Company Registration No.: 201301276N (Registered under the Companies Act, Chapter 50, and Charities Act, Chapter 37, Singapore)

> FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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Company Registration No.: 201301276N

(Registered under the Companies Act, Chapter 50, and Charities Act, Chapter 37, Singapore)

DIRECTORS' STATEMENT

For the financial year ended 31 March 2021

The directors present their report to the members together with the audited financial statements of the Company for the financial year ended 31 March 2021.

1 OPINION OF THE DIRECTORS

In the opinion of the directors,

- (i) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2021, and the financial performance and cash flows of the Company for the financial year ended on that date; and
- (ii) 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.

2 DIRECTORS

The directors at the date of this statement are:

Claus Skadkjaer
Chua Joan Keat
Kewalramani Sapna Chandroo
Kwan Chong Wah
Laura Poh
Lim Wei Min
Soh Chee Keong
Stanley Tan Poh Leng
Tan Bee Wan
Woo Shea Leen

(Appointed on 28 April 2021)

Under Article 6 of its Constitution, the members of the Company are comprised of Stanley Tan Poh Leng, Woo Shea Leen and Tan Li Pyng Ruth. These members guarantee to contribute a sum not exceeding \$100 per member to the assets of the Company in the event of it being wound up.

As at 31 March 2021, the Company has 3 (2020: 3) members.

3 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

The Company is limited by guarantee and has no share capital. None of the directors holding office at the end of the financial year had an interest in the share capital of the Company that is required to be reported pursuant to section 201(6)(g) of the Singapore Companies Act, Chapter 50.

Company Registration No.: 201301276N

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DIRECTORS' STATEMENT

For the financial year ended 31 March 2021

4 SHARE OPTIONS

As the Company is limited by guarantee and does not have a share capital, matters relating to the issue of shares or share options are not applicable.

5 AUDITOR

Helmi Talib LLP has expressed its willingness to accept re-appointment as auditors.

On behalf of the directors

STANLEY TAN POH LENG

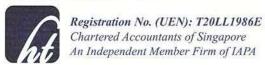
Director

CHUA JOAN KEAT

Director

23 August 2021





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INDEPENDENT AUDITORS' REPORT TO

THE MEMBERS OF SOUTH CENTRAL COMMUNITY FAMILY SERVICE CENTRE LIMITED

Report on the Financial Statements

Opinion

We have audited the financial statements of SOUTH CENTRAL COMMUNITY FAMILY SERVICE CENTRE LIMITED (the "Company"), which comprise the balance sheet of the Company as at 31 March 2021, the statement of financial activities, and statement of cash flows of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Companies Act"), the Charities Act, Chapter 37 and other relevant regulations ("the Charities Act and Regulations") and Charities Accounting Standards ("CAS") so as to give a true and fair view of the financial position of the Company as at 31 March 2021 and of the financial performance, and cash flows of the Company for the financial year ended on that date.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

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

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

Responsibilities of Management and Those Charged with Governance for 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 Companies Act, the Charities Act and Regulations and CAS, 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.

An Independent Member Firm of:



Helmi Talib LLP is an accounting limited liability partnership [Registration Number (UEN) T20LL1986E] registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A).



Responsibilities of Management and Those Charged with Governance for Financial Statements (Continued)

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

Those charged with governance comprise of the directors of the Company. Their responsibilities include overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to
 fraud or error, design and perform audit procedures responsive to those risks, and obtain audit
 evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting
 a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may
 involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the
 disclosures, and whether the financial statements represent the underlying transactions and events
 in a manner that achieves fair presentation.

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

An Independent Member Firm of:





Report on Other Legal and Regulatory Requirements

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

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

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

HELMI TALIB LLP

Public Accountants and Chartered Accountants

ledlen - bull his

Singapore

23 August 2021

Partner-in-charge

Suriyati binti Mohamed Yusof

PAB No.

