

CLARITY SINGAPORE LIMITED

[UEN. 201021634E]

[IPC No. IPC000714]

[A company limited by guarantee and
not having share capital]

[Incorporated in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 SEPTEMBER 2016**

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Fiducia LLP

(UEN. T10LL09552)

Public Accountants and

Chartered Accountants of Singapore

71 Ubi Crescent
#08-01 Excalibur Centre
Singapore 408571
T: (65) 6846.8376
F: (65) 6725.8161

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of the Company for the financial year ended 30 September 2016.

In the opinion of the directors,

- a) the financial statements as set out on pages 6 to 31, are drawn up so as to give a true and fair view of the financial position of the Company at 30 September 2016, and the financial performance, changes in funds and cash flows of the Company for the financial year then ended; and
- b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors in office at the date of this statement are as follows:

Tan Peng Chin Joseph Haydn	
Pang Kiem Lan Denise	
Belinda Young Hsien Lin	
Professor Choo Wee Jin Philip	
Dr.Christopher Cheok Cheng Soon	
Phua Siok Gek Cynthia	
Linda Tan Ling Yin	
Hui Yew Ping	
Ng Sen Loo Judy	Appointed on 18 February 2016
Sim Chay Teck	Appointed on 01 January 2016
John Joseph Fenelon	Appointed on 01 January 2016

Arrangements to enable directors to acquire shares and/or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Other matters

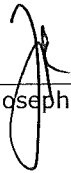
As the Company is limited by guarantee, matters relating to interest in shares, debentures or share options are not applicable.

DIRECTORS' STATEMENT (CONT'D)

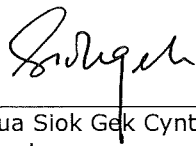
Independent Auditors

The independent auditors, Messrs. Fiducia LLP, Public Accountants and Chartered Accountants of Singapore, have expressed their willingness to accept re-appointment.

For and on behalf of the Board of directors,



Tan Peng Chin Joseph Haydn
Director



Phua Siok Gek Cynthia
Director

Singapore, 12 JAN 2017

Fiducia LLP

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Public Accountants and
Chartered Accountants of Singapore

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Independent auditor's report to the members of:

CLARITY SINGAPORE LIMITED

[UEN. 201021634E]

[IPC No. IPC000714]

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Report on the Financial Statements

We have audited the accompanying financial statements of **Clarity Singapore Limited** (the "Company") set out on pages 6 to 31 which comprise the statement of financial position as at 30 September 2016, statement of financial activities, statement of changes in funds and statement of cash flows of the Company for the financial 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 financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act"), the Singapore Charities Act (Chapter 37) (the "Charities Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

Fiducia LLP

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Chartered Accountants of Singapore

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#08-01 Excalibur Centre
Singapore 408571
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(CONT'D)

Independent auditor's report to the members of:

CLARITY SINGAPORE LIMITED

[UEN. 201021634E]
[IPC No. IPC000714]

[A company limited by guarantee and not having a share capital]
[Incorporated in the Republic of Singapore]

Opinion

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act, Charities Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 30 September 2016, and the financial performance, changes in funds and cash flows of the Company for the financial year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

- (a) the use of the donation moneys was not in accordance with the objectives of the Company as required under regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) the Company has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, 12 JAN 2017

Partner-in-charge: Lee Choon Keat

PAB. No.: 01721

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

2016	Unrestricted Fund S\$	Restricted Funds S\$	Total Funds S\$
INCOME			
Income from generating funds			
Donations	94,570	0	94,570
Anniversary dinner event	105,700	0	105,700
Grants	506,632	607,463	1,114,095
Income from charitable activities	26,420	0	26,420
Other income	33,905	0	33,905
TOTAL INCOME	<u>767,227</u>	<u>607,463</u>	<u>1,374,690</u>
LESS: EXPENDITURE			
Cost of generating funds	44,167	0	44,167
Cost of charitable activities	174,389	225,276	399,665
Governance and other administrative cost	250,342	43,115	293,457
TOTAL EXPENDITURE	<u>468,898</u>	<u>268,391</u>	<u>737,289</u>
SURPLUS FOR THE YEAR	<u>298,329</u>	<u>339,072</u>	<u>637,401</u>
2015	Unrestricted Fund S\$	Restricted Funds S\$	Total Funds S\$
INCOME			
Income from generating funds			
Donations	60,849	0	60,849
Anniversary dinner event	80,100	0	80,100
Grants	458,972	137,794	596,766
Income from charitable activities	20,739	0	20,739
Other income	19,899	0	19,899
TOTAL INCOME	<u>640,559</u>	<u>137,794</u>	<u>778,353</u>
LESS: EXPENDITURE			
Cost of generating funds	12,331	0	12,331
Cost of charitable activities	239,133	95,632	334,765
Governance and other administrative cost	178,739	35,830	214,569
TOTAL EXPENDITURE	<u>430,203</u>	<u>131,462</u>	<u>561,665</u>
SURPLUS FOR THE YEAR	<u>210,356</u>	<u>6,332</u>	<u>216,688</u>

