited
Income from generated funds					
13% Quota (exclusive of SOFA Format)	\$279,170			\$279,170	\$238,461
Voluntary income		\$28,100		\$28,100	\$25,419
Activities for generating funds			\$283,011	\$283,011	\$683,111
Investment income	\$111	\$58,692		\$58,802	\$65,067
Income from charitable activities		\$2,035,968		\$2,035,968	\$1,634,085
Other income	\$39,588	\$285,192	\$36,738	\$361,518	\$45,683
Waiver of amount due to GNCS (exclusive of SOFA Format)			\$54,857	\$54,857	
Total income	\$318,869	\$2,407,952	\$374,606	\$3,101,426	\$2,691,826
Less: Expenditures					
Manpower Costs	\$153,036	\$1,446,918		\$1,599,954	\$2,120,059
Costs of Generating funds	\$31,211		\$20,861	\$52,072	\$172,606
Impairment loss (exclusive of SOFA Format)	\$54,857			\$54,857	
Charitable Activities		\$269,380		\$269,380	\$240,880
Governance Costs	\$18,809	\$22,750	\$1,325	\$42,884	\$24,828
Management Fee			\$282,861	\$282,861	
Net loss on transfer of centre's assets to SJPS			\$128,932	\$128,932	
13% Quota (exclusive of SOFA format)		\$279,170		\$279,170	\$238,461
Total EXPENDITURE	\$257,913	\$2,018,218	\$433,979	\$2,710,110	\$2,796,834
Net income/(expenditure) before tax expense	\$60,956	\$389,734	(\$59,373)	\$391,316	(\$105,009)

Details of Fund Movements:

	Unrestricted Fund			Restricted Fund	Total Funds
Combined GNCS	General Fund	Designated Fund	Total Unrestricted Fund		
2020 Brought Forward	\$762,647	\$336,513	\$1,099,160	\$4,736,778	\$5,835,938
Net (Expenditure) Income for the year 2020	(\$19,944)	\$17,712	(\$2,232)	\$393,548	\$391,316
Gross Transfer Between Funds (SCC)					
Gross Transfer Between Fund (PRFSC)		(9,545)	(\$9,545)	\$9,545	
Total Funds Carried Forward	\$742,703	\$344,680	\$1,087,383	\$5,139,871	\$6,227,254
By Operating Centres					
GNCS	\$239,370	\$60,152	\$299,522		\$299,522
PRFSC	\$511,336	\$276,528	\$787,864	\$5,139,871	\$5,927,735
SCC	(\$8,003)	\$8,000	(\$3)	-	(\$3)
Total	\$742,703	\$344,680	\$1,087,383	\$5,139,871	\$6,227,254

Outlook

- PRFSC will continue to seek opportunities to expand its programs to support the community and will strengthen its human resources.
- The plan for PRFSC in 2021 is to utilize fully the funding from MSF for Shelter for Homeless project.

Management Committee's Statement and Audited Financial Statements

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
Pasir Ris Family Service Centre)

UEN No. S99SS0015F

(Registered under the Societies Act, Chapter 311)

31 December 2020

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
Pasir Ris Family Service Centre)

(Registered under the Societies Act, Chapter 311)

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GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
Pasir Ris Family Service Centre)
(Registered under the Societies Act, Chapter 311)

Management Committee's Statement

For the year ended 31 December 2020

Opinion of the Management Committee

In the opinion of the Management Committee,

- (a) the accompanying financial statements of Good News Community Services (incorporating the results of Sonshine Childcare Centre and Pasir Ris Family Service Centre) (the "Society"), are drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Charities Accounting Standard (the "CAS") in Singapore, so as to present fairly, in all material respects, the financial position of the Society as at 31 December 2020 and its results of financial activities and cash flows of the Society for the year ended on that date;
- (b) the Society has maintained a satisfactory system of controls as it determines is necessary to enable the preparation of these financial statements that are free from material misstatement, whether due to fraud or error;
- (c) proper accounts and other records, including records of all assets and liabilities of the Society, have been kept in accordance with the requirements of Regulation 4 of the Societies Regulations (Rg 1); and
- (d) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

1. The Management Committee Members

Rev Lee Peng Ong @ David Lee	- President
Hui Kwok Thong	- Vice-President
Gan Tian Huat	- Honorary Treasurer
Tan Yi-Ping Jacqueline	- Honorary Secretary
Dui Sian Ling	- Committee member
Soh Soon Heng Simon	- Committee member
Ng Heo Yong	- Committee member
Lee Kong Wee	- Committee member
Lim Siew Lin	- Committee member
Tai Wen Liang Dennes	- Committee member

2. Independent Auditor

The independent auditor, E H Luar & Co, Public Accountants and Chartered Accountants has expressed its willingness to accept re-appointment.

On behalf of the Management Committee

Rev Lee Peng Ong @ David Lee
President

Gan Tian Huat
Honorary Treasurer

Singapore, 27 March 2021

GOOD NEWS COMMUNITY SERVICES

(Registered under the Societies Act, Chapter 311)

Independent Auditor's Report to the Members of Good News Community Services(Incorporating the results of Sonshine Childcare Centre and
Pasir Ris Family Service Centre)
For the Financial Year Ended 31 December 2020**Report on the Audit of the Financial Statements***Opinion*

We have audited the accompanying financial statements of Good News Community Services (Incorporating the results of Sonshine Childcare Centre and Pasir Ris Family Service Centre), (the "Society"), which comprise the statement of financial position as at 31 December 2020, and the statement of financial activities and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Charities Accounting Standard (the "CAS") in Singapore so as to present fairly, in all material respects, the financial position of the Society as at 31 December 2020 and the results of financial activities and cash flows of the Society for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Management Committee is responsible for the other information. The other information comprises the Management Committee's Statement as set out on page 1.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

GOOD NEWS COMMUNITY SERVICES

(Registered under the Societies Act, Chapter 311)

Independent Auditor's Report to the Members of Good News Community Services

(Incorporating the results of Sonshine Childcare Centre and
Pasir Ris Family Service Centre)

For the Financial Year Ended 31 December 2020 (Cont'd)

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

Responsibilities of the Management Committee for the Financial Statements

The Management Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and the CAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management Committee is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

The Management Committee is responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management committee.

GOOD NEWS COMMUNITY SERVICES

(Registered under the Societies Act, Chapter 311)

Independent Auditor's Report to the Members of Good News Community Services

(Incorporating the results of Sonshine Childcare Centre and

Pasir Ris Family Service Centre)

For the Financial Year Ended 31 December 2020 (Cont'd)

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

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

- (d) Conclude on the appropriateness of management committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

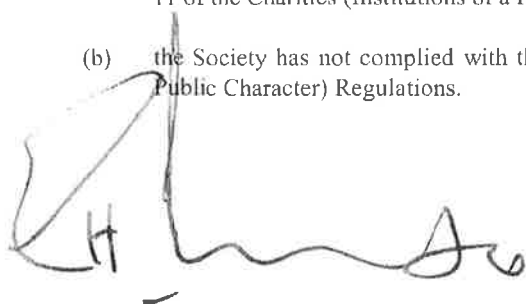
We communicate with the management committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 Societies Regulations enacted under the Societies Act, the Charities Act and Regulations.

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

- (a) the Society has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) the Society has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.



E H LUAR & CO
Public Accountants and
Chartered Accountants

Singapore, 27 March 2021

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
Pasir Ris Family Service Centre)

(Registered under the Societies Act, Chapter 311)

Statement of Financial Activities

For the Financial Year Ended 31 December 2020

	Note	Unrestricted Funds \$	Restricted funds \$	2020 Total \$	2019 Total \$
Income					
Income from generated funds					
Voluntary income		28,100	—	28,100	25,419
Activities for generating funds		283,011	—	283,011	683,111
Investment income		111	58,692	58,803	65,067
Income from charitable activities		—	2,035,967	2,035,967	1,634,085
Other income		347,169	14,350	361,519	45,680
Total income		658,391	2,109,009	2,767,400	2,453,362
Less: Expenditures					
Costs of generating funds		201,334	—	201,334	946,952
Charitable activities		27,362	1,692,711	1,720,073	1,586,591
Governance costs		431,927	22,750	454,677	24,828
Total expenditures		660,623	1,715,461	2,376,084	2,558,371
Net income/ (expenditure) before tax expense	4	(2,232)	393,548	391,316	(105,009)
Tax expense	13	—	—	—	—
Net income/ (expenditure) before transfers		(2,232)	393,548	391,316	(105,009)
Gross transfers between funds	10(b)	(9,545)	9,545	—	—
Net income/ (expenditure) before holding gains and losses		(11,777)	403,093	391,316	(105,009)
Other recognised gains or losses		—	—	—	—
Net movement in funds during the year		(11,777)	403,093	391,316	(105,009)
Reconciliation of funds:					
Total funds brought forward		1,099,159	4,736,778	5,835,937	5,940,946
Total funds carried forward		1,087,382	5,139,871	6,227,253	5,835,937

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
Pasir Ris Family Service Centre)

(Registered under the Societies Act, Chapter 311)

Statement of Financial Position

As at 31 December 2020

	Note	2020 \$	2019 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	6,459,385	5,797,845
Other receivables	6	34,002	66,056
Other current assets	7	31,463	16,125
		<u>6,524,850</u>	<u>5,880,026</u>
Non-current assets			
Property, plant and equipment	8	<u>32,472</u>	<u>193,330</u>
Total assets		<u>6,557,322</u>	<u>6,073,356</u>
LIABILITIES			
Current liabilities			
Other payables	9	330,069	193,149
Refundable deposits		<u>—</u>	<u>44,270</u>
Total liabilities		<u>330,069</u>	<u>237,419</u>
Net assets		<u>6,227,253</u>	<u>5,835,937</u>
FUNDS			
Unrestricted funds			
General fund	10(a)	742,703	762,647
Designated funds	10(b)	<u>344,679</u>	<u>336,512</u>
		1,087,382	1,099,159
Restricted funds	11	<u>5,139,871</u>	<u>4,736,778</u>
Total Funds		<u>6,227,253</u>	<u>5,835,937</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
Pasir Ris Family Service Centre)
(Registered under the Societies Act, Chapter 311)

Statement of Cash Flows**For the Financial Year Ended 31 December 2020**

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Net income/(expenditure) before tax expense		391,316	(105,009)
Adjustments for:			
Depreciation	8	23,963	89,101
Interest income	4	(58,803)	(65,067)
Net loss on transfer of SCC's assets to SJPS	20	128,932	—
Operating cash flows before changes in working capital		485,408	(80,975)
Changes in working capital:			
Decrease in other receivables		17,283	244,634
Increase in other current assets		(23,670)	(6,791)
Increase in other payables		136,920	73,500
(Decrease)/Increase in refundable deposits		(25,477)	6,920
Net cash generated from operations		590,464	237,288
Interest received		73,574	49,564
Net cash flows from operating activities		664,038	286,852
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(2,498)	(7,873)
Net cash used in investing activities		(2,498)	(7,873)
Cash flows from financing activities			
Net cash flows from financing activities		—	—
Net increase in cash and cash equivalents		661,540	278,979
Cash and cash equivalents at beginning of the financial year		5,797,845	5,518,866
Cash and cash equivalents at the end of the financial year	5	6,459,385	5,797,845

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
Pasir Ris Family Service Centre)
(Registered under the Societies Act, Chapter 311)

Notes to the Financial Statements 31 December 2020

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

1. Domicile and Activities

Good News Community Services (the “Society”) is registered under the Singapore Societies Act, Chapter 311 with UEN No. S99SS0015F and is domiciled in Singapore. The Society is an approved charity under the under the Charities Act, Chapter 37 since 29 September 2000 with Charity Registration No. 1461 and is an approved Institution of a Public Character (“IPC”) for the period from 24 July 2019 to 23 January 2022.

The registered address of the Society is located at 1 Francis Thomas Drive #02-17 Diocesan Centre Building 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, youth and families. There have been no significant changes in the nature of these activities during the financial year.

The financial statements of the Society for the year ended 31 December 2020 incorporates the results of Sonshine Childcare Centre (“SCC”) and Pasir Ris Family Service Centre (“PRFSC”).

During the current financial year under review, the Management Committee of the Society has approved the transfer of ownership of Sonshine Childcare Centre to St. James’ Preschool Services (Anglican) Ltd. (“SJPS”), now known as Anglican Preschool Services Ltd. Details of the transfer of ownership of SCC has been disclosed in Note 20.

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

2. Summary of Significant Accounting Policies

2.1 Basis of preparation

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below, and are prepared in accordance with Charities Accounting Standard (“CAS”) as issued by the Singapore Accounting Standards Council.

The preparation of the Society’s financial statements requires Management Committee to make judgements, estimates and assumptions that affect the reported amounts of the income, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods. Management Committee is of the opinion that there is no significant judgement made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
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(Registered under the Societies Act, Chapter 311)

Notes to the Financial Statements 31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.2 *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 dollars ("SGD" or "\$") and all values are rounded to the nearest dollar ("S") unless otherwise indicated.

2.3 *Property, plant and equipment and depreciation*

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation.

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

When significant parts of property, plant and equipment are required to be replaced in intervals, the costs of replacing such an item when the cost is incurred is added to the carrying amount of the item if the recognition criteria are met. The costs of day-to-day servicing of an item of property, plant and equipment is recognised as expenditure in the Statement of Financial Activities in the period in which the costs are incurred. Property, plant and equipment shall not be revalued and are not required to be assessed for impairment.

Depreciation is calculated using the straight-line basis to allocate its depreciable amounts over its estimated useful lives at the following annual rates:

Computers and software	-	20% to 100%
Furniture and fittings	-	20%
Office equipment	-	20%
Renovation	-	20%

The depreciation charge for each period is recognised as expenditure in the statement of financial activities unless another section of the CAS requires it to be included in the carrying amount of another asset. The residual values, estimated useful lives and depreciation method of property and equipment are reviewed and adjusted, as appropriate, at each reporting period. The effects of any revisions are recognised in the statement of financial activities for the financial year in which the changes arise. The carrying amount of the property, plant and equipment at the date of revision or changes is depreciated over the revised remaining useful lives.

Fully depreciated assets still in use are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in statement of financial activities in the year the asset is derecognised.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
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(Registered under the Societies Act, Chapter 311)

Notes to the Financial Statements

31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.4 Financial assets

The Society classifies the following financial assets 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 on the statement of financial position when, and only when, the Society becomes a party to the contractual provisions of the financial instrument.

Financial assets are initially recognised at the transaction price excluding transaction costs, if any, which shall be recognised as expenditure immediately in the statement of financial activities. Subsequent to initial measurement, financial assets, including other receivables and deposits excluding prepayments, are measured at cost less any accumulated impairment losses. Prepayments are subsequently measured at the amount paid less the economic resources received or consumed during the financial year.

Financial assets (consisting of cash and cash equivalents, and other receivables and deposits excluding prepayments), are derecognised when the contractual rights to receive cash flows from the assets have expired or have been transferred and the Society has transferred substantially all risks and rewards of ownership. On de-recognition of financial assets in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in the statement of financial activities.

2.5 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.

GOOD NEWS COMMUNITY SERVICES

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Notes to the Financial Statements 31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at bank and fixed deposits which are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

2.7 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.