01627



Company Registration No.: 201301276N

(Registered under the Companies Act, Chapter 50, and Charities Act, Chapter 37, Singapore)

BALANCE SHEET

As at 31 March 2021

		2021	2020
	NOTE	\$	\$
ASSETS			
Non-Current Assets			
Property, plant and equipment	6 _	128,835	197,313
Total Non-Current Assets	_	128,835	197,313
Current Assets			
Receivables	7	382,494	806,248
Cash and cash equivalents	8	5,427,624	5,132,780
Total Current Assets	-	5,810,118	5,939,028
TOTAL ASSETS	_	5,938,953	6,136,341
LIABILITIES			
Current Liabilities			
Funds received as disbursement agent	9	(173,037)	(477,849)
Payables	10	(870,511)	(656,479)
Total Current Liabilities	<u></u>	(1,043,548)	(1,134,328)
TOTAL LIABILITIES		(1,043,548)	(1,134,328)
NET ASSETS	_	4,895,405	5,002,013
FUNDS			
Unrestricted Fund		0.475.005	4 000 400
General fund	(-	2,175,805	1,668,162
Total Unrestricted Fund	-	2,175,805	1,668,162
Restricted Funds			
FSC Operation Fund		2,687,128	3,295,915
Care and Share Fund			9,055
Family Partnership Platform Fund / Keystart Fund Food Ration Fund		32,472	13,241 15,640
Total Restricted Funds	_	2,719,600	3,333,851
	-	SANDARDON ANDVAL	STATE OFFICE SATIONS
TOTAL FUNDS	4 _	4,895,405	5,002,013

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

Company Registration No.: 201301276N

(Registered under the Companies Act, Chapter 50, and Charities Act, Chapter 37, Singapore)

STATEMENT OF FINANCIAL ACTIVITIES

For the financial year ended 31 March 2021

		0004		0000
NOTES	Unrestricted Funds \$	2021 Restricted Funds \$	Total \$	2020 Total \$
INCOME				
Income from generated funds				
Activities for generating fund Voluntary income Investment income	13,810 38,905 52,715	1,092,018 - 1,092,018	1,105,828 38,905 1,144,733	1,219,230 151,826 46,348 1,417,404
Income from charitable activities	400,000	3,607,891	4,007,891	3,018,938
Other income TOTAL INCOME	541,539 994,254	74,948 4,774,857	<u>616,487</u> <u>5,769,111</u>	27,485 4,463,827
EXPENDITURE				
Generating funds Charitable activities Governance costs Other expenditures	(110,106) - -	(5,647,296) (18,072) (100,245)	(5,757,402) (18,072) (100,245)	(413,544) (3,669,164) (15,278) (94,355)
TOTAL EXPENDITURES	(110,106)	(5,765,613)	(5,875,719)	(4,192,341)
Net Income/(expenditure) before taxation Taxation	884,148	(990,756)	(106,608)	271,486
Net Income/(expenditure), representing net movement in funds	884,148	(990,756)	(106,608)	271,486
Reconciliation of Funds Transfer of funds Total funds brought forward	(376,505) 1,668,162	376,505 3,333,851	5,002,013	4,730,527
Total funds carried forward 4	2,175,805	2,719,600	4,895,405	5,002,013

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

Company Registration No.: 201301276N

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STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2021

	NOTES	<u>2021</u> \$	<u>2020</u> \$
Cash flows from operating activities Net (loss)/income before taxation		(106,608)	271,486
Adjustments for:		61,340	48,007
Depreciation of property, plant and equipment Interest income Loss/(gain) on disposal of property, plant and equipment	6 4 4	97,595 (38,905) 2,650	95,376 (46,348) (1,021)
Operating cash flows before changes in working capita	I	(45,268)	319,493
Total changes in working capital		316,951	(427,635)
Decrease/(increase) in receivables Increase in payables Net decrease in funds received as disbursement agent		407,731 214,032 (304,812)	(489,639) 234,355 (172,351)
Net cash flows from operations Interest received Net cash flows generated from/(used in) operating activities	_	271,683 54,928 326,611	(108,142) 53,198 (54,944)
Cash flows used in investing activities Acquisition of property, plant and equipment	6	(31,767)	(33,281)
Net cash flows used in investing activities		(31,767)	(33,281)
Net increase/(decrease) in cash and cash equivalents Cash and cash equivalents at beginning of financial year Cash and cash equivalents at end of financial year		294,844 5,132,780 5,427,624	(88,225) 5,221,005 5,132,780

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

Company Registration No.: 201301276N

(Registered under the Companies Act, Chapter 50, and Charities Act, Chapter 37, Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

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

1 COMPANY INFORMATION

South Central Community Family Service Centre Limited (the "Company") was incorporated in the Republic of Singapore on 11 January 2013. The Company is limited by guarantee under the Companies Act, Chapter 50.

