COUNSELLING AND CARE CENTRE
(REGISTERED UNDER THE SOCIETIES ACT, CAP. 311)

UEN No: S75SS0014F

Charity Registration No: 0013
IPC No: IPC000463

FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2014

CYPRESS

COUNSELLING AND CARE CENTRE
(REGISTERED UNDER THE SOCIETIES ACT, CAP. 311)
(UEN No. S75SS0014F)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

COUNSELLING AND CARE CENTRE
(REGISTERED UNDER THE SOCIETIES ACT, CAP. 311)

GENERAL INFORMATION

Chair
Eng Bak Yeow

Vice Chair
Tan Yew How

Honorary Secretary
Ruth Chua Wang Soon

Honorary Treasurer
Ong Kian Ming Clement

Committee Members
Liong Mee San Mrs Boon Suan Lee
Peck Hock Cheng
Wong Meng Kok Jason
Dorothy Lau
Sze Toh Hong Eng
Ho Kit Choy

Registered Office
Blk 536 Upper Cross Street #05-241
Hong Lim Complex
Singapore 050536

Auditors
Cypress Singapore PAC
Public Accountants and
Certified Public Accountants
Singapore

Banker
DBS Bank

COUNSELLING AND CARE CENTRE
(REGISTERED UNDER THE SOCIETIES ACT, CAP. 311)

STATEMENT BY THE MANAGEMENT COMMITTEE

In the opinion of the management committee, the accompanying financial statements set out thereto are drawn up so as to present fairly in all material aspect, the state of affairs of Counselling and Care Centre as at 31 March 2014 and of the results, changes in accumulated fund and cash flows for the year ended on that date, and at the date of this report, there are reasonable grounds to believe that the Centre will be able to pay its debts as and when they fall due.

ON BEHALF OF THE MANAGEMENT COMMITTEE

ENG BAK YEOW Chair	ONG KIAN MING CLEMENT Honorary Treasurer	RUTH CHUA WANG SOON Honorary Secretary

Singapore, 0 5 JUN 2014

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COUNSELLING AND CARE CENTRE (REGISTERED UNDER THE SOCIETIES ACT, CAP. 311)

REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Counselling And Care Centre which comprise the statement of financial position as at 31 March 2014, statement of comprehensive income, statement of changes in accumulated fund and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with Singapore Financial Reporting Standards (SFRS), and for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COUNSELLING AND CARE CENTRE (REGISTERED UNDER THE SOCIETIES ACT, CAP. 311)

(Continued)

Opinion

In our opinion, the financial statements presents fairly, in all material respects, the state of affairs of the centre as at 31 March 2014 and the results, changes in accumulated fund and cash flows of the centre for the year ended in accordance with the provisions of the Societies Act, Cap.311 (the "Act") and Singapore Financial Reporting Standards.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion,

a. the accounting and other records required by the Act to be kept by the centre have been properly kept in accordance those regulations; and

b. the fund-raising appeals held during the year ended 31 March 2014 have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeals.

In our opinion, the accounting and other records required by the regulations enacted under the Charities Act to be kept by the centre have been properly kept in accordance with those regulations.

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

a. the centre did not comply with the requirements of Regulation 15 (fund-raising expenses) in the Charities (Institutions of a Public Character) Regulations; and

b. the donation monies have not been used in accordance with the objectives of the centre as an institution of a public character.

CYPRESS SINGAPORE PAC
Public Accountants and
Chartered Accountants
Singapore

Date, 05 JUN 2014

COUNSELLING AND CARE CENTRE
(REGISTERED UNDER THE SOCIETIES ACT, CAP. 311)

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014

	Note	2014 S$	2013 S$
ACCUMULATED FUNDS			
Unrestricted Funds			
Counselling	3	1,253,675	1,130,604
Consultancy and training	3	924,816	887,522
Magazine publication fund	4	4,629	4,629
Gratuity fund	5	314,904	305,226
Anthony Yeo education fund	6	95,144	94,949
Fair value adjustment reserve		(2,089)	3,465
		2,591,079	2,426,395
Restricted Funds			
Staff development fund	7	31,990	40,200
		2,623,069	2,466,595
Represented by :			
PLANT AND EQUIPMENT	8	34,181	51,769
INVESTMENTS	9	338,755	337,885
CURRENT ASSETS			
Inventories	10	13,717	16,389
Fees receivable	11	152,359	90,014
Other receivables, deposits and prepayments	12	13,112	15,357
Fixed deposits	13	728,121	725,897
Cash at bank and on hand		1,598,898	1,477,567
		2,506,207	2,325,224
Less :			
CURRENT LIABILITIES			
Advance receipts, deposit received and accruals	14	256,074	248,283
		256,074	248,283
NET CURRENT ASSETS		2,250,133	2,076,941
		2,623,069	2,466,595

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

COUNSELLING AND CARE CENTRE
(REGISTERED UNDER THE SOCIETIES ACT, CAP. 311)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2014