Financial liabilities shall be recognised at their transaction price, excluding transaction costs, if any, both at the initial recognition and at subsequent measurement. Transaction costs shall be recognised as expenditure in the statement of financial activities as incurred.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

2.8 Fund Accounting

Monies received for specific purposes, including transfers from the general fund, are credited directly to the respective fund in the financial statements. These include restricted funds and unrestricted funds.

(a) Unrestricted funds

Unrestricted funds are expendable at the discretion of the Society's Management Committee in furtherance of the Society's objects.

Unrestricted funds comprise 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.

(b) Restricted funds

Restricted funds are funds held by the Society that can only be applied for specific purposes. These funds are subject to specific trusts which may be declared by the donors or with their authority or created through legal process but are 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.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
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(Registered under the Societies Act, Chapter 311)

Notes to the Financial Statements

31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.8 Fund Accounting (Cont'd)

Income and expenditure relating to specific funds are accounted for directly in the funds to which they relate. Common expenses, if any, are allocated on a reasonable basis to the funds based on a method suitable to this common expense. Assets and liabilities of the specific funds are pooled in the statement of financial position.

2.9 Income recognition

Income is recognised in the statement of financial activities when the effect of a transaction or other event results in an increase in the Society's net assets.

The following factors must also be met before income is recognised:

(a) Entitlement

The Society has control over the rights or other access to the resource, enabling the Society to determine its future application;

(b) Certainty

It is probable that the income will be received; and

(c) Measurement

The amount of the income can be measured by the Society with sufficient reliability.

The following specific recognition criteria must also be met before income is recognised:

(a) 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 and subsidies from Early Childhood Development Agency 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.

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(Incorporating the results of Sonshine Childcare Centre and
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(Registered under the Societies Act, Chapter 311)

Notes to the Financial Statements

31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.9 *Income recognition (Cont'd)*

(b) Income from charitable activities

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.

(c) Other income

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.

2.10 *Expenditures*

All expenditures are accounted for on an accrual basis and have 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.

(a) Costs of generating funds

Costs of generating funds are those costs attributable to generating income for the Society other than those costs incurred in undertaking charitable activities in furtherance of the Society's objects.

(b) Costs of charitable activities

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

(c) 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.

(d) Administrative support costs

Support costs are costs incurred in supporting income generation activities such as fund raising and in supporting the governance of the Society. Support costs do not in themselves constitute an activity; instead they enable output-creating activities to be undertaken. Support costs includes such as key and general management, payroll administration, budgeting and accounting, information technology, human resources and financing and these are apportioned to the relevant activity cost category they support.

GOOD NEWS COMMUNITY SERVICES

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2. Summary of Significant Accounting Policies (Cont'd)

2.10 Expenditures (Cont'd)

(e) Other expenditure

Other expenditure includes the payment of any expenditure that the Society has not been able to analyse within the main expenditure categories.

2.11 Operating leases

Leases are classified as operating leases when the lessor effectively retains substantially all the risks and benefits of ownership of the leased item. Operating lease payments are recognised as an expense in the statement of financial activities on a straight-line basis over the lease term.

The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

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.

2.12 Employee benefits - defined contribution plans

The Society participates in the national pension schemes as defined by the laws of Singapore. The Society makes contributions to the Central Provident Fund (CPF) scheme in Singapore, a defined contribution pension scheme. Such contributions to defined contribution pension scheme are recognised as compensation expense in the period in which the related service is performed.

2.13 Provisions

Provisions are recognised only when a present obligation (legal or constructive) exists as a result of a past event, it is probable that a transfer of economic benefits in settlement will be required, and the amount of the obligation can be estimated reliably. The amount of provision recognised is the best estimate of the expenditure required to settle the obligation at the reporting date. The best estimate of the expenditure required to settle the obligation is the amount that would rationally be paid to settle the obligation at the reporting date or to transfer it to a third party.

3. Critical Accounting Estimates, Assumptions and Judgments

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.

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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 \$	PRFSC Financial Assistance Fund \$	Shelter for the Homeless SPMF fund at Buangkok \$	Total \$
INCOME									
Income from generated funds:									
<u>Voluntary income</u>									
- Tax deductible donations (Note 12)	-	28,100	28,100	-	-	-	-	-	28,100
									25,419
<u>Activities for generating funds</u>									
- School fees – Centre based student care and childcare	60,385	-	60,385	-	-	-	-	-	60,385
- School fees subsidies	222,356	-	222,356	-	-	-	-	-	222,356
- Income from school programme	270	-	270	-	-	-	-	-	270
	283,011	-	283,011	-	-	-	-	-	283,011
									683,111
<u>Investment income</u>									
- Interest income	111	-	111	58,692	-	-	-	-	58,692
									58,803
Total income from generated funds	283,122	28,100	311,222	58,692	-	-	-	-	369,914
									773,597

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4. Detailed Statement of Financial Activities (Cont'd)

	Unrestricted funds			Restricted funds					Total funds	
	General fund \$	Designated funds \$	Total \$	FSC Operation fund \$	Care and Share fund \$	FSC Comcare fund \$	PRFSC Financial Assistance Fund \$	SPMF fund at Buangkok \$	Shelter for the Homeless \$	Total \$
INCOME (Cont'd)										
Income from charitable activities										
Counselling fees	-	-	-	2,235	-	-	-	-	-	2,235
Funding from MSF	-	-	-	1,795,342	-	-	-	-	-	1,795,342
MUIS Ramadan bonus received	-	-	-	6,000	-	-	-	-	-	6,000
Programme funding	-	-	-	-	7,840	6,200	-	141,600	76,750	232,390
Total income from charitable activities	-	-	-	1,803,577	7,840	6,200	-	141,600	76,750	2,035,967
Other income										
Government grants	346,662	-	346,662	13,420	-	-	-	-	-	13,420
Others	507	-	507	930	-	-	-	-	-	930
Total other income	347,169	-	347,169	14,350	-	-	-	-	-	14,350
TOTAL INCOME	630,291	28,100	658,391	1,876,619	7,840	6,200	-	141,600	76,750	2,109,009
										2,767,400
										2,453,362

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4. Detailed Statement of Financial Activities (Cont'd)

	Unrestricted funds		Restricted funds					Total funds	
	General fund \$	Designated funds \$	Total \$	FSC Operation fund \$	Care and Share fund \$	FSC Comcare fund \$	PRFSC Financial Assistance Fund \$	Shelter for the Homeless SPMF fund at Buangkok \$	Total \$
EXPENDITURES									
Cost of generating funds									
Cost of school programme	-	-	-	-	-	-	-	-	13,817
Manpower benefit costs:									
- Staff salaries and bonuses	131,321	-	131,321	-	-	-	-	-	668,900
- Employer CPF contribution and SDL	18,765	-	18,765	-	-	-	-	-	73,882
- Staff medical and insurance	1,038	-	1,038	-	-	-	-	-	9,708
- Staff foreign worker levy	-	-	-	-	-	-	-	-	10,621
- Staff training	588	-	588	-	-	-	-	-	8,433
- Staff transport	61	-	61	-	-	-	-	-	324
- Staff welfare	888	-	888	-	-	-	-	-	2,379
- Honorarium	375	-	375	-	-	-	-	-	102
Amortisation charge	-	764	764	-	-	-	-	-	763
Bank charges	279	-	279	-	-	-	-	-	465
Depreciation of plant and equipment	11,618	-	11,618	-	-	-	-	-	50,124
Food and beverages	-	-	-	-	-	-	-	-	20,503
General expenses	900	-	900	-	-	-	-	-	2,810
Total costs of generating funds c/f	165,833	764	166,597	-	-	-	-	-	862,831

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4. Detailed Statement of Financial Activities (Cont'd)

	Unrestricted funds			Restricted funds					Total funds	
	General fund \$	Designated funds \$	Total \$	FSC Operation fund \$	Care and Share fund \$	FSC Comcare fund \$	PRFSC		Total \$	
							Financial Assistance Fund \$	Shelter for the Homeless the Homeless fund at Buangkok \$		
EXPENDITURES (Cont'd)										
Cost of generating funds b/f	165,833	764	166,597	-	-	-	-	-	166,597	862,831
Impairment loss on-school fees receivable	-	-	-	-	-	-	-	-	-	260
Insurance	2,906	-	2,906	-	-	-	-	-	2,906	2,162
Maintenance of equipment and premises	4,601	-	4,601	-	-	-	-	-	4,601	15,387
Marketing program	(100)	-	(100)	-	-	-	-	-	(100)	5,092
Non-capitalised purchases	20,285	-	20,285	-	-	-	-	-	20,285	1,252
Printing, stationery and postage	3,266	-	3,266	-	-	-	-	-	3,266	4,681
Rent and conservancy fees	-	-	-	-	-	-	-	-	-	19,913
Rental of equipment	70	-	70	-	-	-	-	-	70	2,414
Spark Accreditation programme	-	-	-	-	-	-	-	-	-	7,277
Student healthcare and medical expenses	-	-	-	-	-	-	-	-	-	96
Subscription fees	3,595	-	3,595	-	-	-	-	-	3,595	5,468
Teaching materials and toys	-	-	-	-	-	-	-	-	-	8,461
Telecommunications	7	-	7	-	-	-	-	-	7	2,003
Transport	107	-	107	-	-	-	-	-	107	-
Utilities	-	-	-	-	-	-	-	-	-	9,655
Total costs of generating funds	200,570	764	201,334	-	-	-	-	-	201,334	946,952

Notes to the Financial Statements
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	Unrestricted funds			Restricted funds						Total funds		
	General fund \$	Designated funds \$	Total \$	FSC Operation fund \$	Care and Share fund \$	FSC Comcare fund \$	PRFSC Financial Assistance Fund \$	SPMF fund at Buangkok \$	Shelter for the Homeless \$	Total \$	2019 \$	2020 \$
EXPENDITURES (Cont'd)												
Charitable activities												
Programme costs	17,738	9,624	27,362	14,607	14,942	1,300	13,565	96,395	37,238	178,047	138,450	205,409
MUIS Ramadan bonus disbursements	-	-	-	6,000	-	-	-	-	-	6,000	6,000	6,000
Manpower benefit costs:												
- Staff salaries and bonuses	-	-	-	1,232,425	-	-	-	-	-	1,232,425	1,126,804	1,232,425
- Employer CPF contribution and SDL	-	-	-	188,125	-	-	-	-	-	188,125	171,373	188,125
- Staff medical and insurance	-	-	-	10,231	-	-	-	-	-	10,231	10,215	10,231
- Staff training	-	-	-	13,112	-	-	-	-	-	13,112	30,154	13,112
- Staff welfare	-	-	-	1,876	-	-	-	-	-	1,876	6,314	1,876
- Honorarium	-	-	-	1,150	-	-	-	-	-	1,150	850	1,150
Amortisation charge	-	-	-	7,620	-	-	-	-	-	7,620	9,078	7,620
Bank charges	-	-	-	503	-	-	-	-	-	503	519	503
Depreciation of plant and equipment	-	-	-	12,345	-	-	-	-	-	12,345	38,977	12,345
General expenses	-	-	-	675	-	-	-	-	-	675	458	675
Insurance	-	-	-	1,206	-	-	-	-	-	1,206	138	1,206
Maintenance of equipment and premises	-	-	-	3,317	-	-	-	-	-	3,317	4,225	3,317
Total charitable activities c/f	17,738	9,624	27,362	1,493,192	14,942	1,300	13,565	96,395	37,238	1,656,632	1,683,994	1,543,555

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4. Detailed Statement of Financial Activities (Cont'd)

	Unrestricted funds			Restricted funds					Total funds	
	General fund \$	Designated funds \$	Total \$	FSC Operation fund \$	Care and Share fund \$	FSC Comcare fund \$	PRFSC Financial Assistance Fund \$	SPMF fund at Buangkok \$	Shelter for the Homeless \$	Total \$
EXPENDITURES (Cont'd)										
Governance costs (b/f)	8,300	-	8,300	22,500	-	-	-	-	-	30,800
License fees	350	-	350	250	-	-	-	-	-	600
Internal audit fees	9,000	-	9,000	-	-	-	-	-	-	9,000
Management fees (Note 20)	282,861	-	282,861	-	-	-	-	-	-	282,861
Net loss on transfer of SCC's assets to SJPS (Note 20)	128,932	-	128,932	-	-	-	-	-	-	128,932
Others	2,484	-	2,484	-	-	-	-	-	-	2,484
Total governance costs	431,927	-	431,927	22,750	-	-	-	-	-	454,677
TOTAL EXPENDITURE	650,235	10,388	660,623	1,552,021	14,942	1,300	13,565	96,395	37,238	2,376,084
NET (EXPENDITURE)/INCOME FOR THE YEAR	(19,944)	17,712	(2,232)	324,598	(7,102)	4,900	(13,565)	45,205	39,512	391,316
										(105,009)

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4. Detailed Statement of Financial Activities (Cont'd)

	Unrestricted funds			Restricted funds					Total funds	
	General fund \$	Designated funds \$	Total \$	FSC Operation fund \$	Care and Share fund \$	FSC Comcare fund \$	PRFSC Financial Assistance Fund \$	SPMF fund at Buangkok \$	Shelter for the Homeless \$	Total \$
NET (EXPENDITURE)/INCOME FOR THE YEAR (Cont'd)	(19,944)	17,712	(2,232)	324,598	(7,102)	4,900	(13,565)	45,205	39,512	391,316 (105,009)
Gross transfers between funds										
Transferred from unrestricted – designated funds to restricted funds - Note 11(d)	-	(9,545)	(9,545)	-	-	-	9,545	-	-	-
Transferred between restricted funds - Note 11	-	-	-	(20,000)	-	-	20,000	-	-	-
Reconciliation of funds										
Total funds brought forward	762,647	336,512	1,099,159	4,715,981	8,062	7,800	-	4,935	-	5,835,937
TOTAL FUNDS CARRIED FORWARD	742,703	344,679	1,087,382	5,020,579	960	12,700	15,980	50,140	39,512	6,227,253
										5,835,937

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4. Detailed Statement of Financial Activities (Cont'd)**(a) Administrative Support Costs**

The administrative support costs billed to the existing community service project of GNCS namely: Pasir Ris Family Service Centre and Sonshine Childcare Centre is based on the 13% (2019: 10%) of the total revenue generated of the said community service projects at the end of each quarter.

With effect from 1 January 2020, there are no administrative support costs billed to Sonshine Childcare Centre, since the operation and management of the later has already been transferred to SJPS.

For the financial year ended 31 December 2020, the billing of headquarter charges to the respective community service projects amounted to \$279,170 (2019: \$238,461), which was contra with the Administrative Support Costs of each community service projects.

5. Cash and Cash Equivalents

	2020	2019
	\$	\$
<i>Denominated in Singapore dollars:</i>		
Fixed deposits	4,940,271	3,948,647
Cash at banks	1,517,514	1,845,398
Cash on hand	1,600	3,800
	<u>6,459,385</u>	<u>5,797,845</u>
Cash and cash equivalents per statement of cash flows	<u>6,459,385</u>	<u>5,797,845</u>

Fixed deposits earn interest rate that ranges approximately 0.25% to 1.20% (2019: 0.78% to 1.90%) per annum and placed for a period of 12 months (2019: 12 months).