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

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2016

	Note	2016 S\$	2015 S\$
ASSETS			
Current assets			
Cash and cash equivalents	7	1,323,381	677,263
Trade and other receivables	8	<u>140,030</u>	<u>131,205</u>
		1,463,411	808,468
Non-current assets			
Property, plant and equipment	9	<u>3,149</u>	<u>3,133</u>
Total assets		<u>1,466,560</u>	<u>811,601</u>
LIABILITIES			
Current liabilities			
Trade and other payables	10	<u>33,071</u>	<u>15,513</u>
Total liabilities		<u>33,071</u>	<u>15,513</u>
NET ASSETS		<u>1,433,489</u>	<u>796,088</u>
FUNDS			
Unrestricted fund			
General fund	11	<u>1,099,462</u>	<u>800,882</u>
Restricted funds			
Care and share matching grant	12	334,027	(16,129)
CWS fund	12	<u>0</u>	<u>11,335</u>
		<u>334,027</u>	<u>(4,794)</u>
		<u>1,433,489</u>	<u>796,088</u>

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

STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

	Balance at beginning of year S\$	Net surplus / (deficit) S\$	Transfer S\$	Balance at end of year S\$
2016				
Unrestricted fund				
General fund	800,882	298,329	251	1,099,462
Restricted funds				
Care and share matching grant	(16,129)	350,156	0	334,027
CWS fund	11,335	(11,084)	(251)	0
	(4,794)	339,072	(251)	334,027
	<u>796,088</u>	<u>637,401</u>	<u>0</u>	<u>1,433,489</u>
	Balance at beginning of year S\$	Net surplus / (deficit) S\$	Transfer S\$	Balance at end of year S\$
2015				
Unrestricted fund				
General fund	587,437	210,356	3,089	800,882
Restricted funds				
Care and share matching grant	(52,049)	35,920	0	(16,129)
CWS fund	30,190	(18,855)	0	11,335
Harmony fund	13,822	(10,733)	(3,089)	0
	(8,037)	6,332	(3,089)	(4,794)
	<u>579,400</u>	<u>216,688</u>	<u>0</u>	<u>796,088</u>

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

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

	Note	2016 S\$	2015 S\$
Cash flows from operating activities			
Net surplus for the financial year		637,401	216,688
Adjustments for:			
- Depreciation	9	25,675	71,835
- Interest income		<u>(5,074)</u>	<u>(1,100)</u>
Operating cash flow before working capital changes		658,002	287,423
Changes in operating assets and liabilities			
- Trade and other receivables		(8,825)	(63,607)
- Trade and other payables		<u>17,558</u>	<u>503</u>
Net cash provided by operating activities		<u>666,735</u>	<u>224,319</u>
Cash flows from investing activities			
Purchases of property, plant and equipment	9	(25,691)	(7,156)
Interest income		<u>5,074</u>	<u>1,100</u>
Net cash used in investing activities		<u>(20,617)</u>	<u>(6,056)</u>
Net increase in cash and cash equivalents		646,118	218,263
Cash and cash equivalents at beginning of financial year		<u>677,263</u>	<u>459,000</u>
Cash and cash equivalents at end of financial year	7	<u>1,323,381</u>	<u>677,263</u>
Cash and cash equivalents comprise:			
Cash on hand		650	950
Cash at bank		522,731	176,313
Fixed deposits		<u>800,000</u>	<u>500,000</u>
	7	<u>1,323,381</u>	<u>677,263</u>

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

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

1. General information

Clarity Singapore Limited (the "Company") was incorporated on 10 October 2010 as a company limited by guarantee and not having a share capital. Each member of the company undertakes to meet the debts and liabilities of the Company, in the event of liquidation, to an amount not exceeding S\$10 per member. As at 30 September 2016, the Company has 3 members (2015: 2 members).

The Company registered as a Charity under the Charities Act (Chapter 37) on 3 December 2010. It has been accorded an Institute of Public Character ('IPC') status since 03 December 2010 and has been renewed on 03 June 2015 and due to expire on 30 November 2017.

The address of the Company's registered office is at Block 133 New Bridge Road, #09-06, Chinatown Point, Singapore 059413 and its principal place of business is at Block 854 Yishun Ring #01-3511 Singapore 760854. As at 01 September 2015, the Company has a second service location at Agape Village, 7A Lorong 8 Toa Payoh #04-01 Singapore 319264.

The principal activities of the Company are:

- To alleviate distress amongst people suffering from mental problems or issues in the Republic of Singapore, in particular those who are poor, regardless of race, religion, sex or citizenship, by initiating, assisting and organising such form of relief and schemes of social services; and
- To better and more effectively serve the poor, the needy and especially people suffering from mental illnesses by researching, analysing the needs and developing the strategies and activities of various social and community organisations.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standard ("FRS") and the disclosure requirements of Charity Accounting Standard. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

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

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2. Significant accounting policies (Cont'd)

2.1 Basis of preparation (cont'd)

Interpretations and amendments to published standards effective in 2015

On 1 October 2015, the Company adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Company and had no material effect on the amounts reported for the current or prior financial years.