	Note	Unrestricted Funds							Restricted Funds	2014	2013
		Counselling S$	Consultancy and Training S$	Magazine Publication Fund S$	Gratuity Fund S$	Anthony Yeo Education Fund S$	Fair Value Adjustment Reserve S$	Sub-Total S$	Staff Development Fund S$	S$	S$
REVENUE FROM GENERATING FUNDS											
Voluntary Income											
NCSS Funding - Operational		900,881	-	-	-	-	-	900,881	-	900,881	856,202
Goverment subsidy		5,635	2,415	-	-	-	-	8,050	-	8,050	5,558
Singapore Telecom subsidy		300	-	-	-	-	-	300	-	300	900
Tax exempt donation		3,410	-	-	-	-	-	3,410	-	3,410	10,130
Non-tax exempt donation		-	-	-	-	-	-	-	-	-	510
Sales of books		-	-	-	-	195	-	195	3,234	3,429	10,569
Activities of generating funds											
Consultancy fees		-	150,774	-	-	-	-	150,774	-	150,774	116,755
Training fees		-	380,968	-	-	-	-	380,968	-	380,968	382,348
Investment income											
Interest and dividend		5,586	5,586	-	-	-	-	11,172	-	11,172	8,464
		915,812	539,743	-	-	195	-	1,455,750	3,234	1,458,984	1,391,436
REVENUE FROM CHARITABLE ACTIVITIES											
Counselling fees		207,026	-	-	-	-	-	207,026	-	207,026	216,555
Membership fees		260	-	-	-	-	-	260	-	260	280
		207,286	-	-	-	-	-	207,286	-	207,286	216,835
OTHER REVENUE											
Miscellaneous income		467	292	-	-	-	-	759	25	784	3,177
		467	292	-	-	-	-	759	25	784	3,177
TOTAL REVENUE		1,123,565	540,035	-	-	195	-	1,663,795	3,259	1,667,054	1,611,448
EXPENDITURE											
LESS: COSTS OF GENERATING FUNDS											
Employee benefits expense	19	-	360,679	-	902	-	-	361,581	-	361,581	310,473
Gratuity		-	-	-	8,552	-	-	8,552	-	8,552	4,055
Sabbatical leave		-	-	-	-	-	-	-	3,974	3,974	5,360
Rental of centre		-	5,004	-	-	-	-	5,004	-	5,004	5,004
Rental of equipment under operating lease		-	878	-	-	-	-	878	-	878	867
Training expenses		-	42,046	-	-	-	-	42,046	-	42,046	72,318
Utilities		-	2,939	-	-	-	-	2,939	-	2,939	2,838
Transport		-	5,491	-	-	-	-	5,491	-	5,491	5,551
Communication		-	2,036	-	-	-	-	2,036	-	2,036	1,210
Publicity		-	2,589	-	-	-	-	2,589	-	2,589	770
Withholding tax expenses		-	-	-	-	-	-	-	-	-	11,432
		-	421,662	-	9,454	-	-	431,116	3,974	435,090	419,898
LESS: CHARITABLE ACTIVITIES EXPENSES											
Donation in kind		461	-	-	-	-	-	461	-	461	616
Employee benefits expense	19	794,694	-	-	3,487	-	-	798,181	-	798,181	754,831
Gratuity		-	-	-	19,954	-	-	19,954	-	19,954	4,333
Sabbatical leave		-	-	-	-	-	-	-	5,284	5,284	12,553
Rental of centre		7,810	-	-	-	-	-	7,810	-	7,810	7,810
Rental of equipment under operating lease		2,049	-	-	-	-	-	2,049	-	2,049	2,022
Utilities		8,261	-	-	-	-	-	8,261	-	8,261	9,001
Transport		10,354	-	-	-	-	-	10,354	-	10,354	10,880
Communication		4,023	-	-	-	-	-	4,023	-	4,023	2,234
Grants		-	-	-	-	-	-	-	-	-	14,500
Publicity		1,798	-	-	-	-	-	1,798	-	1,798	1,798
		829,450	-	-	23,441	-	-	852,891	5,284	858,175	820,578

COUNSELLING AND CARE CENTRE
(REGISTERED UNDER THE SOCIETIES ACT, CAP. 311)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2014 (CONTINUED)

	Note	Unrestricted Funds							Restricted Funds	2014	2013
		Counselling S$	Consultancy and Training S$	Magazine Publication Fund S$	Gratuity Fund S$	Anthony Yeo Education Fund S$	Fair Value Adjustment Reserve S$	Sub-Total S$	Staff Development Fund S$	S$	S$
LESS: GOVERNANCE COSTS											
Employee benefits expense	19	95,317	43,489	-	-	-	-	138,806	-	138,806	132,585
Affiliation fees		5,598	2,339	-	-	-	-	7,937	-	7,937	5,984
Bank charges		215	103					318	-	318	-
Communication		514	288					802	-	802	2,701
Cost of books		-	-	-	-	-	-	-	2,211	2,211	2,580
Depreciation of plant and equipment	8	13,624	7,039	-	-	-	-	20,663	-	20,663	25,743
Plant and equipment written off		-	1	-	-	-	-	1	-	1	913
Supplies and materials		6,250	2,859	-	-	-	-	9,109	-	9,109	15,569
Maintenance											
- Centre		5,958	3,242	-	-	-	-	9,200	-	9,200	10,625
- Equipment		2,140	983	-	-	-	-	3,123	-	3,123	2,005
Insurance		4,345	1,862	-	-	-	-	6,207	-	6,207	6,307
Transport		629	241	-	-	-	-	870	-	870	1,477
Professional fee		8,322	4,192	-	-	-	-	12,514	-	12,514	11,284
		142,912	66,638	-	-	-	-	209,550	2,211	211,761	217,773
TOTAL EXPENDITURE		972,362	488,300	-	32,895	-	-	1,493,557	11,469	1,505,026	1,458,249
NET SURPLUS/(DEFICIT) FOR THE YEAR		151,203	51,735	-	(32,895)	195	-	170,238	(8,210)	162,028	153,199
OTHER COMPREHENSIVE INCOME		-									
Fair value adjustments during the year		-	-	-	-	-	(5,554)	(5,554)	-	(5,554)	5,991
Other comprehensive income for the year, net of tax		-	-	-	-	-	(5,554)	(5,554)	-	(5,554)	5,991
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		151,203	51,735	-	(32,895)	195	(5,554)	164,684	(8,210)	156,474	159,190
MOVEMENT OF FUND:											
Balance as at 1 April 2013		1,130,604	887,522	4,629	305,226	94,949	3,465	2,426,395	40,200	2,466,595	2,307,405
Total comprehensive income for the year		151,203	51,735	-	(32,895)	195	(5,554)	164,684	(8,210)	156,474	159,190
Transfer between funds	20	(28,132)	(14,441)	-	42,573		-	-	-	-	-
Balance as at 31 March 2014		1,253,675	924,816	4,629	314,904	95,144	(2,089)	2,591,079	31,990	2,623,069	2,466,595