6. Other Receivables

	2020	2019
	\$	\$
<i>Denominated in Singapore dollars:</i>		
Fixed deposit interest receivable	24,938	39,709
School fees receivable	—	11,730
Amount due from SJPS	7,150	—
Programme fund receivable from MSF	—	928
Programme fund receivable from NCSS	—	8,062
Others	1,914	5,627
	<u>34,002</u>	<u>66,056</u>

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7. Other Current Assets

	2020	2019
	\$	\$
Deposits	4,317	4,342
Prepayments	27,146	11,783
	<u>31,463</u>	<u>16,125</u>

8. Property, Plant and Equipment

	Computers and software \$	Furniture and fittings \$	Office equipment \$	Renovation \$	Total \$
<i>Cost:</i>					
At 01-01-2019	91,603	108,698	76,399	383,799	660,499
Additions	—	7,873	—	—	7,873
Write-offs	—	—	—	—	—
At 31-12-2019	91,603	116,571	76,399	383,799	668,372
Additions	2,498	—	—	—	2,498
Transfer to SJPS (Note 20)	—	(54,870)	(8,613)	(190,804)	(254,287)
At 31-12-2020	<u>94,101</u>	<u>61,701</u>	<u>67,786</u>	<u>192,995</u>	<u>416,583</u>
<i>Accumulated depreciation:</i>					
At 01-01-2019	25,690	104,602	58,749	196,900	385,941
Depreciation charge	36,252	2,602	7,058	43,189	89,101
Write-offs	—	—	—	—	—
At 31-12-2019	61,942	107,204	65,807	240,089	475,042
Depreciation charge	11,618	1,358	5,958	5,029	23,963
Transfer to SJPS (Note 20)	—	(47,915)	(8,569)	(58,410)	(114,894)
At 31-12-2020	<u>73,560</u>	<u>60,647</u>	<u>63,196</u>	<u>186,708</u>	<u>384,111</u>
<i>Net carrying amount:</i>					
At 31-12-2020	<u>20,541</u>	<u>1,054</u>	<u>4,590</u>	<u>6,287</u>	<u>32,472</u>
At 31-12-2019	<u>29,661</u>	<u>9,367</u>	<u>10,592</u>	<u>143,710</u>	<u>193,330</u>

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	2020	2019
	\$	\$
<i>Denominated in Singapore dollars:</i>		
Accrued operating expenses	320,054	185,163
School fees received in advance	—	150
Others	10,015	7,836
	<u>330,069</u>	<u>193,149</u>

10. Unrestricted Funds**(a) General fund**

	2020	2019
	\$	\$
Balance at beginning of the year	762,647	1,017,943
Net expenditure for the year	(19,944)	(255,296)
	<u>742,703</u>	<u>762,647</u>

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10. Unrestricted Funds (Cont'd)

(b) Designated funds

	Balance at 1 Jan \$	Transferred to general fund \$	Transferred to restricted fund \$	Income \$	Expenditure \$	Amortisation \$	Balance at 31 Dec \$
2020							
Bursary fund	8,000	-	-	-	-	-	8,000
Deferred capital grants	2,101	-	-	-	-	(764)	1,337
Economic downturn assistance fund	2,100	-	-	-	(350)	-	1,750
Elderly fund	47,320	-	-	-	-	-	47,320
Five loaves and two fish fund	138,188	-	-	22,600	-	-	160,788
GNCS Financial assistance fund	15,269	-	-	-	(3,774)	-	11,495
PRFSC Financial assistance fund	9,545	-	(9,545)	-	-	-	-
Renovation fund	113,989	-	-	-	-	-	113,989
Shelter for the Homeless Fund	-	-	-	5,500	(5,500)	-	-
	336,512	-	(9,545)	28,100	(9,624)	(764)	344,679

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10. Unrestricted Funds (Cont'd)

(b) Designated funds (Cont'd)

	Balance at 1 Jan \$	Transferred from restricted- FSC fund \$	Income \$	Expenditure \$	Amortisation \$	Balance at 31 Dec \$
2019						
Bursary fund	8,000	—	—	—	—	8,000
Deferred capital grants	2,864	—	—	—	(763)	2,101
Economic downturn assistance fund	2,500	—	—	(400)	—	2,100
Elderly fund	47,320	—	—	—	—	47,320
Five loaves and two fish fund	116,271	—	24,580	(2,663)	—	138,188
GNCS Financial assistance fund	14,430	—	839	—	—	15,269
PRFSC Financial assistance fund	3,790	20,000	—	(14,245)	—	9,545
Renovation fund	113,989	—	—	—	—	113,989
	309,164	20,000	25,419	(17,308)	(763)	336,512

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10. Unrestricted Funds (Cont'd)

(b) Designated funds (Cont'd)

The designated funds were established for the following purposes:

- (a) Bursary fund - to grant bursary to children of needy families at Sonshine Childcare Centre.
- (b) 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.
- (c) 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.
- (d) Elderly fund - to be used for the work of elderly care.
- (e) 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.
- (f) Financial assistance fund by Good News Community Services - to help needy families to reduce their burden in meeting school fees payable to Centre managed by Good News Community Service.
- (g) Financial assistance fund by Pasir Ris Family Service Centre - to support deserving students with continuation of monthly pocket money at SPMF level, beyond their eligible period. During the current financial year under review, this fund amounting to \$9,545 has been transferred to restricted fund (Note 11).
- (h) Renovation fund - for capital expenditure to be incurred for major replacements and repairs of Pasir Ris Family Service Centre.
- (i) Shelter for the homeless ("SFH") fund is set up to help the homeless to meet their basic needs such as provision of meals and other financial assistance.

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11. Restricted Funds

	Balance at 1 Jan \$	Transferred from/(to) designated funds \$	Transferred between restricted funds \$	Income \$	Expenditure \$	Balance at 31 Dec \$
2020						
Family Service Centre						
Operation Fund (FSC)	4,715,981	—	(20,000)	1,876,619	(1,552,021)	5,020,579
Care and Share Fund	8,062	—	—	7,840	(14,942)	960
Family Service Centre						
Comcare Fund (FCF)	7,800	—	—	6,200	(1,300)	12,700
PRFSC Financial						
assistance fund	—	9,545	20,000	—	(13,565)	15,980
School Pocket Money						
Fund (SPMF)	4,935	—	—	141,600	(96,395)	50,140
Shelter for the Homeless at Buangkok	—	—	—	76,750	(37,238)	39,512
	<u>4,736,778</u>	<u>9,545</u>	<u>—</u>	<u>2,109,009</u>	<u>(1,715,461)</u>	<u>5,139,871</u>
2019						
Family Service Centre						
Operation Fund (FSC)	4,554,341	(20,000)	—	1,675,335	(1,493,695)	4,715,981
Care and Share Fund	13,039	—	—	8,062	(13,039)	8,062
Family Service Centre						
Comcare Fund (FCF)	8,600	—	—	1,600	(2,400)	7,800
School Pocket Money						
Fund (SPMF)	37,470	—	—	38,475	(71,010)	4,935
North East Essential						
Relief Fund (NEER)	389	—	—	—	(389)	—
	<u>4,613,839</u>	<u>(20,000)</u>	<u>—</u>	<u>1,723,472</u>	<u>(1,580,533)</u>	<u>4,736,778</u>

The restricted funds were established for the following purposes:

(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.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
Pasir Ris Family Service Centre)
(Registered under the Societies Act, Chapter 311)

Notes to the Financial Statements 31 December 2020

11. Restricted Funds (Cont'd)

(b) 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.

(c) 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.

(d) PRFSC financial assistance fund

PRFSC financial assistance fund is set up to support deserving students with continuation of monthly pocket money at SPMF level, beyond their eligible period. The allowance will be part of other intervention efforts to address family issues experience by beneficiaries of Code of Social Work Practice framework. During the current year under review, fund amount of \$9,545 has been transfer from unrestricted fund to restricted fund as approved by the management committee and MSF since the beneficiaries are existing PRFSC clients receiving casework/group work interventions at the PRFSC.

(e) 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.

(f) Shelter for the Homeless at Buangkok

Shelter for the Homeless at Buangkok is provided by the Community Foundation of Singapore to PRFSC for transition of homeless persons into temporary shelters and sourcing for long term permanent housing solutions.

(g) 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.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
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(Registered under the Societies Act, Chapter 311)

Notes to the Financial Statements

31 December 2020

12. Tax Exempt Receipts

The Society is an approved Institution of Public Character (IPC) with a renewed period from 24 July 2019 to 23 January 2022. Tax-exempt receipts issued for donations during the year amounted to \$28,100 (2019: \$25,419).

13. Income Tax

The Society is registered as a charity organisation under the Singapore Charities Act, Chapter 37. As an approved charity, it is exempted from income tax under Section 13(1)(zm) of the Singapore Income Tax Act, Chapter 134.

14. Operating Lease Commitments

The Society has entered into commercial leases for the use of certain equipment residential shelter as lessee. These leases have average tenure of 1 to 5 years. There are no restrictions placed upon the Society by entering into these leases. Operating lease payments recognised as an expense in the statement of financial activities for the financial year ended 31 December 2020 amounted to \$7,051 (2019: \$5,534).

Future minimum lease payments payable under non-cancellable operating leases at the reporting date are as follows:

	2020 \$	2019 \$
Not later than 1 year	5,220	5,534
Later than 1 year but within 5 years	7,540	10,861
	<u>12,760</u>	<u>16,395</u>

15. Related Party Transactions***Key Management Personnel Compensation***

Key management personnel of the Society comprised the Heads of the Service Centres which are having the authority and responsibility for planning, directing and controlling the activities of the respective Centres included as part of the Society.

The remuneration paid to key management personnel during the year are as follows:

	2020 \$	2019 \$
Salaries, bonuses and long service award	123,852	178,317
CPF contributions	13,256	23,092
	<u>137,108</u>	<u>201,409</u>

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
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(Registered under the Societies Act, Chapter 311)

Notes to the Financial Statements 31 December 2020

15. Related Party Transactions (Cont'd)

Key Management Personnel Compensation (Cont'd)

The remuneration of the key management personnel of the Society shown in salary bands are as follows:

	2020	2019
<i>Salaries and benefits bands for key management personnel</i>		
Between \$50,000 - \$150,000	1	2

None of the members of the Management Committee have received any compensation during the financial year ended 31 December 2020 and 2019.

16. Financial Risk Management

The Society's charitable activities expose it to minimal financial risks such as credit risk and liquidity risk on an informal basis. The Management Committee reviews and agrees policies for managing each of these risks and continually monitors the Society's risk management process to ensure that an appropriate balance between risk and control is achieved.

(a) *Credit risk*

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Society. The Society manages such risks by dealing with a diversity of credit-worthy counter parties to mitigate any significant concentration of credit risk. The Society places its cash and cash equivalents with creditworthy institutions.

The maximum exposure to credit risk in the event that the counter parties fail to perform the obligations as at the end of the financial year in relation to each class of financial assets is the carrying amount of these assets in the statement of financial position.

As at the financial year end, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

(b) *Liquidity Risk*

Liquidity risk is the risk that the Society will encounter difficulty in meeting financial obligations due to shortage of funds. The Society's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Management Committee exercises prudent liquidity and cash flow risk management policies and aims at maintaining an adequate level of liquidity and cash flows at all times.

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
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(Registered under the Societies Act, Chapter 311)

Notes to the Financial Statements

31 December 2020

16. Financial Risk Management**(b) Liquidity Risk (Cont'd)***Analysis of financial instruments by remaining contractual maturities*

The table below summarises the maturity profile of the Society's financial liabilities at the end of the financial year based on contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not expected to be significant.

	Less than 1 year \$	Between 1 – 5 years \$	Total contractual cash flow \$
2020			
<i>Financial liabilities</i>			
Other payables	330,069	–	330,069
Total undiscounted financial liabilities	330,069	–	330,069
2019			
<i>Financial liabilities</i>			
Other payables	193,149	–	193,149
Refundable deposits	44,270	–	44,270
Total undiscounted financial liabilities	237,419	–	237,419

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 Society's principal and related activities, and ensuring long-term financial sustainability.

No changes were made in the objectives, policies or processes during the financial years ended 31 December 2020 and 31 December 2019.

18. Reserves Policy

The Society's income depends 10% (2019: 28%) from fund generating activities, 74% (2019: 67%) from government funding/charitable activities and 1% (2019: 1%) comes from voluntary donations. In order to fund day-to-day operations and provide a buffer against fluctuations in monthly income, the Society will set aside a minimum of 3 months of operating expenses in cash and cash equivalents ("Operating Cash").

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
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(Registered under the Societies Act, Chapter 311)

Notes to the Financial Statements 31 December 2020

18. Reserves Policy (Cont'd)

Operating Cash, which is denominated in Singapore dollars is to be kept as petty cash, and deposits including current account, savings account and fixed term deposits. Current, savings accounts and fixed term deposits may only be held with commercial banks. Any amount in excess of this may be invested in accordance with the decision and approval of the Management Committee. The Society's reserves policy will be reviewed by the Management Committee as and when required and amended as necessary.

19. Management of Conflict of Interest

None of the management committee members received any remuneration or other benefits.

All Management Committee members are expected to avoid real, potential or perceived conflicts of interest. Where management committee members have a personal interest in operating transactions or contracts that Society may enter into, or have a vested interest in other organisations that Society has dealings with or is considering to enter into joint ventures with, they are expected to declare such interests to the management committee as soon as possible and abstain from discussion and decision making on the matter. Where such conflicts exist, the management committee will evaluate whether any potential conflict of interest will affect the continuing independence of such member and whether it is appropriate for the member to continue his/her current position as a member. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

20. Transfer of Ownership of Sonshine Childcare Centre to SJPS

Based on the management agreement dated 26 December 2019 entered into by Good News Community Services ("GNCS") or (the "Organisation") and St. James' Preschool Services (Anglican) Ltd. ("SJPS"), now known as Anglican Preschool Services Ltd, with effect from 1 January 2020 SJPS manage, operate and direct the Pre-school set up in Sonshine Childcare Centre ("SCC"). During the year under review, GNCS paid SJPS a management fee equal to the education fees charged by SCC amounting to \$282,861 (Note 4).

On or about 13 July 2020, GNCS and SJPS has entered into a Transfer of Ownership Agreement ("TOA") to transfer the ownership of SCC from GNCS to SJPS. The extract of Clause 2 Transfer of Ownership of Sonshine from the TOA are as follows:

"2. Transfer of Ownership of Sonshine

2.1 The Parties agree that the Organisation will transfer to SJPS, free from all liens, charges and other encumbrances, the ownership of Sonshine, inclusive of:

2.1.1 the license with the Early Childhood Development Agency ("ECDA");

2.1.2 the tenancy of the premises with the Housing and Development Board ("HDB") including the cash deposit of \$1,580,39 held with HDB;

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
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(Registered under the Societies Act, Chapter 311)

Notes to the Financial Statements

31 December 2020

20. Transfer of Ownership of Sonshine Childcare Centre to SJPS (Cont'd)

"2. Transfer of Ownership of Sonshine (Cont'd)

2.1 (Cont'd)

2.1.3 all existing fixtures, chattels, furnishing and equipment items used by SCC for the services as of 31 December 2019;

2.1.4 prepayment of \$6,751.47 for the remaining subscription to Little Lives Pro pupil management system (expiry July 2022); and

2.2 SJPS will assume the liability of all pupil deposit amounting to \$44,270 held by the Organisation as of date of transfer. The Organisation will transfer \$25,477 to SJPS as full and final settlement of the pupil deposits.