New or amended Standards and Interpretations effective after 1 October 2015

The following are the new or amended Standards and Interpretations that are not yet applicable, but may be early adopted for the current financial year:

Descriptions	Annual periods commencing on
FRS 114: Regulatory Deferral Accounts Amendments to FRS 27: Equity Method in Separate Financial Statements Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation Amendments to FRS 16 and FRS 41: Agricultural – Bearer Plants Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Amendments to FRS 110, FRS 112 and FRS 28: Investment Entities: Applying the Consolidation Exception FRS 1 Amendments to FRS 1: Disclosure Initiative	1 January 2016
Amendments to FRS 7: Disclosure Initiative Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
FRS 109 Financial Instruments FRS 115 Revenue from Contracts with Customers	1 January 2018

2.2 Income recognition

Income comprises the fair value of the consideration received or receivable in the ordinary course of the Company's activities. Income is recognised as follows:

2.2.1 Donations

Donations are recognised in the statement of financial activities upon receipt. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2. Significant accounting policies (Cont'd)

2.2 Income recognition (cont'd)

2.2.2 Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

2.2.3 Rendering of services

Revenue from services is recognised over the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be performed.

2.2.4 Other income

Other income is recognised when incurred.

2.3 Expense recognition

All expenses are accounted for on an accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

2.3.1 Cost of generating funds

The cost of generating funds are those costs attributable to generating income for the Company, other than those costs incurred in undertaking charitable activities in furtherance of the Company's objects

2.3.2 Cost of charitable activities

Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Company. The total cost of charitable activities comprises of direct cost and apportionment of overhead and shared costs.

2.3.3 Governance and administrative costs

Governance costs include the costs of governance arrangement, which relate to the general running of the Company, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

2. Significant accounting policies (Cont'd)

2.4 Property, plant and equipment

2.4.1 Measurement

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any costs that are 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.

Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal and restoration is included as a consequence of acquiring or using the property, plant and equipment.

2.4.2 Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful Lives
Computers	1 year
Furniture	5 years
Office equipment	3 years
Renovation	3 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are recognised in profit or loss when the changes arise.

2.4.3 Subsequent expenditure

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

2.4.4 Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposals proceeds and its carrying amount is recognised in profit or loss.

2.5 Impairment of non-financial assets

Property, plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

2. Significant accounting policies (Cont'd)

2.5 Impairment of non-financial assets (cont'd)

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revalued increase.

2.6 Financial assets

2.6.1 Classification

The Company classifies its financial assets in the following categories: loans and receivables. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the statement of financial position date, which are classified as non-current assets. Loans and receivables are classified within "Trade and other receivables" and "Cash and cash equivalents" on the statement of financial position.

2.6.2 Recognition and derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Company are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

2. Significant accounting policies (Cont'd)

2.6 Financial assets (cont'd)

2.6.3 Measurement

Financial assets are initially recognised at fair value plus transaction costs. Loans and receivables are subsequently carried at amortised cost using effective interest method.

2.6.4 Impairment

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

Loans and receivables

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

An allowance for impairment of loans and receivables including trade and other receivables is recognised when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of bad debts written off is recognised in the statement of comprehensive income within "Administrative expenses".

2.7 Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits with financial institutions, which are subject to an insignificant risk of change in value. Cash and cash equivalents are carried at cost.

2.8 Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of financial activities. Financial liabilities include "Trade and other payables".

Financial liabilities are derecognised when the obligations under the liability is discharged, cancelled or expires. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of financial activities.

2.9 Trade and other payables

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

2. Significant accounting policies (Cont'd)

2.10 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2.11 Fair value estimation of financial assets and liabilities

The carrying amounts of current financial assets and liabilities, carried at amortised cost, are assumed to approximate their fair values due to their short-term nature.

2.12 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 (net of any incentives received from the lessor) are taken to the statement of comprehensive income 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.

Rental on operating lease is charged to the statement of comprehensive income. Contingent rents are recognised as an expense in the statement of comprehensive income in the financial year in which they are incurred.

2.13 Employee compensation

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contribution has been paid. The Company's contribution to defined contribution plans are recognised as employee compensation expense when they are due.

Employee leave entitlement

Employee entitlements to annual leave are 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 statement of financial position date.

2.14 Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Company if that person:
 - (i) has control or joint control over the Company;
 - (ii) has significant influence over the Company; or
 - (iii) is a member of the key management personnel of the Company or of a parent of the Company.

2. Significant accounting policies (Cont'd)

2.14 Related parties (cont'd)

- (b) An entity is related to the Company if any of the following conditions applies:
- (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others.
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) both entities are joint ventures of the same third party.
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
 - (vi) the entity is controlled or jointly controlled by a person identified in (a).
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

3. Critical accounting estimates, assumptions and judgments

Estimates, assumptions and judgments 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.

Critical judgments in applying the entity's accounting policies

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Estimated useful lives of property, plant and equipment

The Company reviews annually the estimated useful lives of property, plant and equipment based on factors such as operating plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever there is any indication that the assets are impaired. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the impairment loss. The key assumptions for the value in use calculation are those regarding the growth rates, and expected change to selling price and direct costs during the year and a suitable discount rate.