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

COUNSELLING AND CARE CENTRE
(REGISTERED UNDER THE SOCIETIES ACT, CAP. 311)

STATEMENT OF CHANGES IN ACCUMULATED FUND FOR THE YEAR ENDED 31 MARCH 2014

	Note	Unrestricted Funds						Restricted Funds	
		Counselling S$	Consultancy and Training S$	Magazine Publication Fund S$	Gratuity Fund S$	Anthony Yeo Education Fund S$	Fair value Adjustment Reserve S$	Staff Development Fund S$	Total S$
BALANCE AS AT 1 APRIL 2012		1,001,343	872,288	4,629	277,134	97,766	(2,526)	56,771	2,307,405
Total comprehensive income for the year		159,356	27,698	-	(9,481)	(7,803)	5,991	(16,571)	159,190
Transfer between funds	20	(30,095)	(12,464)	-	37,573	4,986	-	-	-
Net (deficit)/surplus recognised directly in accumulated fund		(30,095)	(12,464)	-	37,573	4,986	-	-	-
BALANCE AS AT 31 MARCH 2013		1,130,604	887,522	4,629	305,226	94,949	3,465	40,200	2,466,595
Total comprehensive income for the year		151,203	51,735	-	(32,895)	195	(5,554)	(8,210)	156,474
Transfer between funds	20	(28,132)	(14,441)	-	42,573	-	-	-	-
Net (deficit)/surplus recognised directly in accumulated fund		(28,132)	(14,441)	-	42,573	-	-	-	-
BALANCE AS AT 31 MARCH 2014		1,253,675	924,816	4,629	314,904	95,144	(2,089)	31,990	2,623,069

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

COUNSELLING AND CARE CENTRE
(REGISTERED UNDER THE SOCIETIES ACT, CAP. 311)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 S$	2013 S$
CASH FLOWS FROM OPERATING ACTIVITIES			
Net surplus for the year		162,028	153,199
Adjustments for non-cash items:			
Depreciation of plant and equipment		20,663	25,743
Plant and equipment written off		1	913
Interest and dividend income		(11,172)	(8,464)
Operating profit before working capital changes		171,520	171,391
Working capital changes			
Inventories		2,672	2,793
Fees receivables		(62,345)	34,316
Other receivables, deposits and prepayments		2,245	(3,903)
Advance receipts, deposit received and accruals		7,791	(1,149)
		(49,637)	32,057
NET CASH EFFECT OF OPERATING ACTIVITIES		121,883	203,448
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(3,076)	(12,228)
Purchase of investment		(6,424)	(3,899)
Placement of fixed deposit		(2,224)	(2,040)
Interest and dividend income received		11,172	8,464
NET CASH EFFECT OF INVESTING ACTIVITIES		(552)	(9,703)
NET CHANGE IN CASH AND CASH EQUIVALENTS		121,331	193,745
CASH AND CASH EQUIVALENTS AS AT 1 APRIL	15	1,477,567	1,283,822
CASH AND CASH EQUIVALENTS AS AT 31 MARCH	15	1,598,898	1,477,567

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

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2014

These notes form an integral part of the financial statements.

1. GENERAL INFORMATION

Counselling and Care Centre is registered with Registry of Societies on 4 July 1975 and a registered charity under the Charities Act since 30 November 1983. The Centre is an Institute of Public Character from 10 November 2009 to 30 November 2014.

The principal activities of the Centre are to provide counselling services to the public and to provide education in counselling.

The Centre's registered office is at Block 536 Upper Cross Street, # 05-241, Hong Lim Complex Singapore 050536.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting

The financial statements are prepared in compliance with Singapore Financial Reporting Standards issued by Accounting Standards Council.

The financial statements are presented in Singapore Dollars.

The financial statements are prepared in accordance with the historical cost convention except as disclosed in the accounting policies below.

The financial statements for the financial year ended 31 March 2014 are authorised to be issued on the date of the Statement by Management Committee.