2.3 The organisation will reimburse SJPS for the cost of fire safety works carried out on SCC of \$20,000.

2.4 SJPS shall oversee and assist both Parties to make or obtain all necessary filings, permits or approvals and ensure ongoing compliance with all governmental or regulatory requirements from any relevant agencies. The Organisation shall render assistance to SJPS, as and when it may be reasonably required, to make or obtain all necessary filings, permits or approvals.

2.5 The parties agree to render the Management Agreement void with immediate effect.

2.6 The parties agree that neither party shall have further claims whatsoever upon signing of this agreement. "

The net loss on transfer of SCC's assets as at 13 July 2020 to SJPS are as follows:

	\$
Assets	
Property, plant and equipment	139,393
Deposits	1,580
Prepayment	6,752
	<u>147,725</u>
Liabilities	
Student deposits (net of \$25,477 agreed to settle with SJPS)	<u>(18,793)</u>
Net assets transferred to SJPS	128,932
Less: Considerations received from SJPS	<u>-</u>
Net loss on transfer of SCC's assets to SJPS (Note 4)	<u>128,932</u>

GOOD NEWS COMMUNITY SERVICES

(Incorporating the results of Sonshine Childcare Centre and
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(Registered under the Societies Act, Chapter 311)

**Notes to the Financial Statements
31 December 2020**

20. Transfer of Ownership of Sonshine Childcare Centre to SJPS (Cont'd)

In addition, with effect from 13 July 2020, the license of SCC to operate as a child care centre has also been cancelled.

21. Authorisation of Financial Statements

These financial statements for the financial year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Management Committee on 27 March 2021.

GOOD NEWS COMMUNITY SERVICES
(Registered under the Societies Act, Chapter 311)

Supplementary Statement of Income and Expenditure
For the Year Ended 31 December 2020

This Schedule contains additional information that has been prepared from the books and records of the Society and does not form part of the audited financial statements.

	2020 \$	2019 \$
Income		
Income from generated funds:		
Activities for generating funds		
- Administrative support fees	279,170	238,461
Investment income	111	81
Other income		
Childcare leave claim	-	762
Consultancy grant	7,200	-
JSS pay-outs	31,624	-
Others	764	3,527
	<u>318,869</u>	<u>242,831</u>
Total income		
	<u>318,869</u>	<u>242,831</u>
Less: Expenditures		
Costs of generating funds		
Bank charges	141	139
Depreciation of plant and equipment	11,618	10,785
General expenses	900	1,763
Impairment loss	54,857	-
Insurance	2,906	1,847
Maintenance of equipment	3,976	4,757
Maintenance of premises	29	21
Manpower benefit costs		
- Staff salaries and bonuses	131,321	141,781
- Employer CPF contribution and SDL	18,765	23,223
- Staff medical and insurance	1,038	1,494
- Staff training	588	6,078
- Staff transport	61	103
- Staff welfare	888	306
- Honorarium	375	-
Non-capitalised purchases	285	-
Printing, stationery and postage	3,116	825
Subscription fees	3,595	3,595
Transport	107	-
Governance costs		
Auditors' remuneration	7,200	3,200
Other professional fees	11,484	1,242
License fees	125	125
	<u>253,375</u>	<u>201,284</u>
Total expenditures		
	<u>253,375</u>	<u>201,284</u>
Net income before tax expense	<u>65,494</u>	<u>41,547</u>

Report and Audited Financial Statements

PASIR RIS FAMILY SERVICE CENTRE
(A Community Service Project of
GOOD NEWS COMMUNITY SERVICES)

31 December 2020

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

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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**

For the year ended 31 December 2020

Opinion of the Good News Community Services Management Committee

In the opinion of the Good News Community Services Management Committee,

- (a) the accompanying financial statements of Paris Ris Family Service Centre (a Community Service Project of Good News Community Services) (the "Centre"), are drawn up in accordance with the provisions of the Charities Accounting Standard (the "CAS") in Singapore, so as to present fairly, in all material respects, the financial position of the Centre as at 31 December 2020 and the results of the financial activities and cash flows of the Centre for the year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Centre will be able to pay its debts as and when they fall due.

The members of the Good News Community Services management committee have, on the date of this statement, authorised these financial statements for issue.

1. Members of Good News Community Services Management Committee

Rev Lee Peng Ong @ David Lee	- President
Hui Kwok Thong	- Vice-President
Gan Tian Huat	- Honorary Treasurer
Tan Yi-Ping Jacqueline	- Honorary Secretary
Dui Sian Ling	- Committee member
Soh Soon Heng Simon	- Committee member
Ng Heo Yong	- Committee member
Lee Kong Wee	- Committee member
Lim Siew Lin	- Committee member
Tai Wen Liang Dennes	- Committee member

2. Independent Auditor

The independent auditor, E H Luar & Co, Public Accountants and Chartered Accountants has expressed its willingness to accept re-appointment.

On behalf of the Good News Community Services Management Committee

x 

Rev Lee Peng Ong @ David Lee
President

x 

Gan Tian Huat
Honorary Treasurer

Singapore, 27 March 2021

PASIR RIS FAMILY SERVICE CENTRE

(A Community Service Project of Good News Community Services)

Independent Auditor's Report to the Members of**Good News Community Services – Pasir Ris Family Service Centre**

For the Financial Year Ended 31 December 2020

Report on the Audit of the Financial Statements*Opinion*

We have audited the accompanying financial statements of Pasir Ris Family Service Centre (A Community Service Project of Good News Community Services), (the "Centre"), which comprise the statement of financial position as at 31 December 2020, and the statement of financial activities and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Charities Accounting Standard (the "CAS") in Singapore so as to present fairly, in all material respects, the financial position of the Centre as at 31 December 2020 and the results of the financial activities and cash flows of the Centre for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Centre in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Management Committee is responsible for the other information. The other information comprises the Statement by Members of the Good News Community Services Management Committee as set out on page 1.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

PASIR RIS FAMILY SERVICE CENTRE

(A Community Service Project of Good News Community Services)

**Independent Auditor's Report to the Members of
Good News Community Services – Pasir Ris Family Service Centre
For the Financial Year Ended 31 December 2020 (Cont'd)**

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

Responsibilities of the Management Committee for the Financial Statements

The Management Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the the Charities Accounting Standard (the "CAS") in Singapore, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management Committee is responsible for assessing the Centre's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Centre or to cease operations, or has no realistic alternative but to do so.

The Management Committee is responsible for overseeing the Centre's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Centre's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management committee.

PASIR RIS FAMILY SERVICE CENTRE

(A Community Service Project of Good News Community Services)

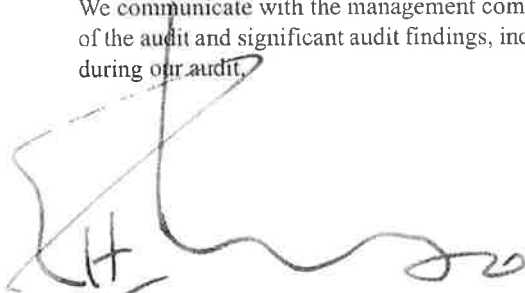
**Independent Auditor's Report to the Members of
Good News Community Services – Pasir Ris Family Service Centre**
For the Financial Year Ended 31 December 2020 (Cont'd)

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

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

- (d) Conclude on the appropriateness of management committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Centre to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



E H LUAR & CO
Public Accountants and
Chartered Accountants

Singapore, 27 March 2021

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 2020

	Note	Unrestricted Funds \$	Restricted Funds \$	2020 \$	2019 \$
Income					
<u>Income from generated funds:</u>					
Voluntary income					
-Tax deductible donations	14(b)	28,100	—	28,100	24,580
Investment income		—	58,692	58,692	64,986
Income from charitable activities	3	—	2,035,967	2,035,967	1,634,085
Other income	4	270,843	14,350	285,193	29,214
Total income		298,943	2,109,009	2,407,952	1,752,865
Less: Expenditures					
<u>Charitable activities</u>					
Manpower benefit costs	5	—	1,446,919	1,446,919	1,345,710
Programme costs	6	23,588	184,047	207,635	144,450
Other operating costs	7	—	61,745	61,745	96,431
Governance costs	8	—	301,920	301,920	179,265
Total expenditures		23,588	1,994,631	2,018,219	1,765,856
Net income/(loss) before tax expense		275,355	114,378	389,733	(12,991)
Tax expense	16	—	—	—	—
Net income/(loss) before transfers		275,355	114,378	389,733	(12,991)
Gross transfers between funds	14&15	(9,545)	9,545	—	—
Transfer to GNCS Unrestricted fund	14	—	—	—	(47,320)
Net movement in funds during the year		265,810	123,923	389,733	(60,311)
Reconciliation of funds:					
Total funds brought forward		1,275,613	4,262,388	5,538,001	5,598,312
Total funds carried forward		1,541,423	4,386,311	5,927,734	5,538,001

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

PASIR RIS FAMILY SERVICE CENTRE

(A Community Service Project of Good News Community Services)

**Statement of Financial Position
As at 31 December 2020**

	Note	2020 \$	2019 \$
ASSETS			
Current assets			
Cash and cash equivalents	9	6,193,320	5,641,752
Other receivables	10	26,852	51,313
Other current assets	11	25,940	3,913
		<u>6,246,112</u>	<u>5,696,978</u>
Non-current assets			
Property, plant and equipment	12	<u>11,931</u>	<u>24,276</u>
Total assets		<u>6,258,043</u>	<u>5,721,254</u>
LIABILITIES			
Current liabilities			
Other payables	13	<u>330,309</u>	<u>183,253</u>
Total liabilities		<u>330,309</u>	<u>183,253</u>
Net assets		<u>5,927,734</u>	<u>5,538,001</u>
FUNDS			
Unrestricted funds			
General fund	14(a)	1,264,896	1,011,791
Designated funds	14(b)	<u>276,527</u>	<u>263,822</u>
		1,541,423	1,275,613
Restricted funds	15	<u>4,386,311</u>	<u>4,262,388</u>
Total Funds		<u>5,927,734</u>	<u>5,538,001</u>

The accompanying accounting policies and explanatory notes form an integral part of the 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 2020

	2020	2019
	\$	\$
Cash flows from operating activities		
Net income/(loss) for the year before tax expense	389,733	(12,991)
Adjustments for:		
Depreciation of property, plant and equipment (Note 12)	12,345	38,977
Interest income from cash at bank and fixed deposits	(58,692)	(64,986)
Operating income/(loss) before working capital changes	343,386	(39,000)
Changes in working capital:		
Decrease in other receivables	9,690	258,112
Increase in other current assets	(22,027)	(469)
Increase in other payables	147,056	59,223
Net cash from operations	478,105	277,866
Interest received	73,463	49,483
Net cash generated from operating activities	551,568	327,349
Cash flows from investing activities		
Net cash used in investing activities	—	—
Cash flows from financing activities		
Elderly fund transfer to GNCS unrestricted fund (Note 14(b))	—	(47,320)
Net cash used in financing activities	—	(47,320)
Net increase in cash and cash equivalents	551,568	280,029
Cash and cash equivalents at the beginning of the year	5,641,752	5,361,723
Cash and cash equivalents at the end of the year (Note 9)	6,193,320	5,641,752

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

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

Notes to the Financial Statements
31 December 2020

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

1. Domicile and Activities

Pasir Ris Family Service Centre (the "Centre") is a community service project of Good News Community Services (UEN no. S99SS0015F), which is registered with the Registry of Societies. The 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. There have been no significant changes in the nature of these activities during the financial year.

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

2. Summary of Significant Accounting Policies

2.1 Basis of preparation

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

The preparation of the Centre's financial statements requires Management Committee to make judgements, estimates and assumptions that affect the reported amounts of the income, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods. Management Committee is of the opinion that there is no significant judgement made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

2.2 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 dollars ("SGD" or "\$") and all values are rounded to the nearest dollar ("¢") unless otherwise indicated.

2.3 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation.

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Notes to the Financial Statements
31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.3 Property, plant and equipment and depreciation (Cont'd)

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

When significant parts of property, plant and equipment are required to be replaced in intervals, the costs of replacing such an item when the cost is incurred is added to the carrying amount of the item if the recognition criteria are met. The costs of day-to-day servicing of an item of property, plant and equipment is recognised as expenditure in the Statement of Financial Activities in the period in which the costs are incurred. Property, plant and equipment shall not be revalued and are not required to be assessed for impairment.

Depreciation is calculated using the straight-line basis to allocate its depreciable amounts over its estimated useful lives at the following annual rates:

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

The depreciation charge for each period is recognised as expenditure in the statement of financial activities unless another section of the CAS requires it to be included in the carrying amount of another asset. The residual values, estimated useful lives and depreciation method of property and equipment are reviewed and adjusted, as appropriate, at each reporting period. The effects of any revisions are recognised in the statement of financial activities for the financial year in which the changes arise. The carrying amount of the property, plant and equipment at the date of revision or changes is depreciated over the revised remaining useful lives.

Fully depreciated assets still in use are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in statement of financial activities in the year the asset is derecognised.

2.4 Financial assets

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

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

Notes to the Financial Statements
31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.4 Financial assets (Cont'd)

Financial assets are recognised on the statement of financial position when, and only when, the Centre becomes a party to the contractual provisions of the financial instrument.

Financial assets are initially recognised at the transaction price excluding transaction costs, if any, which shall be recognised as expenditure immediately in the statement of financial activities. Subsequent to initial measurement, financial assets, including other receivables and deposits excluding prepayments, are measured at cost less any accumulated impairment losses. Prepayments are subsequently measured at the amount paid less the economic resources received or consumed during the financial year.

Financial assets (consisting of cash and cash equivalents, and other receivables and deposits excluding prepayments), are derecognised when the contractual rights to receive cash flows from the assets have expired or have been transferred and the Centre has transferred substantially all risks and rewards of ownership. On de-recognition of financial assets in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in the statement of financial activities.

2.5 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.

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.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at bank and fixed deposits which are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

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Notes to the Financial Statements
31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.7 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.

Financial liabilities shall be recognised at their transaction price, excluding transaction costs, if any, both at the initial recognition and at subsequent measurement. Transaction costs shall be recognised as expenditure in the statement of financial activities as incurred.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

2.8 Fund Accounting

Monies received for specific purposes, including transfers from the general fund, are credited directly to the respective fund in the financial statements. These include unrestricted funds as follows:

Unrestricted funds

Unrestricted funds are expendable at the discretion of the Centre's Management Committee in furtherance of the Centre's objects.

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 funds"). The designation has an administrative purpose only and does not legally restrict the Management Committee's discretion to apply the fund.

Income and expenditure relating to specific funds are accounted for directly in the funds to which they relate. Common expenses, if any, are allocated on a reasonable basis to the funds based on a method suitable to this common expense. Assets and liabilities of the specific funds are pooled in the statement of financial position.