4. Detailed Statement Of Financial Activities

	Unrestricted	Restricted Funds		Total Funds
	Fund	Care and	CWS	
	General	share		
	fund			
	S\$	S\$	S\$	S\$
2016				
INCOME				
Income from generating funds				
Donations				
- Tax exempt	92,356	0	0	92,356
- Non-tax exempt	2,214	0	0	2,214
Anniversary dinner event				
- Tax exempt	95,230	0	0	95,230
- Non-tax exempt	10,470	0	0	10,470
Grants				
- Grant from Caritas	230,000	0	0	230,000
- Grant from MOH	276,572	0	0	276,572
- Care & share matching grant	0	607,463	0	607,463
- Grant from NCSS - VCF local training grant	60	0	0	60
	<u>706,902</u>	<u>607,463</u>	<u>0</u>	<u>1,314,365</u>
Income from charitable activities				
Art Therapy fees	2,530	0	0	2,530
Clinical supervision fee	1,000	0	0	1,000
Counselling fees	16,520	0	0	16,520
Placement admin fee revenue	1,800	0	0	1,800
Psycho-education sessions	1,180	0	0	1,180
Public education revenue	3,390	0	0	3,390
	<u>26,420</u>	<u>0</u>	<u>0</u>	<u>26,420</u>
Other income				
Interest income	5,074	0	0	5,074
Sale of lucky draw ticket income	935	0	0	935
SingTel Sponsorship Scheme (NCSS)	540	0	0	540
Special Employment Credit (MOM)	2,301	0	0	2,301
Temporary Employment Credit (MOM)	3,110	0	0	3,110
Wage Credit Scheme (IRAS)	21,945	0	0	21,945
	<u>33,905</u>	<u>0</u>	<u>0</u>	<u>33,905</u>
TOTAL INCOME	<u>767,227</u>	<u>607,463</u>	<u>0</u>	<u>1,374,690</u>
EXPENDITURE				
Cost of generating funds				
Cost of generating voluntary income	44,167	0	0	44,167
Cost of charitable activities				
Art Therapy @ Agape Village	0	11,586	0	11,586
Bereavement assistance	1,000	0	0	1,000
"CAN DO" programme	1,119	0	0	1,119
Care and share funds (C&S)				
- C&S - ACMI	0	291	0	291
- C&S - BAH @AV	0	644	0	644
- C&S - Befrienders	0	42	0	42
- C&S - Fridays with Clarity	0	643	0	643
- C&S - Caregivers' Workshop	0	600	0	600
- C&S - Gospel Art	0	135	0	135
- C&S - Public Talk	0	392	0	392
- C&S - Depression Workshop	0	762	0	762
Caritas/NCSS membership fees	225	0	0	225
Contractor fees	48,323	0	0	48,323
Counselling – related expenses	151	0	0	151
Facilities cost	0	9,492	0	9,492
Financial and transport assistance	2,063	0	0	2,063
Mindset – empowerment integration programme (CWS)	0	0	11,084	11,084

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

	Unrestricted	Restricted Fund		Total Fund
	Fund	Care and	CWS	
	General	share		
	fund			
	S\$	S\$	S\$	S\$
2016 (Cont'd)				
EXPENDITURE (Cont'd)				
Cost of charitable activities (Cont'd)				
Public education expenses	1,769	0	0	1,769
Provision for utilised leave	9,251	0	0	9,251
Psycho-education session expenses	203	0	0	203
Staff costs				
- Salaries	67,339	155,120	0	222,459
- Annual leave pay	1,317	1,317	0	2,634
- AWS/Bonus	25,573	5,250	0	30,823
- Employer CPF	8,040	27,901	0	35,941
- SDF	532	17	0	549
- Medical	1,777	0	0	1,777
- Staff insurance	1,416	0	0	1,416
- Staff welfare	2,080	0	0	2,080
- Recruitment expense	125	0	0	125
- Training and development	2,086	0	0	2,086
	174,389	214,192	11,084	399,665
Governance and other administrative cost				
Advertising and promotion	11,511	0	0	11,511
Anniversary event	1,304	0	0	1,304
Audit fee	3,575	0	0	3,575
Bank charge	606	0	0	606
Copier lease rental	1,605	0	0	1,605
Computer supplies	1,597	0	0	1,597
Depreciation of property, plant and equipment	11,030	14,645	0	25,675
Internet	1,625	0	0	1,625
Local transport	2,117	0	0	2,117
Office supplies	1,414	0	0	1,414
Pantry supplies/refreshments	279	0	0	279
Postage and courier	84	0	0	84
Printing	1,251	0	0	1,251
Professional fee	(60)	0	0	(60)
Property insurance	976	0	0	976
Rental of premises	6,484	6,484	0	12,968
Repairs and maintenance	972	1,046	0	2,018
Secretarial fee	71	0	0	71
Service & conservancy charges	78	78	0	156
SGGives transaction fee	162	0	0	162
Staff costs				
- Salaries	154,250	9,075	0	163,325
- Annual leave pay	1,317	1,317	0	2,634
- AWS/Bonus	10,900	5,250	0	16,150
- Employer CPF	27,846	2,677	0	30,523
- SDF	372	17	0	389
- Staff insurance	1,034	0	0	1,034
- Staff welfare	1,085	0	0	1,085
- Training and development	436	0	0	436
Telephone	3,470	0	0	3,470
Utilities	2,526	2,526	0	5,052
Website/IT fee	425	0	0	425
	250,342	43,115	0	293,457
TOTAL EXPENDITURE	468,898	257,307	11,084	737,289
SURPLUS / (DEFICIT) FOR THE YEAR	298,329	350,156	(11,084)	637,401