In addition, the Company is a registered charity under the Charities Act, Chapter 37 since 20 June 2013, and has been accorded the status of an Institution of Public Character ("IPC") up to 31 December 2023. The registration number is 201301276N.

The registered office and principal place of operation is situated at 5 Delta Avenue #01-09, Singapore 160005.

The principal activities of the Company involve the engagement in all activities normally associated with promoting and encouraging charitable activities and community engagement in fostering the social well-being of families among the poor and needy in Singapore and helping them towards self-reliance and stability.

There have been no significant changes in the nature of these activities during the financial year.

The financial statements of the Company for the financial year ended 31 March 2021 were authorised for issue in accordance with a resolution as at the date of the Directors' Statement.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements are prepared in accordance with the provisions of the Companies Act, Chapter 50 ("the Companies Act"), Charities Act, Chapter 37 and other relevant regulations ("the Charities Act and Regulations") and Charities Accounting Standard ("CAS").

The financial statements are prepared under the historical cost basis except as disclosed in the accounting policies below.

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

Significant accounting judgements and estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. All these judgments, estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may ultimately differ from those estimates.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Significant accounting judgements and estimates (Continued)

(i) <u>Judgements made in applying accounting policies</u>

Management is of the opinion that there are no critical judgements (other than those involving estimates) that have a significant effect on the amounts recognised in the financial statements.

(ii) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Useful lives of property, plant and equipment

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Company's property, plant and equipment as at 31 March 2021 is disclosed in Note 6.

2.2 Adoption of accounting policies

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous financial year.

2.3 Functional currency

The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be Singapore Dollar ("SGD"). Donations and grants received, major costs and operating expenses are primarily influenced by fluctuations in SGD.

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(Registered under the Companies Act, Chapter 50, and Charities Act, Chapter 37, Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation.

The cost of property, plant and equipment initially recognised includes its purchase price and any directly attributable costs of bringing the property, plant and equipment to working condition for its intended use. 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 expense is recognised in the statement of financial activities when incurred.

Depreciation is calculated on a straight-line basis to allocate the cost of the assets less residual values over their estimated useful lives. The estimated useful lives are as follows:

		<u>Years</u>
Equipment	-	5
Furniture and fittings	-	5
Computer and audio-visual peripherals	446	3
Leasehold improvements	-	5

There is no depreciation on project work in progress, as it is not yet available for use.

The residual values, useful life and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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

2.5 Financial assets

Financial assets are any asset that is either cash or equity instrument of another entity of which the Company has a contractual right:

- To receive cash or another financial asset from another entity; or
- To exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the Company.

Financial assets are recognised on the balance sheet when, and only when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are measured initially at the transaction price excluding transaction costs. Transaction costs shall be recognised as expenditure in the statement of financial activities as incurred. Subsequent to initial measurement, financial assets are measured at cost less any accumulated impairment losses.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Financial assets (Continued)

The Company classifies its financial assets into the following categories:

(a) Receivables

Receivables comprises of government funding receivables, accrued income, deposits, and other receivables.

(b) Cash and cash equivalents

Cash and cash equivalents comprise of fixed deposits, cash at bank and cash on hand.

2.6 Prepayments

Prepayments shall be initially recognised at the amount paid in advance for the economic resources expected to be received in the future. After initial recognition, prepayments shall be measured at the amount paid less the economic resources received or consumed during the financial year.

2.7 <u>Impairment of financial assets</u>

At the end of each reporting period, the Company shall assess whether there is objective evidence of impairment of its financial assets. If there is objective evidence of impairment (including significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates), the Company shall recognise an impairment loss (i.e. expenditure) immediately in the statement of financial activities.

Objective evidence that a financial asset or group of financial assets is impaired includes observable data that comes to the attention of the Company about the following loss events:

- (i) Significant financial difficulty of the debt/bond issuer or obligor.
- (ii) A breach of contract, such as a default or delinquency in interest or principal payments.
- (iii) The creditor, for economic or legal reasons relating to the debtor's financial difficulty, granting to the debtor a concession that the creditor would not otherwise consider.
- (iv) It has become probable that the debtor will enter bankruptcy or other financial re-organisation.
- (v) Observable data indicating that there has been a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, even though the decrease cannot yet be identified with the individual financial assets in the group, such as adverse national or local economic conditions or adverse changes in industry conditions.