2.9 Income recognition

Income is recognised in the statement of financial activities when the effect of a transaction or other event results in an increase in the Centre's net assets.

The following factors must also be met before income is recognised:

(a) Entitlement

The Centre has control over the rights or other access to the resource, enabling the Centre to determine its future application;

(b) Certainty

It is probable that the income will be received; and

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Notes to the Financial Statements
31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.9 Income recognition (Cont'd)

(c) Measurement

The amount of the income can be measured by the Centre with sufficient reliability.

The following specific recognition criteria must also be met before income is recognised:

(a) Income from generated funds

Investment income

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

(b) Income from charitable activities

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.

(c) Other income

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.

2.10 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.

(a) Cost of generating funds

Costs of generating funds are those costs attributable to generating income for the Centre other than those costs incurred in undertaking charitable activities in furtherance of the Centre's objects.

(b) 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
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Notes to the Financial Statements
31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.10 Expenditures (Cont'd)

(c) Support costs

Support costs are costs incurred in supporting income generation activities such as fund raising and in supporting the governance of the Centre. Support costs do not in themselves constitute an activity; instead they enable output-creating activities to be undertaken. Support costs includes such as key and general management, information technology, human resources and financing and these are apportioned to the relevant activity cost category they support.

(d) Other expenditure

Other expenditure includes the payment of any expenditure that the Centre has not been able to analyse within the main expenditure categories.

2.11 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.

2.12 Employee benefits - defined contribution plans

The Centre participates in the national pension schemes as defined by the laws of Singapore. The Centre makes contributions to the Central Provident Fund (CPF) scheme in Singapore, a defined contribution pension scheme. Such contributions to defined contribution pension scheme are recognised as compensation expense in the period in which the related service is performed.

2.13 Provisions

Provisions are recognised when the Centre has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

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Notes to the Financial Statements**31 December 2020****3. Income from Charitable Activities**

	2020 \$	2019 \$
Restricted funds:		
Family Service Centre Operation Fund:		
Funding grant from MSF	1,795,342	1,576,983
Casework and counselling from MSF	2,235	2,965
MUIS Ramadan bonus received	6,000	6,000
	1,803,577	1,585,948
Family Service Centre Comcare Fund	6,200	1,600
Shelter for the Homeless at Buangkok	76,750	—
School Pocket Money Fund	141,600	38,475
Care and Share Fund	7,840	8,062
	2,035,967	1,634,085

4. Other Income

	2020 \$	2019 \$
Unrestricted funds:		
General Fund:		
Government paid - child care leave claim	2,413	1,373
Government paid - paternity leave claim	7,970	(4,868)
JSS pay-outs	244,249	—
Special and temporary employment credit	1,082	1,036
Supervision fees	500	1,520
Wage credit scheme	14,629	5,752
	270,843	4,813
Restricted funds:		
Family Service Centre Operation Fund:		
Amortisation of deferred capital grant	7,620	9,078
NCCS ComChest funding support to members for Covid-19	3,000	—
Leave of Absence/ Stay Home Notice support	2,800	—
Others	930	1,027
	14,350	24,401
	285,193	29,214

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Notes to the Financial Statements
31 December 2020

5. Manpower Benefit Costs

	2020	2019
	\$	\$
Restricted funds:		
Family Service Centre Operation Fund:		
Staff salaries and bonuses	1,232,425	1,126,804
Employer's CPF contribution and Skills Development levy	188,125	171,373
Staff medical and insurance	10,231	10,215
Staff training	13,112	30,154
Staff welfare	1,876	6,314
Honorarium	1,150	850
	<u>1,446,919</u>	<u>1,345,710</u>

6. Programme Costs

	2020	2019
	\$	\$
Unrestricted funds:		
General fund:		
Shelter for the Homeless at Changi Village	6,820	—
Shelter for the Homeless at Buangkok	10,918	—
	<u>17,738</u>	<u>—</u>
Designated funds:		
Economic Downturn Assistance Fund	350	400
Five Loaves and Two Fish Fund	—	2,663
PRFSC Financial Assistance Fund	—	14,245
Shelter for the Homeless at Buangkok	5,500	—
	<u>5,850</u>	<u>17,308</u>
Total programme costs under unrestricted funds (c/f)	<u>23,588</u>	<u>17,308</u>

PASIR RIS FAMILY SERVICE CENTRE

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Notes to the Financial Statements**31 December 2020****6. Programme Costs (Cont'd)**

	2020	2019
	\$	\$
<i>Total programme costs under unrestricted funds (b/f)</i>	23,588	17,308
Restricted funds:		
Family Service Centre Operation Fund:		
Casework and counselling	256	44
Non-funded programme fee	12,458	27,311
Children programme expenses	1,314	2,578
Community outreach expenses	579	4,371
MUIS Ramadan bonus disbursement	6,000	6,000
	20,607	40,304
Care and Share Fund	14,942	13,039
Shelter for the Homeless at Buangkok	37,238	—
Family Service Centre Comcare Fund	1,300	2,400
North East Essential Relief Fund	—	389
PRFSC Financial Assistance Fund	13,565	—
School Pocket Money Fund	96,395	71,010
	184,047	127,142
	207,635	144,450

7. Other Operating Costs

	2020	2019
	\$	\$
Restricted funds:		
Family Service Centre Operation Fund:		
Amortisation charge for deferred capital grant	7,620	9,078
Bank charges	503	519
Depreciation charge	12,345	38,977
General expenses and stamp duty	675	458
Insurance	1,206	138
Maintenance of equipment and premises	3,317	4,225
Non-capitalised purchases	—	2,493
Printing, stationery and postage	3,108	3,462
Refreshments	251	602
Rent and conservancy fees	9,775	14,304
Rental of equipment	3,120	3,120
Resource materials and safety measure expenses	3,028	25
Telecommunication	4,634	4,387
Transport	6,787	8,652
Utilities	5,376	5,991
	61,745	96,431

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Notes to the Financial Statements
31 December 2020

8. Governance Costs

	2020	2019
	\$	\$
Restricted funds:		
Family Service Centre Operation Fund:		
Administrative support costs	279,170	168,015
Auditor's remuneration	11,000	11,000
Professional fees for special purpose audits	11,500	—
License fees	250	250
	<u>301,920</u>	<u>179,265</u>

9. Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash at bank	1,251,449	1,691,505
Cash on hand	1,600	1,600
Fixed deposits	<u>4,940,271</u>	<u>3,948,647</u>
Cash and cash equivalents per statement of cash flows	<u>6,193,320</u>	<u>5,641,752</u>

Fixed deposits earn interest rate that ranges approximately from 0.25% to 1.20% (2019: 0.78% to 1.90%) with maturity period of about 4 to 12 months (2019: 4 to 12 months) from the end of the reporting period.

10. Other Receivables

	2020	2019
	\$	\$
Fixed deposit interest receivable	24,938	39,709
Programme fund receivable from MSF	—	928
Programme fund receivable from NCSS	—	8,062
Receivable from CPF Board	1,414	1,374
Others	<u>500</u>	<u>1,240</u>
	<u>26,852</u>	<u>51,313</u>

11. Other Current Assets

	2020	2019
	\$	\$
Deposits	4,317	1,967
Prepayments	<u>21,623</u>	<u>1,946</u>
	<u>25,940</u>	<u>3,913</u>

PASIR RIS FAMILY SERVICE CENTRE
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Notes to the Financial Statements
31 December 2020

12. Property, Plant and Equipment

	Computers	Furniture and fittings	Office equipment	Renovation	Total
	\$	\$	\$	\$	\$
<i>Cost:</i>					
At 01-01-2019	33,956	57,228	67,786	192,995	351,965
Additions	—	—	—	—	—
Write-offs	—	—	—	—	—
At 31-12-2019	33,956	57,228	67,786	192,995	351,965
Additions	—	—	—	—	—
Write-offs	—	—	—	—	—
At 31-12-2020	33,956	57,228	67,786	192,995	351,965
<i>Accumulated depreciation:</i>					
At 01-01-2019	8,489	53,132	50,440	176,651	288,712
Depreciation charge	25,467	1,684	6,798	5,028	38,977
Write-offs	—	—	—	—	—
At 31-12-2019	33,956	54,816	57,238	181,679	327,689
Depreciation charge	—	1,358	5,958	5,029	12,345
Write-offs	—	—	—	—	—
At 31-12-2020	33,956	56,174	63,196	186,708	340,034
<i>Net carrying amount:</i>					
At 31-12-2020	—	1,054	4,590	6,287	11,931
At 31-12-2019	—	2,412	10,548	11,316	24,276

13. Other Payables

	2020	2019
	\$	\$
Accrued operating expenses	246,002	132,686
Amount due to Good News Community Services	74,292	45,699
Others	10,015	4,868
	<u>330,309</u>	<u>183,253</u>

PASIR RIS FAMILY SERVICE CENTRE
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Notes to the Financial Statements
31 December 2020

14. Unrestricted Funds

(a) General fund

	2020 \$	2019 \$
Balance at beginning of the year	1,011,791	1,006,978
Net income for the year	253,105	4,813
Balance at end of the year	1,264,896	1,011,791

(b) Designated funds

	Balance at 01 Jan \$	Transfer from Restricted Fund \$	Transfer to Restricted Fund \$	Income \$	Expenditure \$	Balance at 31 Dec \$
2020						
Economic Downturn Assistance Fund	2,100	—	—	—	(350)	1,750
Five Loaves and Two Fish Fund	138,188	—	—	22,600	—	160,788
PRFSC Financial Assistance Fund	9,545	—	(9,545)	—	—	—
Renovation Fund	113,989	—	—	—	—	113,989
Shelter for the Homeless Fund	—	—	—	5,500	(5,500)	—
	263,822	—	(9,545)	*28,100	(5,850)	276,527

	Balance at 01 Jan \$	Transfer from Restricted Fund \$	Transfer to GNCS Unrestricted Fund \$	Income \$	Expenditure \$	Balance at 31 Dec \$
2019						
Economic Downturn Assistance Fund	2,500	—	—	—	(400)	2,100
Elderly fund	47,320	—	(47,320)	—	—	—
Five Loaves and Two Fish Fund	116,271	—	—	24,580	(2,663)	138,188
PRFSC Financial Assistance Fund	3,790	20,000	—	—	(14,245)	9,545
Renovation Fund	113,989	—	—	—	—	113,989
	283,870	20,000	(47,320)	*24,580	(17,308)	263,822

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

Notes to the Financial Statements
31 December 2020

14. Unrestricted Funds (Cont'd)

(b) Designated funds (Cont'd)

* The donations towards Five loaves and two fish fund and Shelter for the Homeless Fund in Pasir Ris Family Service Centre are tax deductible donations under the name of Good News Community Services, an approved Institution of a Public Character ("IPC").

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. In 2019, this fund amounting to \$47,320 has been transfer to the designated elderly fund (unrestricted fund) of GNCS as approved by the management committee.
- (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) During the current year under review, PRFSC financial assistance fund amounting to \$9,545 has been transferred to restricted fund (Note 15(e)).
- (v) Renovation fund is set up for capital expenditure to be incurred for major replacements and repairs of the Family Service Centre.
- (vi) Shelter for the homeless ("SFH") fund is set up to help the homeless to meet their basic needs such as provision of meals and other financial assistance.

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Notes to the Financial Statements
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15. Restricted Funds

	Balance at 01 Jan \$	Transferred between restricted funds \$	Transferred from designated funds \$	Income \$	Expenditure \$	Balance at 31 Dec \$
2020						
Family Service Centre Operation Fund (FSC)	4,241,591	(20,000)	-	1,876,619	(1,831,191)	4,267,019
Family Service Centre Comcare Fund (FCF)	7,800	-	-	6,200	(1,300)	12,700
School Pocket Money Fund (SPMF)	4,935	-	-	141,600	(96,395)	50,140
PRFSC Financial Assistance Fund	-	20,000	9,545	-	(13,565)	15,980
Shelter for the Homeless at Buangkok	-	-	-	76,750	(37,238)	39,512
Care and Share Fund	8,062	-	-	7,840	(14,942)	960
	4,262,388	-	9,545	2,109,009	(1,994,631)	4,386,311

	Balance at 01 Jan \$	Transferred between restricted funds \$	Transferred to designated funds \$	Income \$	Expenditure \$	Balance at 31 Dec \$
2019						
Family Service Centre Operation Fund (FSC)	4,247,966	-	(20,000)	1,675,335	(1,661,710)	4,241,591
Family Service Centre Comcare Fund (FCF)	8,600	-	-	1,600	(2,400)	7,800
North East Essential Relief Fund (NEER)	389	-	-	-	(389)	-
School Pocket Money Fund (SPMF)	37,470	-	-	38,475	(71,010)	4,935
Care and Share Fund	13,039	-	-	8,062	(13,039)	8,062
	4,307,464	-	(20,000)	1,723,472	(1,748,548)	4,262,388

PASIR RIS FAMILY SERVICE CENTRE

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Notes to the Financial Statements

31 December 2020

15. Restricted Funds (Cont'd)

(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.

(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) 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. This fund has been fully utilised in 2019.

(d) 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.

(e) PRFSC financial assistance fund

PRFSC financial assistance fund is set up to support deserving students with continuation of monthly pocket money at SPMF level, beyond their eligible period. The allowance will be part of other intervention efforts to address family issues experienced by beneficiaries of Code of Social Work Practice framework. During the current year under review, fund amount of \$9,545 has been transferred from unrestricted fund to restricted fund as approved by the management committee and MSF since the beneficiaries are existing PRFSC clients receiving casework/group work interventions at the Centre.

(f) Shelter for the Homeless at Buangkok

Shelter for the Homeless at Buangkok is provided by the Community Foundation of Singapore to the Centre for transition of homeless persons into temporary shelters and sourcing for long term permanent housing solutions.

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Notes to the Financial Statements
31 December 2020

15. Restricted Funds (Cont'd)

(g) 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.

16. Income Tax

The Centre is a community service project of Good News Community Services, which is a Society registered as a charity organisation under the Singapore Charities Act, Chapter 37. As an approved charity, it is exempted from income tax under Section 13(1)(zm) of the Singapore Income Tax Act, Chapter 134.

17. Operating Lease Commitments

The Centre has entered into a commercial leases for the use of certain equipment and residential shelter as lessee. These leases have average tenure of 1 to 5 years. There are no restrictions placed upon the Centre by entering into this lease. Operating lease payments recognised as an expense in the statement of financial activities for the financial year ended 31 December 2020 amounted to \$6,981 (2019: \$3,120).

Future minimum lease payments payable under non-cancellable operating leases at the reporting date are as follows:

	2020 \$	2019 \$
Not later than one year	5,220	3,120
Later than one year but not later than five years	7,540	10,660
	<u>12,760</u>	<u>13,780</u>

18. Related Party Transactions

Key Management Personnel Compensation

Key management personnel comprised the Head of the Centre which are having the authority and responsibility for planning, directing and controlling the activities of the Centres.

The remuneration paid to key management personnel during the year are as follows:

	2020 \$	2019 \$
Salaries, bonuses and long service award	123,852	125,862
Employer's CPF contribution	13,256	14,168
	<u>137,108</u>	<u>140,030</u>

PASIR RIS FAMILY SERVICE CENTRE
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Notes to the Financial Statements
31 December 2020

18. Related Party Transactions (Cont'd)

The remuneration of the key management personnel of the Centre shown in salary bands are as follows:

	2020	2019
<i>Salaries and benefits bands for key management personnel</i>		
Between \$50,000 - \$150,000	1	1

None of the members of the Management Committee have received any compensation during the financial year ended 31 December 2020 and 2019.