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

	Unrestricted	Restricted Funds			Total Funds
	Fund	Care and	CWS	Harmony	
	General	share			
	fund				
	S\$	S\$	S\$	S\$	S\$
2015					
INCOME					
Income from generating funds					
Donations					
- Tax exempt	57,912	0	0	0	57,912
- Non-tax exempt	2,937	0	0	0	2,937
Anniversary dinner event					
- Tax exempt	63,600	0	0	0	63,600
- Non-tax exempt	16,500	0	0	0	16,500
Grants					
- Grant from Caritas	200,000	0	0	0	200,000
- Grant from MOH	258,972	0	0	0	258,972
- Care & share matching grant	0	137,794	0	0	137,794
	599,921	137,794	0	0	737,715
Income from charitable activities					
Clinical Supervision fee	3,233	0	0	0	3,233
Counselling fees	10,020	0	0	0	10,020
Placement admin fee revenue	3,600	0	0	0	3,600
Psycho-education sessions	2,201	0	0	0	2,201
Public education revenue	1,685	0	0	0	1,685
	20,739	0	0	0	20,739
Other income					
Gift vouchers	140	0	0	0	140
Interest income	1,100	0	0	0	1,100
Singtel Sponsorship Scheme (NCSS)	180	0	0	0	180
Special Employment Credit (MOM)	3,709	0	0	0	3,709
Wage Credit Scheme (IRAS)	14,770	0	0	0	14,770
	19,899	0	0	0	19,899
TOTAL INCOME	640,559	137,794	0	0	778,353
EXPENDITURE					
Cost of generating funds					
Cost of generating voluntary income	12,331	0	0	0	12,331
Cost of charitable activities					
Art Therapy @ Agape Village	0	3,001	0	0	3,001
Care and share funds (C&S)					
- C&S - ACMI	0	122	0	0	122
- C&S - Fridays with Clarity	0	26,985	0	0	26,985
Caritas/NCSS membership fees	125	0	0	0	125
Community relations expenses	1,790	0	0	0	1,790
Contractor fees	9,640	0	0	0	9,640
Counselling – related expenses	912	0	0	0	912
Facilities cost	600	791	0	0	1,391
Financial and transport assistance	4,118	0	0	0	4,118
Mindset – social outing - community integration programme (Harmony)	0	0	0	10,733	10,733
Mindset – empowerment integration programme (CWS)	0	0	18,855	0	18,855
Public education expenses	1,632	0	0	0	1,632
Psycho-education session expenses	988	0	0	0	988

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

	Unrestricted Fund	Restricted Funds			Total Funds
	General fund	Care and share	CWS	Harmony	
	S\$	S\$	S\$	S\$	S\$
2015 (Cont'd)					
EXPENDITURE (Cont'd)					
Cost of charitable activities (Cont'd)					
Staff costs					
- Salaries	150,460	26,150	0	0	176,610
- Annual leave pay	1,164	0	0	0	1,164
- AWS/Bonus	29,075	4,350	0	0	33,425
- Employer CPF	28,285	4,611	0	0	32,896
- SDF	453	34	0	0	487
- Medical	1,585	0	0	0	1,585
- Staff insurance	2,645	0	0	0	2,645
- Staff welfare	2,138	0	0	0	2,138
- Recruitment expense	235	0	0	0	235
- Training and development	3,288	0	0	0	3,288
	239,133	66,044	18,855	10,733	334,765
Governance and other administrative cost					
Advertising and promotion	3,705	0	0	0	3,705
Anniversary event	839	0	0	0	839
Audit fee	3,000	0	0	0	3,000
Bank charge	256	0	0	0	256
Copier lease rental	401	0	0	0	401
Computer supplies	1,686	0	0	0	1,686
Depreciation of property, plant and equipment	71,835	0	0	0	71,835
Internet	936	0	0	0	936
Local transport	1,383	0	0	0	1,383
Office supplies	923	0	0	0	923
Pantry supplies/refreshments	286	0	0	0	286
Postage and courier	108	0	0	0	108
Printing	397	0	0	0	397
Professional fee	322	0	0	0	322
Rental of premises	6,484	6,484	0	0	12,968
Repairs and maintenance	1,859	983	0	0	2,842
Secretarial fee	169	0	0	0	169
Service & conservancy charges	78	78	0	0	156
SGgives transaction fee	41	0	0	0	41
Staff costs					
- Salaries	50,410	17,850	0	0	68,260
- Annual leave pay	865	0	0	0	865
- Aws/bonus	8,815	4,350	0	0	13,165
- Employer CPF	9,425	3,238	0	0	12,663
- SDF	128	34	0	0	162
- Medical	464	0	0	0	464
- Staff insurance	721	0	0	0	721
- Staff welfare	1,659	0	0	0	1,659
- Training and development	1,996	0	0	0	1,996
Telephone	3,636	0	0	0	3,636
Utilities	2,813	2,813	0	0	5,626
Website/IT fee	3,099	0	0	0	3,099
	178,739	35,830	0	0	214,569
TOTAL EXPENDITURE	430,203	101,874	18,855	10,733	561,665
SURPLUS / (DEFICIT) FOR THE YEAR	210,356	35,920	(18,855)	(10,733)	216,688