2.2 Adoption of new and revised Financial Reporting Standards

The accounting policies adopted in the financial year are consistent with those used in the previous financial year except for the adoption of certain new and revised Financial Reporting Standards effective for the financial year beginning 1 April 2013. These new and revised Financial Reporting Standards have no significant effects on the Centre's accounting policies used except for:-

<u>Amendments to FRS 107 Disclosure of Offsetting Financial Assets and Financial Liabilities</u>

Amendments to FRS 107 provides disclosure requirements that are intended to help financial statement users better assess the effect or potential effect of offsetting arrangements on an entity's financial position. The new disclosures require information about the gross amount of financial assets and financial liabilities before offsetting and the amounts set off in accordance with offsetting model in FRS 32. An entity shall provide the disclosure required by those amendments retrospectively. As this is a disclosure standard, there is no impact on its financial position or financial performance upon adoption of this standards.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Adoption of new and revised Financial Reporting Standards (Continued)

Amendments to FRS 1 Presentation of Financial Statements

The amendment clarifies that when an entity produces an additional statement of financial position as required by FRS 8, the statement of financial position should be as at the date of the beginning of the preceding period – that is, the opening position. No notes are required to support this statement of financial position. However, where management provides additional comparative information voluntarily, it should present the supporting notes to these additional statements. As this is a disclosure standard, there is no impact on its financial position or financial performance upon adoption of this standards.

Amendments to FRS 19 Employee Benefits

The amendments outline the accounting requirements for employee benefits, including short-term benefits (e.g. wages and salaries, annual leave), post-employment benefits such as retirement benefits, other long-term benefits (e.g. long service leave) and termination benefits. The standard establishes the principle that the cost of providing employee benefits should be recognised in the period in which the benefit is earned by the employee, rather than when it is paid or payable, and outlines how each category of employee benefits are measured, providing detailed guidance in particular about post-employment benefits.

Amendments to FRS 32 Financial Instruments: Presentation

Previously, FRS 32 requires that the distributions to holders of an equity instrument to be recognised directly in equity net of any related income tax while FRS12 requires that tax consequences of dividends generally to be recognised in profit or loss unless certain conditions are met. The amendment address the inconsistencies by clarifying that income tax related to distributions is recognised in the income statement, and income tax related to the costs of equity transactions is recognised in equity. This amendment is unlikely to have any significant impact to the financial position and financial performance when implemented.

Amendments to FRS113 Fair Value Measurement

This amendment provides guidance on how to measure fair values including those for both financial and non-financial items and introduces significantly enhanced disclosure about fair values. It does not address or change the requirements on when fair value should be used. When measuring fair value, an entity shall use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. It establishes a fair value hierarchy for doing this. This amendment is unlikely to have any significant impact to the financial position and financial performance when implemented.

2.3 Issued but not yet effective Financial Reporting Standards

As at the date of this report, the Centre has not applied any new or revised Financial Reporting Standards that have been issued but not yet come into effect. These new and revised standards upon adaptation will not have a significant impact on the financial statements except for:-

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Issued but not yet effective Financial Reporting Standards (Continued)

Amendments to FRS 36 Recoverable Amount Disclosure for Non-Financial Assets

The amendments to FRS 36 Recoverable Amount Disclosure for Non-Financial Assets restrict the requirement to disclose the recoverable amount of an asset of Cash-Generating Unit (CGU) to periods in which an impairment loss has been recognised or reversed.

The amendments also expand and clarify the disclosure requirement applicable when an asset or CGU's recoverable amount has been determined on the basis of fair value less costs of disposal. As this is a disclosure standard, it will not have any impact on the financial position and performance upon implementing of this amendments.

INT FRS 121: Levies

This Interpretation provides guidance on when to recognise a liability for a levy imposed by a government, both for levies that are accounted for in accordance with FRS 37 Provisions, Contingent Liabilities and Contingent Assets and those where the timing and amounts of the levy is certain.

This Interpretation identifies the obligating event for the recognition of a liability as the activity that triggers the payments of the levy in accordance with the relevant legislation. The Interpretation clarifies that 'economic compulsion' and the going concern principle do not create or imply that an event has occurred. The Interpretation will not have any impact on the financial performance or the financial position when implemented.

Amendments to FRS 32 Offsetting Financial Assets and Financial Liabilities

Amendments to FRS 32 clarify that an entity must currently have a legally enforceable right of set-off if that right of set-off is not contingent on a future event and legally enforceable in all of the following circumstances: (i) the normal course of business; (ii) the event of default; and (iii) the event of insolvency or bankruptcy of the entity and all of the counterparties. An entity shall apply those amendments retrospectively. As this is a disclosure standard, there is no impact on its financial position or financial performance upon adoption of this standards.

Amendments to FRS 39 Novation of Derivatives and Continuation of Hedge Accounting

FRS 39 requires hedge accounting to be discontinued when the hedging instrument expires or is sold, terminated or exercised, unless the replacement or rollover of a hedging instrument into another hedging instrument is part of the entity's documented hedging strategy.

It was concluded that an entity is required to discontinue the hedge accounting for a derivative that has been designated as a hedging instrument in an existing hedging relationship if the derivative is novated to a central counterparty (CCP); the new derivative, with a counterparty being the CCP, is to be recognised at the time of the novation.

The amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Significant judgments by the management committee in applying accounting policies

In the process of applying the Centre's accounting policies, the management committee did not make any significant judgments, apart from those involving estimations, that have significant effects on the amounts recognised in the financial statements.

2.5 Key sources of estimation uncertainty

The preparation of financial statements in conformity with Singapore Financial Reporting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the financial year. Although these estimates are based on the management committee's best knowledge of current event and actions, actual results may differ from those estimates.