An impairment loss is only reversed to the extent that the assets' carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not been previously recognised. The Company shall recognise the amount of the reversal in the statement of financial activities immediately.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Financial liabilities

Financial liabilities are any liability that is a contractual obligation by the Company to:

- Deliver cash or another financial asset to another entity; or
- Exchange financial assets or financial liabilities with another entity under conditions that are
 potentially unfavourable to the Company.

Financial liabilities are recognised on the balance sheet when, and only when the Company becomes a party to the contractual provisions of the financial instrument.

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

The Company classifies its financial liabilities into the following category:

(a) Payables

Payables comprises of accrued operating expenses and other payables. Accruals shall be recognised at the best estimate of the amount payable.

2.9 <u>Deferred income</u>

Income may also be subject to donor-imposed conditions that specify the time period in which the expenditure can take place. Such a pre-condition for use limits the Company's ability to expend the income until the time condition is met. For example, the receipt in advance of a grant for expenditure that must take place in a future financial period should be accounted for as deferred income and recognised as a liability until the financial period in which the recipient Company is allowed by the condition to expend the income.

2.10 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events where it is probable that it will result in an outflow of economic benefits to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Funds

(a) Unrestricted Fund

Unrestricted fund comprises general fund. General fund is used for the general purposes of the Company as set out in its governing document. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the Board of Directors' discretion to apply the fund.

The Company classifies the following fund as unrestricted fund:

General fund

(b) Restricted Funds

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

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

The Company classifies the following funds as restricted funds:

- FSC Operation Fund
- Care and Share Fund
- Family Partnership Platform Fund (FPP) / Keystart Fund
- Food Ration Fund

2.12 Funds received as disbursement agent

Funds received as disbursement agent are funds received but do not belong to the Company where it acts as agent or trustee of another charity or for the donor. The Company will act in line with the instructions of the principal and it has no discretion about the use to which the funds received are put. It does not have legal responsibility for ensuring the charitable application of the funds.

The Company has the following funds received as agent:

- MILK Scholarship and Education Support Fund
- Straits Times School Pocket Money Fund
- Lee Foundation Financial Assistance Fund
- FSC Comcare Fund
- Education-Related Fund
- Keystart Housing Fund

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Income recognition

Income shall be recognised in the statement of financial activities when the effect of a transaction or other event results in an increase in the Company's net assets. This normally arises when there is control over the rights or other access to the resource, enabling the Company to determine its future application, virtually certain that income will be received and the amount of the income can be measured with sufficient reliability.

(a) Income from generated funds

Voluntary income in the form of donations and income activities from generating funds are recognised when received with unconditional entitlement to the receipts.

(b) Income from charitable activities

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

(c) Other Income

Comprise government credits, refunds, reimbursements, services rendered and the likes are recognised as and when received.

(d) Benefit-in-kind

Benefit-in-kind is recognised as income when the Company obtains control of the benefit and the amount can be measured reliably.

2.14 Employee benefits

(a) Defined contribution plan

As required by law, the Company contributes to the employees' Central Provident Fund ("CPF") accounts monthly. CPF contributions are recognised as compensation expenses in the same period as the employment that gives rise to the contribution.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. The undiscounted liability for leave expected to be settled wholly within twelve months from the reporting date is recognised for annual leave as a result of services rendered by employees up to the end of the reporting period. The Company allows employee leave entitlements to carry forward for a maximum period of twelve months.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Expenditures

All expenditures are accounted for on an accrual basis, aggregated under the respective areas as soon as there is a legal or constructive obligation committing the Company to make payment. Direct costs are attributed to the activity where possible. Where costs cannot be wholly attributable to an activity, they have been apportioned on a basis consistent with the use of resources.

(a) Costs of generating funds

These costs are directly attributable to generating voluntary income and income from fundraising activities, separate from those costs incurred in undertaking charitable activities. These costs are met by contributions in the form of cash sponsorships and grants.

(b) Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the Company. The total costs of charitable expenditure include an apportionment of overhead and shared costs.