5. Tax Deductible Donations

During the financial year, the Company issued tax-deductible receipts for donations totalling S\$187,586 (2015: S\$121,512) pursuant to its Institution of a Public Character ("IPC") status. They are recorded as follows:

	2016 S\$	2015 S\$
Statement of comprehensive income		
General fund:		
Donations	92,356	57,912
Anniversary dinner event	95,230	63,600
	187,586	121,512

6. Income tax

The Company is a charity registered under the Charities Act and is exempted from income tax under the provisions of Section 13 of the Income Tax Act Cap. 134.

7. Cash and cash equivalents

	2016 S\$	2015 S\$
Cash on hand	650	950
Cash at bank	522,731	176,313
Fixed deposit	800,000	500,000
	1,323,381	677,263

Fixed deposits of the Company at the reporting date had a maturity of 3.01 months (2015: 3.93 months) and had a weighted average effective interest rate of 0.19% (2015: 0.19%) per annum.

At the reporting date, the carrying amounts of cash and cash equivalents approximated their fair values.

8. Trade and other receivables

	2016 S\$	2015 S\$
Trade receivables		
- Non-related parties	0	4,903
Other receivables		
- Deposits	3,964	1,691
- Interest receivable	1,537	964
- Prepayment	7,593	1,513
- Grant receivable from MOH	126,936	122,134
	140,030	131,205

At the reporting date, the carrying amounts of trade and other receivables approximated their fair values.

9. Property, plant and equipment

2016	Computers S\$	Furniture S\$	Office equipment S\$	Renovation S\$	Total S\$
Cost					
Beginning of financial year	23,647	5,874	3,072	193,124	225,717
Additions	24,008	833	850	0	25,691
End of financial year	<u>47,655</u>	<u>6,707</u>	<u>3,922</u>	<u>193,124</u>	<u>251,408</u>
Accumulated depreciation					
Beginning of financial year	23,632	2,850	2,978	193,124	222,584
Depreciation charge	23,997	1,301	377	0	25,675
End of financial year	<u>47,629</u>	<u>4,151</u>	<u>3,355</u>	<u>193,124</u>	<u>248,259</u>
Net book value at end of financial year	<u>26</u>	<u>2,556</u>	<u>567</u>	<u>0</u>	<u>3,149</u>
2015					
Cost					
Beginning of financial year	18,291	4,074	3,072	193,124	218,561
Additions	5,356	1,800	0	0	7,156
End of financial year	<u>23,647</u>	<u>5,874</u>	<u>3,072</u>	<u>193,124</u>	<u>225,717</u>
Accumulated depreciation					
Beginning of financial year	18,280	1,715	2,005	128,749	150,749
Depreciation charge	5,352	1,135	973	64,375	71,835
End of financial year	<u>23,632</u>	<u>2,850</u>	<u>2,978</u>	<u>193,124</u>	<u>222,584</u>
Net book value at end of financial year	<u>15</u>	<u>3,024</u>	<u>94</u>	<u>0</u>	<u>3,133</u>

10. Trade and other payables

	2016 S\$	2015 S\$
Trade payables		
- Non-related parties	0	3,075
Other payables		
- Outside parties	107	0
- Accruals	8,811	4,113
- Accrual salaries and CPF contributions	14,902	8,325
- Provision for unutilised leave	9,251	0
	<u>33,071</u>	<u>15,513</u>

At the reporting date, the carrying amounts of trade and other payables approximated their fair values.

11. Unrestricted fund

This fund represents accumulated surplus and is for the purpose of meeting operating expenses incurred by the Company. In accordance with section 4 of the Memorandum of Company of the Company, no portion of its income and property shall be paid or transferred, directly or indirectly by way of dividend, bonus or otherwise by way of profit to the members of the Company.

12. Restricted funds

Fund balances restricted by outside sources are indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purpose established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its company purposes.

Restricted funds comprise:

Care and Share Matching Grant

Care and Share Matching Grant is a grant from Ministry of Social and Family Development ("MSF"), based on qualifying donations, to develop the charitable agency's capabilities and capacity in the provision of social services and programmes for its beneficiaries. The unused funds for projects that are withdrawn or terminated prematurely may be clawed back if the new proposed projects were not being approved by MSF.

Movement of this fund is as follows:

	2016 S\$	2015 S\$
Balance at beginning of financial year	(16,129)	(52,049)
Add: Grants received	607,463	137,794
Less: Utilisation	<u>(257,307)</u>	<u>(101,874)</u>
Balance at end of financial year	<u>334,027</u>	<u>(16,129)</u>

CWS fund

This fund is designated for psycho-education activities to empower persons in the city area who are poor, isolated and recovering from some form of mental illness and integrate them into a community of acceptance.