There are no significant key assumptions concerning the future, nor other key sources of estimation uncertainty at the year end that would have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year except for:-

Depreciation of Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the plant and equipment are based on commercial and production factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Centre anticipates that the residual values of its plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

2.6 Plant and equipment

Plant and equipment are initially stated at cost. Subsequent to initial recognition, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use. Depreciation is provided on gross carrying amounts less residual value in equal annual installments over the estimated lives of the assets. The annual rates of depreciation are as follows:

	% per annum
Office equipment and furnitures	20%
Renovation	20%

The residual value and the useful life of an asset are reviewed at each year end, and if expectations different from pervious estimate, changes are made to the depreciation charge for the remaining undepreciated amount.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Plant and equipment (continued)

Fully depreciated assets are retained in the financial statements until they are no longer in use or disposed and no further charges for depreciation is made in respect of these assets. Any gain or loss arising from the derecognition of the asset is recognised in the statement of comprehensive income.

When events or changes in circumstances indicate that the carrying amount of an asset is not recoverable, impairment loss is recognised in the statement of comprehensive income.

2.7 Financial assets

Financial assets are classified as 'financial assets at fair value through profit or loss', 'loans and receivables', 'held-to-maturity investments', or 'available-for-sale' financial assets. Financial assets are recognised in the statement of financial position when the Centre becomes a party to the contractual provisions of the financial assets.

All financial assets are initially recognised at fair value plus any directly attributable transactional costs, except for 'financial assets at fair value through profit or loss' which are measured at fair value only. The classification of financial assets, after initial recognition, is re-evaluated and reclassified where allowed and appropriate.

2.8 Quoted Investments

These investments are non-derivatives financial assets that are designated as available-for-sale financial assets. After initial recognition, these investments are measured at their fair value prevailing at the year end.

For quoted investments, fair value is determined with reference to the published price quotation in an active public securities market.

The resultant gain or loss arising from a change in the fair value is recognised directly in equity in Fair Value Adjustment Reserve until these investments are disposed, at which time the cumulative gain or loss previously recognised in equity would be taken to the statement of comprehensive income for the period.

For investments that have been impaired, the cumulative net loss that had been recognised directly in the Fair Value Adjustment Reserve would be reversed from the reserve and recognised in the statement of comprehensive income. The amount of loss that would be reversed from the Fair Value Adjustment Reserve and is recognised in the statement of comprehensive income would be the difference between acquisition cost and current fair value, less any impairment loss of the same item previously recognised in the statement of comprehensive income.

2.9 Inventories

Inventories consisting of books are valued at the lower of cost or net realisable value, cost being determined using the weighted average method. In arriving at net realisable value, due allowance is made for all obsolete, damaged and slow moving items.

2.10 Fees receivable and other receivables

Fees receivable and other receivables are classified and accounted for as 'loans and receivable' as they are non-derivatives financial assets with fixed or determinable payments that are not quoted in an active market. These assets are carried at amortised cost using the effective interest method.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Fees receivable and other receivables (continued)

The carrying amount of receivable impaired due to non recovery is reduced by an allowance account unless on the date of which the impairment loss is recognised, the Centre ascertains the amount to be uncollectible whereby it would be reduced directly. In subsequent periods, when a receivable is ascertained to be uncollectible, it is written off against the allowance account.

Significant financial difficulties of the debtor, probability that the customer will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the receivable is impaired. Individual receivable is written off when management deems the amount not to be collectible.

Gains or losses are recognised in the statement of comprehensive income when these loans and receivables are derecognised or impaired, as well as through the amortisation process.

2.11 Cash at bank, cash on hand and fixed deposits

Cash at bank, cash on hand and fixed deposits are classified and accounted for as 'loans and receivable' as they are non-derivatives financial assets with fixed or determinable payments that are not quoted in an active market. These assets are carried at amortised cost using the effective interest method.

Gains or losses are recognised in the statement of comprehensive income when these loans and receivables are derecognised or impaired, as well as through the amortisation process.

2.12 Cash and cash equivalents

Cash and cash equivalents included in the statement of cash flows comprise cash on hand, non restricted bank balances and fixed deposits with original maturity of three months or less, net of bank overdrafts which are repayable on demand.

2.13 Advance receipts and deposits received

These liabilities are financial liabilities. Financial liabilities are recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured amortised cost using the effective interest method.

Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the amortisation process. The liabilities are derecognised when the obligation under the liability is discharged or cancelled or expired.

2.14 Functional currency

Functional currency is the currency of the primary economic environment in which the centre operates. The financial statements are prepared using Singapore dollar as the functional currency.

2. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

2.15 Foreign currency transactions

Foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount to the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. All transactions in currencies other than the functional currency are treated as transactions in foreign currencies.

At each year end, foreign currency monetary assets and liabilities are converted into the functional currency at the spot rate on the year end. Exchange differences are taken to the statement of comprehensive income.

2.16 Incoming resources

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services, net of goods and services tax, rebates and discounts.

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow in and specific criteria have been met for each of the activities as described below. The amount of revenue is not considered to be reliably measured until all contingencies relating to the transaction have been resolved. In recognising revenue, estimates based on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement are considered.

(i) <u>Programme fees</u>

Programme fee is recognized over the duration of the course.

(ii) <u>Membership fee</u>

Membership fee is recognized in the year the fee is subscribed.