(c) Governance costs

Includes costs of preparation and examination of statutory accounts, expenses arising from convening board meetings, strategic planning processes that contribute to future development of the Company, consultancy fees incurred for the review of corporate governance, internal processes and controls; and fees pertaining to corporate secretarial and governance matters.

2.16 Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the lease term, are classified as operating leases.

Operating lease payments are charged to the statement of financial activities on a straight line basis over the term 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 year in which termination takes place.

2.17 Related party

Related parties include all of the following:

- (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 governing board member, trustee or member of the key management personnel of the Company or of a parent of the Company.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Related party (Continued)

Related parties include all of the following: (Continued)

- (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) the entity is an associate or joint venture of the Company (or an associate or joint venture of a member of a group of which the Company is a member) and vice versa;
 - (iii) the entity and the Company are joint ventures of the same third party;
 - (iv) the entity is a joint venture of a third entity and the Company is an associate of the third entity and vice versa;
 - (v) the entity is controlled or jointly controlled by a person identified in (a); and
 - (vi) a person identified in (a)(i) has significant influence over the entity or is a governing board member, trustee or member of the key management personnel of the entity (or of a parent of the entity).
- (c) Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the Company and include:
 - (i) that person's children and spouse or domestic partner;
 - (ii) children of that person's spouse or domestic partner; and
 - (iii) dependants of that person or that person's spouse or domestic partner.
- (d) A charity and another entity are not related parties simply because they have a governing board member, trustee, or other member of key management personnel in common or because the governing board member, trustee or other member of key management personnel of the charity has significant influence over the entity and vice versa.

3 RELATED PARTY DISCLOSURES

The following are significant transactions between the Company and related parties that took place during the financial year. The effects of these transactions are reflected in the financial statements on the basis determined between the parties.

Significant related party transactions

During the financial year, the Company has no significant related party transactions (2020: Nil).

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2021

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DETAILED STATEMENT OF FINANCIAL ACTIVITIES	CIAL ACTIVITIES						
2021	Unrestricted			Restricted			Total
		FSC	Care and	FPP/	Food	Total	
	General	Operation	Share	Keystart	Ration	Restricted	Total
	Fund	Fund	Fund	Fund*	Fund	Funds	Funds
HWCCN	€	↔	↔	↔	↔	€	↔
Income from generated funds							
Activities for generating funds							
Tax deductible charity dinner							
collection	•	1	30 1 08	•	•		3
Non-tax deductible charity dinner							
collection	٠		T.	ř	1		•
		1	A		1	A.	
		74					
Voluntary income							
Tax deductible donations	10,420	630,088	1	006	14,719	645,707	656,127
Non-tax deductible donations	1,740	437,896	Ē	1,145	7,270	446,311	448,051
Benefit-in-kind	1,650	ľ	ī	ı	•	•	1,650
	13,810	1,067,984	*	2,045	21,989	1,092,018	1,105,828
Investment income							
Interest income on fixed deposits	38,905	1	Ĭ	•		1	38,905
	38,905	a	ā	à	1	a	38,905
Total income from generated funds	52,715	1,067,984	Ĭ	2,045	21,989	1,092,018	1,144,733

Company Registration No.: 201301276N

(Registered under the Companies Act, Chapter 50, and Charities Act, Chapter 37, Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

Restricted	Food	Keystart Ration Restricted Total	Fund	 			- 2,223,207 2,223,207		- 118,573 118,573	61,237 - 61,237 61,237	- 626,799 1,026,799	*61,237 - 3,607,891 4,007,891		- 66,584 574,270	- 8,364 42,217	- 74,948 616,487	
	FSC Care and	Operation Share		8			2,223,207	578,075	118,573		**626,799	3,546,654		66,584	8,364	74,948	
Unrestricted		General	Fund	φ		ies		- 50	I	1	400,000	ivities 400,000		507,686	33,853	541,539	
2021					INCOME (Continued)	Income from charitable activities	MSF FSC Programme funding	Tote Board Social Service funding	ComChest grant	FPP/Keystart fund*	Other Grants**	Total income from charitable activities	Other income	Government incentives	Miscellaneous income		

*Funded by MILK

**Included in other grants is the grant received by the Company from National Council of Social Service's The Invictus Fund on 16 July 2020 amounting to \$50,000. During the financial year ended 31 March 2021, this amount was partially used to purchase computer and audio-visual peripherals amounting to \$18,018 (Note 6) and Software and IT maintenance expenses, i.e. salesforce licences, amounting to \$6,501 (Note 4).