Movement of this fund is as follows:

	2016 S\$	2015 S\$
Balance at beginning of financial year	11,335	30,190
Less: Utilisation	(11,084)	(18,855)
Less: Transfer to General fund	<u>(251)</u>	<u>0</u>
Balance at end of financial year	<u>0</u>	<u>11,335</u>

12. Restricted funds (Cont'd)

Harmony fund

This fund is designated for social outings and integration activities to integrate persons in the Geylang East area who are poor, isolated and recovering from some form of mental illness, into a community of acceptance.

Movement of this fund is as follows:

	2016 S\$	2015 S\$
Balance at beginning of financial year	0	13,822
Less: Utilisation	0	(10,733)
Less: Transfer to General fund	0	(3,089)
Balance at end of financial year	0	0

Net assets of the restricted funds

	Care and Share S\$	CWS Fund S\$	Total S\$
Total restricted funds as at 30 September 2016	334,027	0	334,027
Represented by:			
Cash and cash equivalents	334,022	0	334,022
Property, plant and equipment	5	0	5
	334,027	0	334,027
Total restricted funds as at 30 September 2015	(16,129)	11,335	(4,794)
Represented by:			
Cash and cash equivalents	(16,129)	11,335	(4,794)

13. Related party transactions

The Company has significant related parties transactions with related parties on terms agreed with the parties as follows:

	2016 S\$	2015 S\$
Grants received from Caritas Singapore Community Council	230,000	200,000

The Company is governed by the Board of Directors who are volunteers and receive no monetary remuneration for their contribution.

14. Remuneration of key management personnel

The remuneration of key management personnel during the financial year was as follows:

	2016 S\$	2015 S\$
Salaries and other short-term benefits	156,791	119,458
Post employment benefits – contribution to CPF	17,420	12,950
	2016 No. of key management personnel	2015 No. of key management personnel
Remuneration band (S\$)		
Between S\$50,001 to \$100,000	2	1
Below S\$50,000	1	1

The remuneration of key management personnel is determined by the Board of directors.

15. Management of conflict of interest

There is no paid staff on the Company's Board of director.

The Board of directors are required to disclose any interest that they may have, whether directly or indirectly, that the Company may enter into or in any organisation that the Company has dealings with or is considering dealing with and any personal interests accruing to him as one of the Company's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected member of the Board may not vote on the issue that was the subject matter of the disclosure. 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.

16. Operating lease agreement

The Company has lease commitments in respect of leasing of office equipment. Rental expense for operating leases for the year amounted to S\$ 1,605 (2015: S\$401).

At the reporting date, the Company was committed to make the following payments in respect of operating leases with a term of more than one year.

	2016 S\$	2015 S\$
Within 1 year	1,605	1,605
Within 2 to 5 years	4,414	6,019

17. Financial risk management

The Company's activities expose it to minimal financial risks and overall risk management is determined and carried out by the Board of Directors of the Company on an informal basis.

Credit risk

Credit risk refers to risk that counterparty will default on their obligations to repay amounts owing to the Company resulting in a loss to the Company.

The maximum exposure to credit risk is represented by the carrying value of each class of financial assets recognised in the statement of financial position.

The credit risk on liquid funds is limited because the counterparties are banks with high credit rating assigned by international credit agencies.

Liquidity and cash flow risks

Liquidity risk refers to the risk that the Company will have insufficient resources to meet its financial liabilities as and when they fall due.

The Board of Directors exercises prudent liquidity and cash flow risk management policies and aims at maintaining an adequate level of liquidity and cash flow at all times.

The table below summarises the profile of the Company's financial assets and liabilities at the statement of financial position date based on contractual undiscounted payments.

	2016 S\$	2015 S\$
<u>Payable within one year</u>		
<i>Financial assets</i>		
Cash and cash equivalents	1,323,381	677,263
Trade and other receivables	<u>132,437</u>	<u>129,692</u>
	1,455,818	806,955
<i>Financial liabilities</i>		
Trade and other payables	<u>33,071</u>	<u>15,513</u>
	<u>1,422,747</u>	<u>791,442</u>

Interest rate risk

The Company's revenue and operating cash flows are not substantially affected by changes in market interest rates as they do not have significant interest-bearing assets or liabilities as at the statement of financial position date.

Currency risk

The Company is not exposed to foreign currency exchange risk as all of its transactions are in Singapore Dollars, its functional currency.

Fair values

The carrying amounts of the financial assets and liabilities recorded in the financial statements of the Company approximate their fair values due to their short-term nature.

18. Conflict of interest policy

Whenever a member of the Board of directors is in any way, directly or indirectly, has an interest in a transaction or project or other matter to be discussed at a meeting, the member shall disclose the nature of his interests before the discussion on the matters begins.

The member concerned should not participate in the discussion or vote on the matter, and should also offer to withdraw from the meeting and the Board of directors shall decide if this should be accepted.

19. Comparative figure

The 2015 comparative figures of the Statement of financial activities and Statement of financial position have been reclassified to conform to the classification.