19. Financial Risk Management

The Centre's charitable activities expose it to minimal financial risks such as credit risk and liquidity risk on an informal basis. The Management Committee reviews and agrees policies for managing each of these risks and continually monitors the Centre's risk management process to ensure that an appropriate balance between risk and control is achieved.

(a) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Centre. The Centre manages such risks by dealing with a diversity of credit-worthy counter parties to mitigate any significant concentration of credit risk. The Centre places its cash and cash equivalents with creditworthy institutions.

The maximum exposure to credit risk in the event that the counter parties fail to perform the obligations as at the end of the financial year in relation to each class of financial assets is the carrying amount of these assets in the statement of financial position.

As at the financial year end, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

(b) Liquidity Risk

Liquidity risk is the risk that the Centre will encounter difficulty in meeting financial obligations due to shortage of funds. The Centre's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Management Committee exercises prudent liquidity and cash flow risk management policies and aims at maintaining an adequate level of liquidity and cash flows at all times.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Centre's financial liabilities at the end of the financial year based on contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not expected to be significant.

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

Notes to the Financial Statements
31 December 2020

19. Financial Risk Management (Cont'd)

(b) *Liquidity Risk (Cont'd)*

Analysis of financial instruments by remaining contractual maturities (Cont'd)

	Less than 1 year \$	Between 1 – 5 years \$	Total contractual cash flow \$
2020			
<i>Financial liabilities</i>			
Other payables	330,309	–	330,309
Total undiscounted financial liabilities	330,309	–	330,309
2019			
<i>Financial liabilities</i>			
Other payables	183,253	–	183,253
Total undiscounted financial liabilities	183,253	–	183,253

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.

No changes were made in the objectives, policies or processes during the financial years ended 31 December 2020 and 31 December 2019.

21. Authorisation of Financial Statements

These financial statements for the financial year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Management Committee of Good News Community Services on 27 March 2021.

Report and Audited Financial Statements

SONSHINE CHILDCARE CENTRE
(A Community Service Project of
GOOD NEWS COMMUNITY SERVICES)

31 December 2020

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

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SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

**Statement by Members of the Good News Community Services
Management Committee**

For the year ended 31 December 2020

Opinion of the Good News Community Services Management Committee

In the opinion of the Good News Community Services Management Committee,

- (a) the accompanying financial statements of Sonshine Childcare Centre (a Community Service Project of Good News Community Services) (the "Centre"), are drawn up in accordance with the provisions of the Charities Accounting Standard (the "CAS") in Singapore, so as to present fairly, in all material respects, the financial position of the Centre as at 31 December 2020 and the results of the financial activities and cash flows of the Centre for the year ended on that date: and
- (b) at the date of this statement, there are reasonable grounds to believe that the Centre will be able to pay its debts as and when they fall due.

The members of the Good News Community Services management committee has, on the date of this statement, authorised these financial statements for issue.

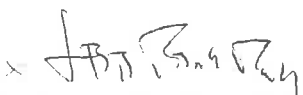
1. Members of Good News Community Services Management Committee


Rev Lee Peng Ong @ David Lee	- President
Hui Kwok Thong	- Vice-President
Gan Tian Huat	- Honorary Treasurer
Tan Yi-Ping Jacqueline	- Honorary Secretary
Dui Sian Ling	- Committee member
Soh Soon Heng Simon	- Committee member
Ng Heo Yong	- Committee member
Lee Kong Wee	- Committee member
Lim Siew Lin	- Committee member
Tai Wen Liang Dennes	- Committee member

2. Independent Auditor

The independent auditor, E H Luar & Co, Public Accountants and Chartered Accountants has expressed its willingness to accept re-appointment.

On behalf of the Good News Community Services Management Committee


Rev Lee Peng Ong @ David Lee
President


Gan Tian Huat
Honorary Treasurer

Singapore, 27 March 2021

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

**Independent Auditor's Report to the Members of
Good News Community Services – Sonshine Childcare Centre**
For the Financial Year Ended 31 December 2020

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sonshine Childcare Centre (A Community Service Project of Good News Community Services), (the "Centre"), which comprise the statement of financial position as at 31 December 2020, and the statement of financial activities and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Charities Accounting Standard (the "CAS") in Singapore so as to present fairly, in all material respects, the financial position of the Centre as at 31 December 2020 and the results of the financial activities and cash flows of the Centre for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Centre in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Management Committee is responsible for the other information. The other information comprises the Statement by Members of the Good News Community Services Management Committee as set out on page 1.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

**Independent Auditor's Report to the Members of
Good News Community Services – Sonshine Childcare Centre
For the Financial Year Ended 31 December 2020 (Cont'd)**

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

Responsibilities of the Management Committee for the Financial Statements

The Management Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the the Charities Accounting Standard (the "CAS") in Singapore, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management Committee is responsible for assessing the Centre's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Centre or to cease operations, or has no realistic alternative but to do so.

The Management Committee is responsible for overseeing the Centre's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Centre's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management committee.

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

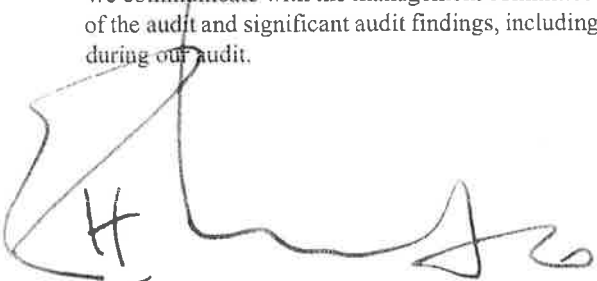
**Independent Auditor's Report to the Members of
Good News Community Services – Sonshine Childcare Centre
For the Financial Year Ended 31 December 2020 (Cont'd)**

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

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

- (d) Conclude on the appropriateness of management committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Centre to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



E H LUAR & CO
Public Accountants and
Chartered Accountants

Singapore, 27 March 2021

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

Statement of Financial Activities
For the Financial Year Ended 31 December 2020

		Unrestricted Funds	
	Note	2020	2019
		\$	\$
Income			
Income from generated funds:			
Activities for generating funds	3	283,011	683,111
Other income	4	91,595	12,177
Total income		374,606	695,288
Less: Expenditures			
Costs of generating funds			
Direct operating costs	5	(100)	55,506
Manpower benefit costs	6	—	601,364
Other operating costs	7	20,961	92,602
Governance costs	8	413,118	79,457
Total expenditures		433,979	828,929
Net expenditure before tax expense		(59,373)	(133,641)
Tax expense	15	—	—
Net expenditure before transfers		(59,373)	(133,641)
Gross transfers between funds		—	—
Net expenditure before holding gains and losses		(59,373)	(133,641)
Other recognised gains or losses		—	—
Net movement in funds during the year		(59,373)	(133,641)
Reconciliation of funds:			
Total funds brought forward		59,370	193,011
Total funds carried forward		(3)	59,370

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

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

Statement of Financial Position
As at 31 December 2020

	Note	2020 \$	2019 \$
ASSETS			
Current assets			
Cash and cash equivalents	9	39,224	35,694
Other receivables	10	7,150	14,243
Other current assets	11	—	10,017
		<u>46,374</u>	<u>59,954</u>
Non-current assets			
Property, plant and equipment	12	—	139,393
Total assets		<u>46,374</u>	<u>199,347</u>
LIABILITIES			
Current liabilities			
Other payables	13	46,377	95,707
Student deposits		—	44,270
Total liabilities		<u>46,377</u>	<u>139,977</u>
Net assets/(liabilities)		<u>(3)</u>	<u>59,370</u>
FUNDS			
Unrestricted funds			
General fund	14(a)	(8,003)	51,370
Designated funds	14(b)	8,000	8,000
Total Funds		<u>(3)</u>	<u>59,370</u>

The accompanying accounting policies and explanatory notes form an integral part of the 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 2020

	2020	2019
	\$	\$
Cash flows from operating activities		
Net expenditure before tax expense	(59,373)	(133,641)
Adjustments for:		
Depreciation of plant and equipment	—	39,339
Net loss on transfer of Centre's assets to SJPS (Note 1)	128,932	—
Operating cash flow before changes in working capital	69,559	(94,302)
Changes in working capital:		
Decrease/(Increase) in other receivables	7,093	(13,006)
Decrease/(Increase) in other current assets	1,685	(6,036)
(Decrease)/Increase in other payables	(49,330)	58,420
(Decrease)/Increase in student deposits	(25,477)	6,920
Cash generated from/(used in) operations	3,530	(48,004)
Interest received	—	—
Net cash from/(used in) operating activities	3,530	(48,004)
Cash flows from investing activities		
Purchase of property, plant and equipment	—	(7,873)
Net cash used in investing activities	—	(7,873)
Cash flows from financing activities		
Net cash from financing activities	—	—
Net increase/(decrease) in cash and cash equivalents	3,530	(55,877)
Cash and cash equivalents at beginning of the financial year	35,694	91,571
Cash and cash equivalents at the end of the financial year (Note 9)	39,224	35,694

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

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

Notes to the Financial Statements
31 December 2020

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

1. Domicile and Activities

Sonshine Childcare Centre (the "Centre") is a community service project of Good News Community Services (UEN no. S99SS0015F), which is registered with the Registry of Societies. The 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. There have been no significant changes in the nature of these activities during the financial year.

Based on the management agreement dated 26 December 2019 entered into by Good News Community Services ("GNCS") or (the "Organisation") and St. James' Preschool Services (Anglican) Ltd. ("SJPS"), now known as Anglican Preschool Services Ltd, with effect from 1 January 2020 SJPS manage, operate and direct the Pre-school set up in Sonshine Childcare Centre ("SCC"). During the year under review, GNCS paid SJPS a management fee equal to the education fees charged by SCC amounting to \$282,861 (Note 8).

On or about 13 July 2020, GNCS and SJPS has entered into a Transfer of Ownership Agreement ("TOA") to transfer the ownership of SCC from GNCS to SJPS. The extract of Clause 2 Transfer of Ownership of Sonshine from the TOA are as follows:

"2. Transfer of Ownership of Sonshine

2.1 The Parties agree that the Organisation will transfer to SJPS, free from all liens, charges and other encumbrances, the ownership of Sonshine, inclusive of:

2.1.1 the license with the Early Childhood Development Agency ("ECDA");

2.1.2 the tenancy of the premises with the Housing and Development Board ("HDB") including the cash deposit of \$1,580.39 held with HDB;

2.1.3 all existing fixtures, chattels, furnishing and equipment items used by SCC for the services as of 31 December 2019;

2.1.4 prepayment of \$6,751.47 for the remaining subscription to Little Lives Pro pupil management system (expiry July 2022); and

2.2 SJPS will assume the liability of all pupil deposit amounting to \$44,270 held by the Organisation as of date of transfer. The Organisation will transfer \$25,477 to SJPS as full and final settlement of the pupil deposits.

2.3 The organisation will reimburse SJPS for the cost of fire safety works carried out on SCC of \$20,000.

2.4 SJPS shall oversee and assist both Parties to make or obtain all necessary filings, permits or approvals and ensure ongoing compliance with all governmental or regulatory requirements from any relevant agencies. The Organisation shall render assistance to SJPS, as and when it may be reasonably required, to make or obtain all necessary filings, permits or approvals.

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

Notes to the Financial Statements
31 December 2020

1. Domicile and Activities (Cont'd)

2. Transfer of Ownership of Sonshine (Cont'd)

2.5 The parties agree to render the Management Agreement void with immediate effect.

2.6 The parties agree that neither party shall have further claims whatsoever upon signing of this agreement. "

The net loss on transfer of Centre's assets as at 13 July 2020 to SJPS are as follows:

	\$
Assets	
Property, plant and equipment	139,393
Deposits	1,580
Prepayment	6,752
	<u>147,725</u>
Liabilities	
Student deposits (net of \$25,477 agreed to settle with SJPS)	<u>(18,793)</u>
Net assets transferred to SJPS	128,932
Less: Considerations received from SJPS	<u>-</u>
Net loss on transfer of Centre's assets to SJPS (Note 8)	<u>128,932</u>

In addition, with effect from 13 July 2020, the license of the Centre to operate as a child care centre has also been cancelled.

2. Summary of Significant Accounting Policies

2.1 Basis of preparation

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

The preparation of the Centre's financial statements requires Management Committee to make judgements, estimates and assumptions that affect the reported amounts of the income, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods. Management Committee is of the opinion that there is no significant judgement made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

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

Notes to the Financial Statements
31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.2 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 dollars ("SGD" or "\$") and all values are rounded to the nearest dollar ("¢") unless otherwise indicated.

2.3 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation.

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

When significant parts of property, plant and equipment are required to be replaced in intervals, the costs of replacing such an item when the cost is incurred is added to the carrying amount of the item if the recognition criteria are met. The costs of day-to-day servicing of an item of property, plant and equipment is recognised as expenditure in the Statement of Financial Activities in the period in which the costs are incurred. Property, plant and equipment shall not be revalued and are not required to be assessed for impairment.

Depreciation is calculated using the straight-line basis to allocate its depreciable amounts over its estimated useful lives at the following annual rates:

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

The depreciation charge for each period is recognised as expenditure in the statement of financial activities unless another section of the CAS requires it to be included in the carrying amount of another asset. The residual values, estimated useful lives and depreciation method of property and equipment are reviewed and adjusted, as appropriate, at each reporting period. The effects of any revisions are recognised in the statement of financial activities for the financial year in which the changes arise. The carrying amount of the property, plant and equipment at the date of revision or changes is depreciated over the revised remaining useful lives.

Fully depreciated assets still in use are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in statement of financial activities in the year the asset is derecognised.

Notes to the Financial Statements
31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.4 Financial assets (Cont'd)

The Centre classifies the following financial assets 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 on the statement of financial position when, and only when, the Centre becomes a party to the contractual provisions of the financial instrument.

Financial assets are initially recognised at the transaction price excluding transaction costs, if any, which shall be recognised as expenditure immediately in the statement of financial activities. Subsequent to initial measurement, financial assets, including other receivables and deposits excluding prepayments, are measured at cost less any accumulated impairment losses. Prepayments are subsequently measured at the amount paid less the economic resources received or consumed during the financial year.

Financial assets (consisting of cash and cash equivalents, and other receivables and deposits excluding prepayments), are derecognised when the contractual rights to receive cash flows from the assets have expired or have been transferred and the Centre has transferred substantially all risks and rewards of ownership. On de-recognition of financial assets in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in the statement of financial activities.

2.5 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.

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.

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

Notes to the Financial Statements
31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at bank which are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

2.7 Financial liabilities

Financial liabilities includes other payables and student deposits.

Financial liabilities are recognised when, and only when, the Centre becomes a party to the contractual provisions of the financial instrument.