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2021

DEIAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)	IAL ACTIVITIES (C	ontinuea)					
2021	Unrestricted			Restricted			Total
		FSC	Care and	FPP/	Food	Total	
	General	Operation	Share	Keystart	Ration	Restricted	Total
	Fund	Fund	Fund	Fund*	Fund	Funds	Funds
	49	8	₩	₩	s	8	8
EXPENDITURES							
Cost of generating funds							
Charity dinner cost	•	1	i	1	1	•	1
	j	1	ä	ä	ă	à	Ä
Charitable activities							
Annual variable wage component	1	(202,884)	5.5174 2.116 4.7370	(16,999)	1	(219,883)	(219,883)
Annual wage supplement	K	(143,980)	ii.	(6,742)	•	(150,722)	(150,722)
Bank charges	(8)	(1,475)	Ē	ı	(73)	(1,548)	(1,556)
Branding and promotion		(9,635)			1	(6,635)	(9,635)
Consultancy fees	(40,000)	(11,810)	i	٠	•	(11,810)	(51,810)
Education scholarship from C&S grant		ī	ı		ı	ı	ı
Emergency and enabling fund for							
members	•	(1,514)	3		1	(1,514)	(1,514)
Employer's central provident fund	i C	(329,642)		(10,557)	•	(340, 199)	(340, 199)
Event/Programme costs	(26,650)	(2,400,287)	Ľ	•	(5,044)	(2,405,331)	(2,461,981)
Food and refreshment for CE	•	(14,344)	ì	•		(14,344)	(14,344)
Foreign wage levy	•	(8,304)	ā			(8,304)	(8,304)
Fundraising Income disbursement	c		r.	•			
Income generation for members	ī	(14,424)	1	E	•	(14,424)	(14,424)

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2021

DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

Total		Total	Funds	8			(173)	(26,975)	(289)	(1,047)	(448)		(4,968)		(48,182)	(40,360)	(2,525)	(12,548)	(12,033)	(5,046)		•			(255)	(4,427)	(35 685)
	Total	Restricted	Funds	₩			(173)	(26,975)	(289)	(1,047)	(448)	(1,220)	(4,968)	(1,603)	(48, 182)	(26,912)	(2,525)	(12,548)	(12,033)	(5,046)	1	1		1	(255)	(4,427)	(35,685)
	Food	Ration	Fund	€			i		F.	1	1	1	ï	•	1	•	E	1	(40)	ı	f	1		1	•	1	
Restricted	FPP/	Keystart	Fund*	8				•	(62)		3	•	ľ		1	•	Ē	•	(185)		Ĭ	•		16	ľ	(226)	1
	Care and	Share	Fund	€9			9	ľ	È	Ĭ	ā	1	Ē	Ĩ	1		Ĺ	ì	ı		Ī	1		Ľ.		i	•
	FSC	Operation	Fund	\$			(173)	(26,975)	(227)	(1,047)	(448)	(1,220)	(4,968)	(1,603)	(48, 182)	(26,912)	(2,525)	(12,548)	(11,808)	(5,046)		1		i i	(255)	(4,201)	(35 685)
Unrestricted		General	Fund	8			•		•	1	9		r			(13,448)		3		ı	•	1			ī	ī	•
2021					EXPENDITURES (Continued)	Charitable activities (Continued)	Library and reference materials	Materials & Learning Resources	Miscellaneous expenses	Newspaper and periodicals	Non-capitalised expenses	Office equipment maintenance	Office equipment rental	Office insurance	Office maintenance	Office rental	Office supplies and expenses	Office utilities	Postage and courier services	Printing and stationeries	Processing fees	Professional fees	Ration, appliances and kinds	dispensed	Recruitment expenses	Skill development levy	Software and IT maintenance