(iii) <u>Interest and dividend income</u>

Interest income is recognized on a time apportioned basis using the effective interest method and dividend income is recognized when the right to receive payment is establish.

(iv) <u>Donations</u>

General and unrestricted purpose donations are recognized in the statement of comprehensive income upon receipt unless is pledged. Designated and restricted purpose donations are recognized in equity directly.

2.17 NCSS Funding - operational

National Council of Social Service (NCSS) grant is recognised as income in the same year of which the grant is received to meet the operating expenses.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Employee benefits

Employee benefits, which include base pay, cash bonuses, contribution to defined contribution plans such as the Central Provident Fund and other staff-related allowances, are recognised in the statement of comprehensive income when incurred. For defined contribution plans, contributions are made to publicly or privately administered funds on a mandatory, contractual or voluntary basis. Once the contributions have been paid, there will be no further payment obligations.

Employee entitlement to annual and other leave is recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the year end.

2.19 Operating lease

Leases rental under operating (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

2.20 Provision

Provisions are recognised when the Centre has a present obligation as a result of a past event which is probable and will result in an outflow of economic benefits that can be reliably estimated.

2.21 Impairment assets

As at each year end, assets other than inventories are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in the statement of comprehensive income unless it reverses a previous revaluation credited to reserve. The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount realisable from the sale of the asset in an arm's length transaction. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if impossible to be estimated individually, for the cash-generating unit in which the asset is deployed.

Reversal of an impairment loss previously recognised is recorded to the extent the impairment loss had previously been recognised. A reversal of an impairment loss on a revalued asset is credited directly to reserve, unless the impairment loss on the same revalued asset was previously expensed in the statement of comprehensive income, in which case it is recognised as income.

2.22 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under heading that aggregate all cost related to that activity. Cost comprises employee benefits expense attributable to the activity. Where cost cannot be wholly attribute to an activity they have been apportioned on a basis consistent with the use of resources. See note 17. These included rental of equipment, utilities, and support cost.

2. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

2.22 **Expenditure (continued)**

(i) Allocation of support costs

Support costs are employee benefits expense relating to general management, human resource and administration, budgeting, accounting and finance functions and have been allocated to charitable activities, governance and corporate communications based on the estimated usage on each activity.

(ii) Costs of generating funds

The costs of generating funds are those costs attributable to generating income for charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking training and consultancy activities in furtherance of the charity's objects.

(iii) Charitable activities

Cost of charitable activities comprises all cost incurred in the pursuit of the charitable objects of the charity. Those costs, which are not wholly attributable, are apportioned between the categories of charitable expenditure. The total costs of each category of charitable expenditure therefore include an apportionment of support cost.

(iv) Governance costs

Governance costs comprise all costs attributable to the general running of the Centre, in providing the governance infrastructure and in ensuring public accountability. These costs include costs related to constitutional and statutory requirements, and include an apportionment of overhead and support costs.

(v) Corporate communications costs

Corporate communications costs comprise costs incurred in informing the Centre's supporters and general public, as well as volunteers about its activities.

2.23 **Offsetting financial instruments**

Certain financial assets and financial liabilities offset each other and the net amount is reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle them on a net basis, or realize the asset and settle the liability simultaneously.

3. **COUNSELLING**
CONSULTANCY AND TRAINING

These are unrestricted funds to meet the expenditure in accordance with the general objectives of the Centre.

4. **MAGAZINE PUBLICATION FUND**

This is unrestricted designated fund to meet the expenditure of publishing the 'BECOMING' magazine.

5. GRATUITY FUND

This is unrestricted designated fund to award staff for their long service with the Centre.

6. ANTHONY YEO EDUCATION FUND

This is unrestricted designated fund to provide subsidies to financially constrained students who are taking the Centre's programmes.

7. STAFF DEVELOPMENT FUND

This is restricted fund arises from donations received for the purpose of financing programmes for staff training and development.

8. PLANT AND EQUIPMENT

	Office equipment and furniture S$	Renovation S$	Total S$
Cost			
As at 1 April 2012	116,472	63,714	180,186
Additions	12,228	-	12,228
Written off	(14,268)	-	(14,268)
As at 31 March 2013	114,432	63,714	178,146
Additions	3,076	-	3,076
Written off	(569)	-	(569)
As at 31 March 2014	116,939	63,714	180,653
Accumulated depreciation			
As at 1 April 2012	79,901	34,088	113,989
Depreciation for the year	16,641	9,102	25,743
Disposals	(13,355)	-	(13,355)
As at 31 March 2013	83,187	43,190	126,377
Depreciation for the year	12,922	7,741	20,663
Written off	(568)	-	(568)
As at 31 March 2014	95,541	50,931	146,472
Carrying amount			
As at 31 March 2014	21,398	12,783	34,181
As at 31 March 2013	31,245	20,524	51,769

9. INVESTMENTS

	2014 S$	2013 S$
Unit Trust		
At cost	134,420	130,521
Additions	6,424	3,899
Fair value adjustment	(2,089)	3,465
	138,755	137,885
Principal guaranteed structured deposit	200,000	200,000
	338,755	337,885

Note: Principal guaranteed structured deposit carried at an effective interest rate of 1.3642% (2013: 1.3642%) per annum.