Financial liabilities shall be recognised at their transaction price, excluding transaction costs, if any, both at the initial recognition and at subsequent measurement. Transaction costs shall be recognised as expenditure in the statement of financial activities as incurred.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

2.8 Fund Accounting

Monies received for specific purposes, including transfers from the general fund, are credited directly to the respective fund in the financial statements. These include unrestricted funds as follows:

Unrestricted funds

Unrestricted funds are expendable at the discretion of the Centre's Management Committee in furtherance of the Centre's objects.

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 funds"). The designation has an administrative purpose only and does not legally restrict the Management Committee's discretion to apply the fund.

Income and expenditure relating to specific funds are accounted for directly in the funds to which they relate. Common expenses, if any, are allocated on a reasonable basis to the funds based on a method suitable to this common expense. Assets and liabilities of the specific funds are pooled in the statement of financial position.

2.9 Income recognition

Income is recognised in the statement of financial activities when the effect of a transaction or other event results in an increase in the Centre's net assets.

Notes to the Financial Statements
31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.9 *Income recognition (Cont'd)*

The following factors must also be met before income is recognised:

(a) Entitlement

The Centre has control over the rights or other access to the resource, enabling the Centre to determine its future application;

(b) Certainty

It is probable that the income will be received; and

(c) Measurement

The amount of the income can be measured by the Centre with sufficient reliability.

The following specific recognition criteria must also be met before income is recognised:

(a) Income from generated funds

Activities for generating funds

Income from school fees and school programmes 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.

(b) 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.

2.10 *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.

(a) Cost of generating funds

Costs of generating funds are those costs attributable to generating income for the Centre other than those costs incurred in undertaking charitable activities in furtherance of the Centre's objects.

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

Notes to the Financial Statements

31 December 2020

2. Summary of Significant Accounting Policies (Cont'd)

2.10 Expenditures (Cont'd)

(b) 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.

(c) Support costs

Support costs are costs incurred in supporting income generation activities such as fund raising and in supporting the governance of the Centre. Support costs do not in themselves constitute an activity; instead they enable output-creating activities to be undertaken. Support costs includes such as key and general management, information technology, human resources and financing and these are apportioned to the relevant activity cost category they support.

(d) Other expenditure

Other expenditure includes the payment of any expenditure that the Centre has not been able to analyse within the main expenditure categories.

2.11 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.

2.12 Employee benefits - defined contribution plans

The Centre participates in the national pension schemes as defined by the laws of Singapore. The Centre makes contributions to the Central Provident Fund (CPF) scheme in Singapore, a defined contribution pension scheme. Such contributions to defined contribution pension scheme are recognised as compensation expense in the period in which the related service is performed.

2.13 Provisions

Provisions are recognised when the Centre has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

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

Notes to the Financial Statements
31 December 2020

3. Activities for Generating Funds

	2020	2019
	\$	\$
School fees subsidies from ECDA	222,356	284,397
School fees, net of discounts	60,385	380,646
Registration fees	270	1,200
Income from school programme	—	16,868
	<u>283,011</u>	<u>683,111</u>

4. Other Income

	2020	2019
	\$	\$
Waiver of amount due to Good News Community Services	54,857	—
Job support scheme (JSS) pay-outs	24,953	—
Wage credit scheme	7,894	5,129
Special and temporary credit	3,884	6,603
Government paid - child care leave claim	—	150
Others	7	295
	<u>91,595</u>	<u>12,177</u>

5. Direct Operating Costs

	2020	2019
	\$	\$
Cost of school programme	—	13,817
Food and beverages	—	20,503
Marketing program	(100)	5,092
Spark Accreditation programme	—	7,277
Student healthcare and medical expenses	—	96
Teaching materials and toys	—	8,461
Impairment loss/(Recovery) on school fee receivables	—	260
	<u>(100)</u>	<u>55,506</u>

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

Notes to the Financial Statements
31 December 2020

6. Manpower Benefit Costs

	2020	2019
	\$	\$
Staff salaries and bonuses	—	527,119
Employer's CPF contribution and Skills Development Levy	—	50,659
Foreign worker levy	—	10,621
Staff medical and insurance	—	8,214
Staff training	—	2,355
Staff transport	—	221
Staff welfare	—	2,073
Honorarium	—	102
	<u>—</u>	<u>601,364</u>

7. Other Operating Costs

	2020	2019
	\$	\$
Bank charges	138	326
Depreciation of plant and equipment	—	39,339
General expenses	—	1,047
Insurance	—	315
Maintenance of equipment and premises	596	10,609
Non-capitalised purchases	20,000	1,252
Printing, stationery and postage	150	3,856
Rent and conservancy fees	—	19,913
Rental of equipment	70	2,414
Subscription fees	—	1,873
Telecommunication expenses	7	2,003
Utilities	—	9,655
	<u>20,961</u>	<u>92,602</u>

8. Governance Costs

	2020	2019
	\$	\$
Administrative support costs	—	70,446
Auditor's remuneration		
– current year	1,100	4,900
– certification on statement of subsidy claims	—	4,000
License fees	225	111
Management fees	282,861	—
Net loss on transfer of Centre's assets to SJPS (Note 1)	128,932	—
	<u>413,118</u>	<u>79,457</u>

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

Notes to the Financial Statements
31 December 2020

9. Cash and Cash Equivalents

	2020 \$	2019 \$
<i>Denominated in Singapore dollars:</i>		
Cash at banks	39,224	33,494
Cash on hand	—	2,200
	<u>39,224</u>	<u>35,694</u>
Cash and cash equivalents per statement of cash flows	<u>39,224</u>	<u>35,694</u>

10. Other Receivables

	2020 \$	2019 \$
School fees receivable	—	3,411
Allowance for impairment loss	—	(260)
	<u>—</u>	<u>3,151</u>
Amount due from ECDA	—	8,579
Amount due from SJPS	7,150	—
Others	—	2,513
	<u>7,150</u>	<u>14,243</u>

The movement of the allowance for impairment loss are as follows:

	2020 \$	2019 \$
Balance at 1 January	260	—
Allowance for impairment during the year	—	260
Written-off	(260)	—
	<u>—</u>	<u>260</u>
Balance as at 31 December	<u>—</u>	<u>260</u>

11. Other Current Assets

	2020 \$	2019 \$
Deposits	—	2,375
Prepayments	—	7,642
	<u>—</u>	<u>10,017</u>

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

Notes to the Financial Statements
31 December 2020

12. Property, Plant and Equipment

	Furniture and fittings \$	Office equipment \$	Renovation \$	Total \$
<i>Cost:</i>				
At 01-01-2019	46,997	8,613	190,804	246,414
Additions	7,873	—	—	7,873
Write-off	—	—	—	—
At 31-12-2019	54,870	8,613	190,804	254,287
Transfer to SJPS (Note 1)	(54,870)	(8,613)	(190,804)	(254,287)
At 31-12-2020	—	—	—	—
<i>Accumulated depreciation:</i>				
At 01-01-2019	46,997	8,309	20,249	75,555
Depreciation charge	918	260	38,161	39,339
Write-off	—	—	—	—
At 31-12-2019	47,915	8,569	58,410	114,894
Transfer to SJPS (Note 1)	(47,915)	(8,569)	(58,410)	(114,894)
At 31-12-2020	—	—	—	—
<i>Net carrying amount:</i>				
At 31-12-2020	—	—	—	—
At 31-12-2019	6,955	44	132,394	139,393

During the current year under review, the Centre's property, plant and equipment with a net carrying amount of \$139,393 has been transferred to SJPS (Note 1).

13. Other Payables

	2020 \$	2019 \$
<i>Denominated in Singapore dollars:</i>		
Accrued operating expenses	46,377	37,732
Amount due to Good News Community Services	—	54,857
School fees received in advance	—	150
Others	—	2,968
	<u>46,377</u>	<u>95,707</u>

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

Notes to the Financial Statements
31 December 2020

14. Unrestricted Funds

(a) General fund

	2020	2019
	\$	\$
Balance at beginning of the year	51,370	185,011
Net expenditure for the year	(59,373)	(133,641)
Balance at end of the year	(8,003)	51,370

(b) Designated funds

	2020	2019
	\$	\$
Balance at beginning of the year	8,000	8,000
Net income for the year	—	—
Balance at end of the year	8,000	8,000

The bursary fund is established to grant bursary to children of needy families at the child care centre. On or about 1 March 2021, the Management Committee has approved the transfer of the bursary fund to general fund.

15. Income Tax

The Centre is a community service project of Good News Community Services, which is a Society registered as a charity organisation under the Singapore Charities Act, Chapter 37. As an approved charity, it is exempted from income tax under Section 13(1)(zm) of the Singapore Income Tax Act, Chapter 134.

16. Commitments

Operating lease commitment

The Centre has entered into a commercial lease for the use of certain equipment as lessee. This lease have an average tenure of 5 years. There are no restrictions placed upon the Centre by entering into this lease. Operating lease payments recognised as an expense in the statement of financial activities for the financial year ended 31 December 2020 amounted to \$70 (2019: \$2,414). Future minimum lease payments payable under non-cancellable operating leases at the reporting date are as follows:

	2020	2019
	\$	\$
Not later than one year	—	2,414
Later than one year but not later than five years	—	201
	—	2,615

Notes to the Financial Statements
31 December 2020

17. Related Party Transactions

Key Management Personnel Compensation

Key management personnel comprised the Head of the Centre which are having the authority and responsibility for planning, directing and controlling the activities of the Centre.

The remuneration paid to key management personnel during the year are as follows:

	2020	2019
	\$	\$
Salaries and bonuses	—	52,455
Employer's CPF contributions	—	8,924
	<u>—</u>	<u>61,379</u>

The remuneration of the key management personnel of the Centre shown in salary bands are as follows:

	2020	2019
<i>Salaries and benefits bands for key management personnel</i>		
Between \$50,000 - \$100,000	<u>—</u>	<u>1</u>

None of the members of the Management Committee have received any compensation during the financial year ended 31 December 2020 and 2019.

18. Financial Risk Management

The Centre's charitable activities expose it to minimal financial risks such as credit risk and liquidity risk on an informal basis. The Management Committee reviews and agrees policies for managing each of these risks and continually monitors the Centre's risk management process to ensure that an appropriate balance between risk and control is achieved.

(a) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Centre. The Centre manages such risks by dealing with a diversity of credit-worthy counter parties to mitigate any significant concentration of credit risk. The Centre places its cash and cash equivalents with creditworthy institutions.

The maximum exposure to credit risk in the event that the counter parties fail to perform the obligations as at the end of the financial year in relation to each class of financial assets is the carrying amount of these assets in the statement of financial position.

As at the financial year end, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

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

Notes to the Financial Statements
31 December 2020

18. Financial Risk Management (Cont'd)

(b) *Liquidity Risk*

Liquidity risk is the risk that the Centre will encounter difficulty in meeting financial obligations due to shortage of funds. The Centre's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Management Committee exercises prudent liquidity and cash flow risk management policies and aims at maintaining an adequate level of liquidity and cash flows at all times.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Centre's financial liabilities at the end of the financial year based on contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not expected to be significant.

	Less than 1 year \$	Between 1 – 5 years \$	Total contractual cash flow \$
2020			
<i>Financial liabilities</i>			
Other payables	46,377	–	46,377
Student deposits	–	–	–
Total undiscounted financial liabilities	46,377	–	46,377
2019			
<i>Financial liabilities</i>			
Other payables	95,707	–	95,707
Student deposits	44,270	–	44,270
Total undiscounted financial liabilities	139,977	–	139,977

19. 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.

The Management Committee of GNCS has approved the transfer of ownership of the Centre's operation to SJPS (Note 1).

SONSHINE CHILDCARE CENTRE

(A Community Service Project of Good News Community Services)

Notes to the Financial Statements**31 December 2020**

20. Subsequent Events

On 1 March 2021, the Management Committee resolved and approved the following:

- a) to absorb in GNCS the excess of total liabilities over total assets of SCC amounting to \$3.20;
- b) to transfer the remaining balance in Bursary Fund of \$8,000 to the General Fund; and
- c) to absorb in GNCS the total bank charges incurred by SCC for the period from 1 January 2021 to 31 March 2021 amounting to \$93.75.

21. Authorisation of Financial Statements

These financial statements for the financial year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Management Committee of Good News Community Services on 27 March 2021.

5. REPORTS FROM THE CENTRES

5.1 Pasir Ris Family Service Centre

5.2 Sonshine Childcare Centre

5.1

Reports from Centres - Pasir Ris Family Service Centre

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

<u>BOARD</u>	<u>NAME</u>	<u>ADDRESS</u>	<u>TEL NO.</u>
President	Rev David Lee	1 Francis Thomas Dr #02-17 Singapore 359340	6289 7611
STAFF			
Executive Director	See Choon Wai	Blk 256 Pasir Ris St 21 #01-289 Singapore 510256	6581 2159

1. MISSION AND VISION

- a. The Mission of Pasir Ris Family Service Centre is to enhance lives and build resilient families through quality service and active collaboration. Our core values are Care, Teamwork and Excellence. The theme for 2020 is "Towards a Caring and Learning Organisation". Some of the major plans include:
 - i. Equipping Staff with specialisation courses to build competencies.
 - ii. Identifying strength and enhance building capacity of clients
 - iii. Explore possible new services and programmes
 - iv. To be a leading social service agency in Pasir Ris

PRFSC was listed as one of the Essential Service providers by Ministry of Trade and Industry during the Circuit Breaker period. The FSC continues to provide counselling services and programmes remotely. Besides following the various MOH advisories to ensure safe practices, staff work in split teams and continue to make home visits when needed.

2. STAFFING

- a. Two Assistant Senior Social Workers resigned for personal reasons to pursue their ambitions.
- b. We have employed four new staff for potential expansion of services and to reduce the caseload of the Social Workers.
- c. The following staff was promoted to reflect the growth of the Organisation:

- i. See Choon Wai – appointed as Executive Director of Good News Community Services
 - ii. Roger Ho – promoted to Assistant Centre Head
 - iii. Fay Lim – promoted to Lead Social Worker
 - iv. Royston Chia – promoted to Assistant Senior Social Worker
 - v. Adelina Yeo – promoted to Social Worker Grade 3
- d. Two Social Work interns from the Singapore University of Social Science were attached to PRFSC as part of their placement. They assisted in some of the financial assistance and homeless cases.

3. PROGRAMMES AND SERVICES

3.1 Community Work

- a. PRFSC partner with Active SG and Pasir Ris East CC to organize a Year-End Sports Camp for 30 children and parents at the Pasir Ris Sports Hub. The MPs from Pasir Ris Constituency presented prizes to the children.
- b. PRFSC collaborated with Pasir Ris Bethesda Mission Church to provide tuition to the children from disadvantaged families. The church provided the volunteers who conducted weekly tuition sessions for the children before the school examinations. Some of these volunteers are school teachers.
- c. PRFC also partnered with Divine Mercy Church in Pasir Ris to outreach to the elderly at the studio apartment at Block 212A. They helped conduct a tea cum activity session for the elderly in the beginning of the year.

3.2 Group Work

- a. Staff conducted 4 sessions of group work with mothers who have parenting difficulties. The Pasir Ris Sports Centre provided some sports equipment for the parents to play with their children. A total of seven mothers participated and they continue to interact as an informal care group after the group work sessions.
- b. Staff also conducted 4 sessions of Mindfulness group work remotely for five young adults who have emotional and social relationship difficulties. At the end of the group work, they feedback that they have greater self-confidence and are more willing to make friends with others.