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2021

DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

2021	Unrestricted			Restricted			Total
		FSC	Care and	FPP/	Food	Total	
	General	Operation	Share	Keystart	Ration	Restricted	Total
	Fund	Fund	Fund	Fund*	Fund	Funds	Funds
	69	€	↔	↔	8	€	€
EXPENDITURES (Continued)							
Charitable activities (Continued)							
Staff benefits	a	(62,374)	a	(2,040)	3	(64,414)	(64,414)
Staff medical and dental		(7,774)	TF	(869)	1	(8,372)	(8,372)
Staff insurance	ř	(14,571)	r		r	(14,571)	(14,571)
Staff leave benefits (Unconsumed						6	
leave)		(24,428)	SI	31	2. 1	(24,428)	(24,428)
Staff salaries	Ė,	(1,992,515)	ı	(94,163)	ı	(2,086,678)	(2,086,678)
Staff training	i	(32,943)	F	(260)	r	(33,203)	(33,203)
Subscriptions	7	(811)	80	x	1	(811)	(811)
Telephone and facsimile	100	(6,459)	800	•	•	(6,459)	(6,459)
Temporary staffing costs	Ė	(26,501)	r	Ē	1	(26,501)	(26,501)
Transportation for staff	ī	(14,970)	•	(363)	1	(15,333)	(15,333)
Web hosting/internet and broadband	1	(4,475)	ar.		,	(4,475)	(4,475)
	(110,106)	(5,509,944)	70007	(132,195)	(5,157)	(5,647,296)	(5,757,402)
Governance cost							
Professional fees	1	(16,781)	(1	1		(16,781)	(16,781)
Secretarial fees	E	(1,291)	r	ē	ē	(1,291)	(1,291)
		(18,072)	E	i		(18,072)	(18,072)

Company Registration No.: 201301276N

(Registered under the Companies Act, Chapter 50, and Charities Act, Chapter 37, Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

Total	Total Total Restricted Total Funds	€	- (97,595) (97,595) - (2,650) (2,650)	(1)	(5,765,613) (5,875,719)	2 (990,756) (106,608)			- 376,505 - 0 3,333,851 5,002,013	740 000 1
	Food Ration Fund	S			(5,157	16,832	16,832		15,640	32 472
Restricted	FPP/ Keystart Fund*	€9	2 2	ı	* (132,195)	(68,913)	(68,913)		55,672 13,241	
	Care and Share Fund	€	911.0	<u> </u>	Si	31	т г		(9,055) 9,055	
	FSC Operation Fund	↔	(97,595)	(100,245)	(5,628,261)	(938,675)	- (938,675)		329,888 3,295,915	2 687 128
Unrestricted	General	€	9 1		(110,106)	884,148	N 884,148		***(376,505) 1,668,162	2 175 805
2021	ľ	EXPENDITURES (Continued)	Other expenditures Depreciation of property, plant and equipment		TOTAL EXPENDITURES	NET INCOME/(EXPENDITURE) BEFORE TAXATION	Taxation NET INCOME/ (EXPENDITURE) REPRESENTING NET MOVEMENT IN FUNDS	RECONCILIATION OF FUNDS	Transfer of funds Total funds brought forward	Total funds carried forward

*Funded by MILK

***As at year-end, the Company transferred the funds that is set aside for =DREAMS programme from general fund to FSC operations fund in preparation of transferring the amount to a separate legal entity, =DREAMS (Singapore) Limited after year-end on 1 April 2021.

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2021

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DETAILED STATEMENT OF FINANCIAL ACTIVITIES	ANCIAL ACTIVITIES	o					
2020	Unrestricted			Restricted			Total
	General Fund	FSC Operation Fund	Care and Share Fund	FPP/ Keystart Fund*	Food Ration Fund	Total Restricted Funds	Total Funds
INCOME	₩	Θ	↔	€	€	ь	€
Income from generated funds Activities for generating funds							
Tax deductible charity dinner collection	1,016,730	9	9	1	¥	1	1,016,730
Non-tax deductible cnarity dinner collection	202,500	1	ı		t		202,500
	1,219,230		L	Ē	r	1	1,219,230
Voluntary income Tax deductible donations	85,620	3	1	ī	5,708	5,708	91,328
Non-tax deductible donations	52,338))	ä	ā	7,910	7,910	60,248
Benefit-in-kind	138 208	3 0	t 1	4 0	13.618	13.6/8	151 826
Investment income	000		9		200		20,5
Interest income on fixed deposits	20.471	25.877	1	1		25,877	46,348
1.0000000000000000000000000000000000000	20,471	25,877	a	1	1	25,877	46,348
Total income from generated funds	1,377,909	25,877	/6	T	13,618	39,495	1,417,404