Movements in fair value adjustment of the unit trust are as follows:

	2014 S$	2013 S$
Balance as at 1 April	3,465	(2,526)
Fair value adjustment	(5,554)	5,991
Balance as at 31 March	(2,089)	3,465

10. INVENTORIES

	2014 S$	2013 S$
Books	13,717	16,389

The cost of inventories recognized as an expense amounted to S$2,211 (2013: S$2,580).

11. FEES RECEIVABLE

	2014 S$	2013 S$
Counselling fee receivable	4,141	1,950
Consultancy/training fee receivable	147,858	88,064
Other fee receivable	360	-
	152,359	90,014

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2014 S$	2013 S$
Staff loans	4,810	1,590
Deposits	2,679	3,009
Prepaid operating expenses	5,623	10,758
	13,112	15,357

13. FIXED DEPOSITS

Fixed deposits of S$728,121 (2013: S$725,897) have maturity period of not more than 12 months with interest rates ranging from 0.25% to 0.35% (2013: 0.25% to 0.35%) per annum.

14. ADVANCE RECEIPTS, DEPOSITS RECEIVED AND ACCRUALS

	2014 S$	2013 S$
Advance training fee	4,200	2,100
Accrued employees' bonus	174,655	163,751
Deferred training fee	26,353	22,074
Deposit received	150	150
Deferred membership fee	40	-
Other payables	13,400	26,221
Other accrued operating expenses	8,089	7,200
Provision for unutilised leave	29,187	26,787
	256,074	248,283

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents stated in the statement of cash flows include the followings:

	2014 S$	2013 S$
Fixed deposits	728,121	725,897
Cash on hand	5	261
Cash at bank	1,598,893	1,477,306
	2,327,019	2,203,464
Less: Fixed deposits with maturity period more than 3 months	(728,121)	(725,897)
	1,598,898	1,477,567

16. TAXATION

The Centre is a registered charity and no provision for income tax is required for the Centre.

17. BASIS OF ALLOCATION OF EXPENSES

The basis for apportioning the total operating costs to the generating fund, charitable activities and governance costs are as follows:

			Governance costs		
Cost	Generating Funds	Charitable Activities	Counselling	Consultancy and Training	Basis of apportionment
Affiliation fees Insurance Maintenance of equipment Professional fee Supplies and material Transport Depreciation of plant and equipment	-	-	70%	30%	Based on funding policy or actual usage

17. BASIS OF ALLOCATION OF EXPENSES (CONTINUED)

Cost	Generating Funds	Charitable Activities	Governance costs		Basis of apportionment
			Counselling	Consultancy and Training	
Employee benefits expense - Non-administrative staff - Administrative staff	 30% -	 70% -	 - 70%	 - 30%	Based on funding policy and actual usage for non-administrative staff. Administrative staff costs are apportioned on a 70%-30% basis which is based on management committees' estimates.
Rental of centre	40%	60%	-	-	Based on usage
Rental of equipment	30%	70%	-	-	30% on generating activities and 70% on charitable activities.
Bank charges	-	-	50%	50%	Based on usage
Publicity	30%	70%	-	-	Based on usage
Training expenses	100%	-	-	-	Based on usage
Maintenance of centre	-	-	65%	35%	Based on floor area.
Transportation	-	-	70%	30%	Based on usage
Supplies and material	-	-	70%	30%	Based on usage

18. OPERATING LEASE COMMITMENTS

As at the year end, the Centre has lease commitments in respect of rental of copier machine as follows:

	2014 S$	2013 S$
Within 1 year	2,736	2,736
Within 2 to 5 years	8,284	11,020
	11,020	13,756

19. EMPLOYEE BENEFITS EXPENSE

	2014 S$	2013 S$
Staff salary and bonus	1,102,562	1,033,121
Employer's CPF contributions	148,284	133,814
Provision for employee's unutilized annual leave	2,401	268
Staff benefits	23,109	22,185
Staff training	22,212	8,501
	1,298,568	1,197,889

Included in the above is key management personnel compensation as follows:

	2014 S$	2013 S$
Staff salary and bonus	320,754	367,707
Employer's CPF contributions	33,573	34,653
Staff benefits	2,262	3,375
	356,589	405,735

The annual remuneration band of the top 3 executives of the Centre is as follows:

	2014	2013
Less than S$100,000	1	-
S$100,001 to S$150,000	1	2
Above S$150,000	1	1
	3	3

20. TRANSFER BETWEEN FUNDS

During the year, the management committee approves the transfer of funds from Counselling, Consultancy and Training Fund to Gratuity Fund and Scholarship Fund as follows:

From	To	Amount (S$)	Purpose
Counselling Fund & Consultancy and Training Fund	Gratuity fund	42,573	to award staff for their long service with the Centre.

21. RELATED PARTY TRANSACTONS

For the purpose of these financial statements, parties are considered to be related to the Centre if the Centre has the ability, direct or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Centre and the party are subject to common significant influence. Related parties may be individuals or other entities.

The Centre is governed by the Management Committee which is the final authority and is overall responsible for the policy making and determination of all activities. The members of the Management Committee are volunteers and receive no monetary remuneration for their contribution except for a member who received remuneration as an employee of the Centre within the range from S$86,000 to S$151,000 and above (2013: S$101,000 to S$153,000).

22. FINANCIAL RISK MANAGEMENT

The Centre is exposed to the following risk through its normal operations. There are no changes on the Centre's objectives, policies, or processes relating to the management of the Centre's financial risk during the year.

a) Market risk

i) Foreign exchange risk

The Centre has no significant exposure to foreign currency risk as a substantial portion of its transactions is in Singapore dollar.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market interest rates.