3.3 Community Networking

Besides having regular case sharing with PR Social Service Office, Neighbourhood Police Centre and HDB Pasir Ris Branch to discuss how best to help families, there were also networking sessions with the community agencies such as Club Heal, Schools and the Community Clubs.

3.4 Outreach to the Homeless / Rough Sleepers

- a. Regular night outreach to the rough sleepers were carried out at Changi Village and Changi Airport. We made contact with more than 10 rough sleepers. Some of these rough sleepers were admitted to the Good News Shelter at Changi Village.

3.5 Food Ration and Financial Assistance Scheme

- a. Besides casework and counselling, PRFSC also provide food ration to poor and needy families. This 5 Loaves and 2 Fish food ration programme provides basic foodstuff such as rice, infant milk powder and diapers to about 60 families on a monthly basis. However, during this covid-19 period, \$50 vouchers from Sheng Siong Supermarket were given to these families to purchase the basic necessities.
- b. Instead of festive food hampers, we gave out \$50 vouchers from Giant supermarket to low-income families to purchase New Year goodies as well as to bring cheer to them during Chinese New and Hari Raya Puasa.
- c. PRFSC provide financial assistance to school going children who may not qualify or eligible for School Pocket Money Fund. This financial assistance support scheme is similar to SPMF and the beneficiaries are mostly school going children who has maximized their eligibility with SPMF.
- d. PRFSC also presented Back to School vouchers from Popular Book Store to needy school going children at the end of the year to enable them to buy books and stationery and to motivate them to go back to school.

4. MAJOR EVENTS

- a. MSF has invited GNCS in April to operate a temporary shelter at Buangkok Crescent for the rough sleepers and those affected by covid-19 pandemic. HDB has provided 15 units of rental flats for GNCS to manage. MSF has referred more than 40 rough sleepers to the shelter over several months. Some of these rough sleepers have been sleeping rough for years while some have been staying in Batam or Johore. The Social Workers at PRFSC provided the casework services to these rough sleepers to assist them in finding stable accommodation and refer them to the various financial assistance schemes.
- b. GNCS managed to lease from the Singapore Land Authorities a rental unit at Changi Village in March to operate as a shelter for the homeless at Changi Village and Changi Airport. The Good News Shelter at Changi Village is now at the maximum capacity of 6 residents referred by the PRFSC Social Workers. Some of the residents are able to find employment while some has health issues.

5. FINANCIAL REPORT: INCOME AND EXPENSES

a. For the year ended 31 December 2020 (Audited)

Total Income	\$2,147,462
Total Expenditure	\$1,861,309
Surplus / Deficit	\$ 286,153

6. SERVICE OUTCOME EVALUATION

6.1 Total no. of cases managed in 2018: 413

Total no. of cases managed in 2019: 504

Total no. of cases managed in 2020: 593

There was an increase of about 17% in the number of cases managed in 2020. One of the reasons could be that most social workers have taken on more cases as there are more referrals in 2020.

6.2 Total no. of referrals / enquires in 2018: 519

Total no. of referrals / enquires in 2019: 541

Total no. of referrals / enquires in 2020: 633

There was an increase of about 17% in the total number of referrals / enquires received in 2020. This could be that there were more residents seeking help during the pandemic period.

6.3 Total no. of cases opened in 2018: 120

Total no. of cases opened in 2019: 148

Total no of cases opened in 2019: 181

There was an increase of about 22% in the total number of cases opened.

6.4 The top six presenting problems from the enquires or referrals are;

- i. Care / Shelter Issues - 16%
- ii. Family Violence - 15%
- iii. Health / Mental Issues - 14%
- iv. Marital Relationship - 11%
- v. Financial / Employment - 11%
- vi. Family Relationships - 10%

7. FUTURE PLANS

- a. GNCS and PRFSC will continue to explore possibilities of expanding our services within and beyond Pasir Ris. There are possibilities to explore new services for the elderly and working more closely with the various schools in Pasir Ris. GNCS has plans to have more structured services with the elderly in Potong Pasir and to conduct needs assessment at the new housing estate of Bidadari.
- b. MSF has outlined their Strategic Priorities and Plans for the next 5 years. The main focus are:
 - i. Clients with complex needs eg families from rental blocks and the homeless, are to receive more comprehensive and targeted support
 - ii. Clients to benefit from more coordinated service planning and delivery (by SSO and FSC) at the regional level and
 - iii. Clients are well supported by FSCs' enhanced competencies and capacities

In view of the MSF strategic plans, PRFSC will continue to equip staff competency through intensive training and courses so as to enhance the quality of service. There will also be more focus on collaboration with various community agencies in meeting the various needs of the residents in Pasir Ris.

See Choon Wai
Executive Director

5.2

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 David Lee	1 Francis Thomas Dr #02-17 Singapore 359340	6289 7611
Principal	U.K Sangeeta	Blk 211 Bukit Batok St 21 #01-252 Singapore 650211	6565 0844

1. MAJOR CHANGES IN 2020

1.1 Transfer of Ownership

(1) A Management Agreement was signed between GNCS and St James' Preschool Services (SJPS) on 26 December 2019 where the management of Little Seeds Preschool, formerly known as Sonshine Child Care Centre (SCC), a pre-school owned by GNCS, was contracted to SJPS. The novation of SCC's Principal and Staff took place on 1 Jan 2020.

(2) Upon SJPS successfully registered as a Charity under the Charity Act in May 2020, the Transfer of Ownership Agreement (TOA) was crafted in July 2020. The TOA was signed in December 2020.

(3) It was noted that the annual average attendance at the Child Care Centre has increased from 78 to 92 children.

(4) Although COR has relinquished the professional services of SCC, COR will continue to provide the chaplaincy work at the Child Care Centre.

(5) We would like to express our appreciation and thanks to Mr Gan Tian Huat and Mr Lee Kong Wee for their involvement in the SCC Supervisory Board as well as Mr Timothy Ng for working out the terms with SJPS.

6. CORPORATE GOVERNANCE

6.1 Management Committee

6.2 Governance Evaluation Checklist

6.1 Management Committee

The Good News Community Services (GNCS) Management Committee (MC) is made up of up to 10 members. The composition, powers and functions of the MC are governed by the GNCS Constitution.

MC members are elected, and serve for a period of two years. All MC members are not paid any remuneration or director's fees. There is a maximum term limit of four consecutive years for the Treasurer position.

The MC meets at least four times a year with a quorum of a simple majority. No staff member sits on the MC.

MC Members	Current Designation	Date of First Appointment to MC	MC Attendance
Rev Lee Peng Ong @ David Lee	President (From 28.04.2018)	28.04.2018	5 of 6
Mr Hui Kwok Thong Peter	Vice President (From 30.04.2017)	29.03.2007	3 of 6
Mr Gan Tian Huat	Honorary Treasurer (From 30.04.2017)	31.05.2009	5 of 6
Ms Tan Yi-Ping Jacqueline	Honorary Secretary (From 30.04.2017)	29.03.2007	6 of 6
Mr Simon Soh Soon Heng	MC Member (From 27.04.2011)	27.04.2011	5 of 6
Mr Dui Sian Ling	MC Member (From 12.04.2015)	12.04.2015	6 of 6
Mr Ng Heo Yong Timothy	MC Member (From 30.04.2017)	30.04.2017	6 of 6
Mr Lee Kong Wee	MC Member (From 30.04.2017)	30.04.2017	5 of 6
Mdm Lim Siew Lin	MC Member (From 30.04.2017)	30.04.2017	4 of 6
Mr Dennes Tai Wen Liang	MC Member (From 31.08.2019)	31.08.2019	5 of 6

MC members Mr Hui Kwok Thong Peter, Mr Gan Tian Huat and Ms Tan Yi-Ping Jacqueline have each served more than 10 years on the GNCS MC. Their organizational knowledge, experience in the social service sector, management expertise and most importantly continued passion to serve the community makes them invaluable members of the MC as GNCS looks towards expanding our service footprint in the community.

6.2 Governance Evaluation Checklist

To be submitted to Charity Council.

(Evaluation Period: 01/01/2020 to 31/12/2020) (To be filed after AGM)

SN	Code Guideline	Code ID	Response	Explanation (if Code guideline is not complied with)
BOARD GOVERNANCE				
1	Induction and orientation are provided to incoming Board members on joining the Board.	1.1.2	Complied	
2	Are there governing board members holding staff ¹ appointments? Remarks: (skip items 3 and 4 if "No")		No	
3	Staff ¹ does not chair the Board and does not comprise more than one third of the Board.	1.1.3	-	
4	There are written job descriptions for the staff's executive functions and operational duties, which are distinct from the staff's Board role.	1.1.5	-	
5	The Treasurer of the charity (or any person holding an equivalent position in the charity, e.g. Finance Committee Chairman or a governing board member responsible for overseeing the finances of the charity) can only serve a maximum of 4 consecutive years. If the charity has not appointed any governing board member to oversee its finances, it will be presumed that the Chairman oversees the finances of the charity.	1.1.7	Complied	
6	All governing board members must submit themselves for re-nomination and re-appointment, at least once every 3 years.	1.1.8	Complied	
7	The Board conducts self-evaluation to assess its performance and effectiveness once during its term or every 3 years, whichever is shorter.	1.1.12	Not complied	Will begin self-evaluation from term of 2019 Apr -2021 Apr
8	Is there any governing board member who has served for more than 10 consecutive years? Remarks: (skip item 9 if "No")		Yes	
9	The charity discloses in its annual report the reasons for retaining the governing board member who has served for more than 10 consecutive years.	1.1.13	Complied	
10	There are documented terms of reference for the Board and each of its committees.	1.2.1	Complied	
CONFLICT OF INTEREST				
11	There are documented procedures for governing board members and staff to declare actual or	2.1	Complied	

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	potential conflicts of interest to the Board at the earliest opportunity.			
12	Governing board members do not vote or participate in decision making on matters where they have a conflict of interest.	2.4	Complied	
STRATEGIC PLANNING				
13	The Board periodically reviews and approves the strategic plan for the charity to ensure that the charity's activities are in line with the charity's objectives.	3.2.2	Complied	
HUMAN RESOURCE AND VOLUNTEER MANAGEMENT				
14	The Board approves documented human resource policies for staff.	5.1	Complied	
15	There is a documented Code of Conduct for governing board members, staff and volunteers (where applicable) which is approved by the Board.	5.3	Complied	
16	There are processes for regular supervision, appraisal and professional development of staff.	5.5	Complied	
17	Are there volunteers ² serving in the charity? Remarks: (skip item 18 if "No")		Yes	
18	There are volunteer management policies in place for volunteers.	5.7	Complied	
FINANCIAL MANAGEMENT AND INTERNAL CONTROLS				
19	There is a documented policy to seek the Board's approval for any loans, donations, grants or financial assistance provided by the charity which are not part of the charity's core charitable programmes.	6.1.1	Complied	
20	The Board ensures that internal controls for financial matters in key areas are in place with documented procedures.	6.1.2	Complied	
21	The Board ensures that reviews on the charity's internal controls, processes, key programmes and events are regularly conducted.	6.1.3	Complied	
22	The Board ensures that there is a process to identify, and regularly monitor and review the charity's key risks.	6.1.4	Complied	
23	The Board approves an annual budget for the charity's plans and regularly monitors the charity's expenditure.	6.2.1	Complied	
24	Does the charity invest its reserves (e.g. in fixed deposits)? Remarks: (skip item 25 if "No")		Yes	
25	The charity has a documented investment policy approved by the Board.	6.4.3	Complied	
FUND RAISING PRACTICES				
26	Did the charity receive cash donations (solicited or unsolicited) during the financial year? Remarks: (skip item 27 if "No")		Yes	

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27	All collections received (solicited or unsolicited) are properly accounted for and promptly deposited by the charity.	7.2.2	Complied					
28	Did the charity receive donations in kind during the financial year? Remarks: (skip item 29 if "No")		Yes					
29	All donations in kind received are properly recorded and accounted for by the charity.	7.2.3	Complied					
DISCLOSURE AND TRANSPARENCY								
30	The charity discloses in its annual report a) the number of Board meetings in the financial year; and b) the attendance of every governing board member at those meetings.	8.2	Complied					
31	Are governing board members remunerated for their services to the Board? Remarks: (skip item 32 and 33 if "No")		No					
32	No governing board member is involved in setting his own remuneration.	2.2	-					
33	The charity discloses the exact remuneration and benefits received by each governing board member in its annual report. <u>OR</u> The charity discloses that no governing board member is remunerated.	8.3	-					
34	Does the charity employ paid staff? Remarks: (skip item 35, 36 and 37 if "No")		Yes					
35	No staff is involved in setting his own remuneration.	2.2	Complied					
36	The charity discloses in its annual report a) the total annual remuneration for each of its 3 highest paid staff who each has received remuneration (including remuneration received from the charity's subsidiaries) exceeding \$100,000 during the financial year; and b) whether any of the 3 highest paid staff also serves as a governing board member of the charity. The information relating to the remuneration of the staff must be presented in bands of \$100,000. <u>OR</u> The charity discloses that none of its paid staff receives more than \$150,000 each in annual remuneration. <u>GNCS Disclosure</u> <table border="1" data-bbox="280 1953 845 2031"> <tr> <td>Annual Remuneration Salary Band</td> <td>2020</td> </tr> <tr> <td>Between \$50,000 - \$150,000</td> <td>1</td> </tr> </table>	Annual Remuneration Salary Band	2020	Between \$50,000 - \$150,000	1	8.4	Complied	
Annual Remuneration Salary Band	2020							
Between \$50,000 - \$150,000	1							

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	Staff do not serve as governing board member of the charity.		
37	<p>The charity discloses the number of paid staff¹ who satisfies all of the following criteria:</p> <p>a) the staff is a close member of the family³ belonging to the Executive Head or a governing board member of the charity;</p> <p>b) the staff has received remuneration exceeding \$50,000 during the financial year. The information relating to the remuneration of the staff must be presented in bands of \$100,000.</p> <p><u>OR</u></p> <p>The charity discloses that there is no paid staff, being a close member of the family³ belonging to the Executive Head or a governing board member of the charity, who has received remuneration exceeding \$50,000 during the financial year.</p> <p><u>GNCS Disclosure</u></p> <p>There are no paid staff, being a close member of the family³ belonging to the Executive Head or a governing board member of the charity, who has received remuneration exceeding \$50,000 during the financial year.</p>	8.5	Complied
PUBLIC IMAGE			
38	The charity has a documented communication policy on the release of information about the charity and its activities across all media platforms.	9.2	Complied

Notes:

- 1) Staff: Paid or unpaid individuals who are involved in the day-to-day operations of the charity, e.g. Executive Director or Administrative personnel.
- 2) Volunteer: Persons who willingly give up time for charitable purposes, without expectation of any remuneration. For volunteers who are involved in the day-to-day operations of the charity, they should also abide by the best practices set out in the Code applicable to 'staff'.
- 3) Close members of the family: Those family members who may be expected to influence, or be influenced by, that person in their dealings with the charity. In most cases, they would include:
 - That person's children and spouse;
 - Children of that person's spouse; and
 - Dependants of that person or that person's spouse.