The reclassifications were due to Care and Share fund are grant received from NCSS to deliver a programme, and the programme reserve is to be ring-fenced and classified as restricted fund.

As a result, certain line items have been amended in the statement of financial activities and statement of financial position. Comparative figures have been adjusted to conform to the current year's presentation.

19. Comparative figure (Cont'd)

	As previously stated	As restated					Total Funds S\$
		Unrestricted Fund S\$	Unrestricted Fund S\$	Care and share S\$	Restricted Funds	Total S\$	
INCOME							
<u>Income from generating funds</u>							
Donations	60,849	60,849	0	0	0	0	60,849
Anniversary dinner event	80,100	80,100	0	0	0	0	80,100
Grants	596,766	458,972	137,794	0	0	137,794	596,766
	737,715	599,921	137,794	0	0	137,794	737,715
<u>Income from charitable activities</u>							
Clinical supervision fee	3,233	3,233	0	0	0	0	3,233
Counselling fees	10,020	10,020	0	0	0	0	10,020
Placement admin fee revenue	3,600	3,600	0	0	0	0	3,600
Psycho-education sessions	2,201	2,201	0	0	0	0	2,201
Public education revenue	1,685	1,685	0	0	0	0	1,685
	20,739	20,739	0	0	0	0	20,739
<u>Other income</u>							
Gift vouchers	140	140	0	0	0	0	140
Interest income	1,100	1,100	0	0	0	0	1,100
Singtel Sponsorship Scheme (NCSS)	180	180	0	0	0	0	180
Special Employment Credit (MOM)	3,709	3,709	0	0	0	0	3,709
Wage Credit Scheme (IRAS)	14,770	14,770	0	0	0	0	14,770
	19,899	19,899	0	0	0	0	19,899
TOTAL INCOME	778,353	640,559	137,794	0	0	137,794	778,353

19. Comparative figure (Cont'd)

	As previously stated	As restated				Total Funds S\$
	Unrestricted Fund S\$	Unrestricted Fund S\$	Care and share S\$	Restricted Funds	Total S\$	
EXPENDITURE						
Cost of generating funds						
Cost of generating voluntary income	12,331	12,331	0	0	0	12,331
Cost of charitable activities						
Art Therapy @ Agape Village	3,001	0	3,001	0	0	3,001
Care and share funds (C&S)	122	0	122	0	0	122
- C&S - ACMI	26,985	0	26,985	0	0	26,985
- C&S - Fridays with Clarity	125	125	0	0	0	125
Caritas/NCSS membership fees	1,790	1,790	0	0	0	1,790
Community relations expenses	9,640	9,640	0	0	0	9,640
Contractor fees	912	912	0	0	0	912
Counselling - related expenses	1,391	600	791	0	0	1,391
Facilities cost	4,118	4,118	0	0	0	4,118
Financial and transport assistance	18,855	0	0	18,855	0	18,855
Mindset - empowerment integration programme (CWS)	10,733	0	0	0	10,733	10,733
Mindset - social outing - community integration programme (Harmony)	1,632	1,632	0	0	0	1,632
Public education expenses	988	988	0	0	0	988
Psycho-education session expenses	254,473	219,328	35,145	0	0	254,473
Staff costs	334,765	239,133	66,044	18,855	10,733	334,765
Governance and other administrative cost	214,569	178,739	35,830	0	0	214,569
TOTAL EXPENDITURE	561,665	430,203	101,874	18,855	10,733	561,665
SURPLUS / (DEFICIT) FOR THE YEAR	216,688	210,356	35,920	(18,855)	(10,733)	216,688

19. Comparative figures (Cont'd)

	As previously reported S\$	As restated S\$
<i>Statement of Financial position</i>		
FUNDS		
Unrestricted fund		
General fund	784,753	800,882
Restricted fund		
Restricted fund	11,335	(4,794)
	796,088	796,088

20. Reserve policy and position

The Company's reserve position for financial year ended 30 September 2016 is as follows:

		2016 S\$'000	2015 S\$'000	Increase / (Decrease) %
A	Unrestricted funds			
	Accumulated general funds	1,099	801	37%
B	Restricted or Designated funds			
	Designated funds	0	11	100%
	Restricted funds	334	(16)	2,188%
C	Endowment funds	0	0	0%
D	Total funds	1,433	796	80%
E	Total annual operating expenditure	737	562	31%
F	Ratio of funds to annual operating expenditure (A/E)	1.49	1.43	

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a company to spend as grants.
- D. Total funds include unrestricted, restricted / designated and endowment funds.
- E. Total annual operating expenditure includes expenses related to cost of charitable activities and governance and other operating and administration expenditure.

The Company's Reserve Policy is as follows:

The reserves that we have set aside provide financial stability and the means for the development of our principal activity. We intend to establish our reserves at a level equivalent to 2 years of operating expenditure through increasing awareness of our activities, seeking more donors both private and corporate and fund raising efforts. The Board reviews yearly the amount of reserves that are required to ensure that they are adequate to fulfil our continuing obligations.

21. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of the Company on **12 JAN 2017**