The Centre is exposed to interest rate risk through the impact of rate changes on fixed deposits.

Change in market interest rates by 1% (2013: 1%) on interest bearing financial assets as at the year end will have the effect on the financial statements as follows:

	2014 S$	2013 S$
Net surplus for the year	7,281	7,259
Accumulated fund	-	-

The above analysis assumes all other variables are held constant.

iii) Price risk

The Centre is exposed to equity securities price risk from its quoted investments. These securities are mainly listed in Singapore. Price risk arising from investments is managed by diversification of portfolio and regular monitoring of position held.

Changes in price for equity securities as at the year end by 1% (2013: 1%) will have the effect on the financial statements as follows:

	2014 S$	2013 S$
Net surplus for the year	-	-
Accumulated fund	3,388	3,379

The above analysis assumes all other variables are held constant.

b) Credit risk

The Centre is exposed to significant concentration of credit risk on its fixed deposits and cash at bank. However, the Centre minimises the risk through placement of its cash and fixed deposits with few creditworthy financial institutions.

The maximum exposure to credit risk is represented by the carrying amount of financial assets which are mainly fee and other receivables and bank balances.

22. **FINANCIAL RISK MANAGEMENT (CONTINUED)**

b) Credit risk (Continued)

Financial assets that are neither past due nor impaired

Fee receivables that are neither past due nor impaired are substantially companies with good collection track record or that the recoverability is not in doubt. Bank deposits, are mainly transacted with banks of high credit ratings assigned by international credit rating agencies.

Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for fees receivable.

The age analysis of fees receivable past due is as follows:-

	2014 S$	2013 S$
Past due within 3 months	151,639	89,114
Past due 3 to 6 months	720	900
Past due over 6 months	-	-
	152,359	90,014

No impairment has been made on these amounts as the Centre is closely monitoring these receivables and is confident of their eventual recovery.

As at the year end, there is concentration of credit risk on trade receivables as follows:-

	2014 S$	2013 S$
Top 1 customer	9,000	9,000
Top 2 customer	6,750	6,000
Top 3 customer	6,420	5,040

c) Liquidity risk

The Centre manages its liquidity risk by monitoring and maintaining a level of cash and bank balances deemed adequate by the management to finance the Centre's operations and mitigate the effects of fluctuations in cash flows.

All the Centre's financial liabilities are due within 1 year.

d) Fair value risk

The fair value of the Centre's financial assets and financial liabilities reported in the statement of financial position approximates their carrying value.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

22. **FINANCIAL RISK MANAGEMENT (CONTINUED)**

d) Fair value risk (Continued)

Fair value hierarchy (Continued)

	Level 1 S$	Level 2 S$	Level 3 S$	Total S$
As at 31 March 2014				
Available-for-sale financial assets	138,755	-	-	138,755
As at 31 March 2013				
Available-for-sale financial assets	137,885	-	-	137,885

The responsibility for managing the above risks is vested in the management committee.

23. **RESERVE POLICY**

The Centre aims to maintain a reserve fund of 2 years of its projected operational expenses. The reserve will be use for the general expenses of the Centre, unless otherwise stated by the Management Committee. The Personnel and Finance Sub-committee, headed by the Chair, shall monitor the funds and report to the Management Committee by the end of the fiscal year. The reserve fund policy shall be subjected to review every 2 years.

24. **FINANCIAL INSTRUMENTS**

a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The significant accounting policies in Note 2 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and financial liabilities in the statement of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis:

	Loans and receivables S$	Available-for-sale financial assets S$	Financial liabilities at amortised cost S$	Total S$
As at 31 March 2014				
Assets				
Investments	-	338,755	-	338,755
Fees receivable	152,359	-	-	152,359
Other receivables, deposits and prepayments	7,489	-	-	7,489
Fixed deposits	728,121	-	-	728,121
Cash at bank and on hand	1,598,898	-	-	1,598,898
Total financial assets	2,486,867	338,755	-	2,825,622
Total non-financial assets				53,521
Total assets				2,879,143

24. FINANCIAL INSTRUMENTS (CONTINUED)

a) Classification of financial instruments (Continued)

	Loans and receivables S$	Available-for-sale financial assets S$	Financial liabilities at amortised cost S$	Total S$
As at 31 March 2014				
Liabilities				
Advance receipts, deposit received and accruals	-	-	(17,750)	(17,750)
Total financial liabilities	-	-	(17,750)	(17,750)
Total non-financial liabilities				(238,324)
Total liabilities				(256,074)
As at 31 March 2013				
Assets				
Investments	-	337,885	-	337,885
Fees receivable	90,014	-	-	90,014
Other receivables, deposits and prepayments	4,599	-	-	4,599
Fixed deposits	725,897	-	-	725,897
Cash at bank and on hand	1,477,567	-	-	1,477,567
Total financial assets	2,298,077	337,885	-	2,635,962
Total non-financial assets				78,916
Total assets				2,714,878
Liabilities				
Advance receipts, deposit received and accruals	-	-	(28,471)	(28,471)
Total financial liabilities	-	-	(28,471)	(28,471)
Total non-financial liabilities				(219,812)
Total liabilities				(248,283)

b) Derivative financial instruments

The Centre does not utilise any derivative instruments.