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2021

DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

2020	Unrestricted			Restricted			Total
	General Fund	FSC Operation Fund	Care and Share Fund	FPP/ Keystart Fund*	Food Ration Fund	Total Restricted Funds	Total Funds
	မ	မာ	8	8	5	8	\$
Income from charitable activities		S AND					
MSF FSC Programme funding Tote Board Social Service	*	2,085,566	ï			2,085,566	2,085,566
funding	1	544,935	Î.	r	r.	544,935	544,935
ComChest grant	ä	109,381	3	1	9	109,381	109,381
FPP/Keystart fund			1	222,120	į	222,120	222,120
LCG Grant	(1)	56,938	1	31	1	56,936	56,936
Total income from charitable activities	1	2,796,818	ï	*222,120		3,018,938	3,018,938
Other income	,	18 413	9	1 360	,	19 773	19 773
Miscellaneous income	7.262	450	ı	2	1	450	7,712
	7,262	18,863		1,360	t	20,223	27,485
TOTAL INCOME	1,385,171	2,841,558	þ	223,480	13,618	3,078,656	4,463,827

*Funded by MILK

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2021

DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)	NANCIAL ACTIVITIE	s (continued)					
2020	Unrestricted			Restricted			Total
	General Fund	FSC Operation Fund	Care and Share Fund	FPP/ Keystart Fund*	Food Ration Fund	Total Restricted Funds	Total Funds
EXPENDITURES	↔	↔	↔	€	\$	€9	\$
Cost of generating funds Charity dinner cost	(413,544) (413,544)	2 1	n (n)	a 70	1 1		(413,544) (413,544)
Charitable activities Annual variable wage	,	(211.378)	t	(12.928)	,	(224.306)	(224,306)
Annual wage supplement	ř	(163,014)	Ē	(6,833)	È	(169,847)	(169,847)
Bank charges	í	(3,237)	ı	1	1	(3,237)	(3,237)
Branding and promotion		(11,113)	1	2,116		(8,997)	(8,997)
Consultancy fees	i	(5,556)	1	(292)	ı	(5,848)	(5,848)
Education scholarship from C&S			(11 050)			(44.950)	(14 850)
grant Emergency and enabling fund for		ı	(14,850)	ř		(14,630)	(14,030)
members	ï	(2,830)	Ĭ	ï	ï	(2,830)	(2,830)
Employer's central provident							
fund	•	(308,254)	1	(24,232)	1	(332,486)	(332,486)
Evenive ograffine costs	ı	(600,101)	•	(10,000)		(776,411)	(776,411)
Food and refreshment for CE	THE STATE OF THE S	(3,152)	i.	1		(3,152)	(3,152)
Foreign wage levy	i	(11,880)	1	•	1	(11,880)	(11,880)
Fundraising Income disbursement	(210,550)	ï	E	ë	ï	ř	(210,550)
Income generation for members	15 mm	(1,336)		I i	Ĕ	(1,336)	(1,336)

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2021

DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

		(continued)					
2020	Unrestricted			Restricted			Total
	General Fund	FSC Operation Fund	Care and Share Fund	FPP/ Keystart Fund*	Food Ration Fund	Total Restricted Funds	Total Funds
EXPENDITURES (Continued)	€	€	€	€	49	ω	₩
Charitable activities (Continued)							
Library and reference materials	7.6	(158)		i	ï	(158)	(158)
Miscellaneous expenses		(1,195)	1	1	ï	(1,195)	(1,195)
Newspaper and periodicals	ì	(789)	(#)	1	ï	(789)	(789)
Non-capitalised expenses	ä	(2,098)	1	(65)	Ĭ	(5,163)	(5,163)
Office equipment maintenance	ĩ	(1,044)	ì	(19)	1	(1,063)	(1,063)
Office equipment rental	ì	(3,041)	ì	(160)	1	(3,201)	(3,201)
Office insurance	ř	(1,075)	Ü	(2)	ť	(1,077)	(1,077)
Office maintenance	Î.	(39,165)	1	(160)	a	(39,325)	(39,325)
Office rental	ī	(35,427)	ı	1	ĭ	(35,427)	(35,427)
Office supplies and expenses	1	(2,920)	1	T	ı	(2,920)	(2,920)
Office utilities	Î	(13,158)	ji	(693)	i	(13,851)	(13,851)
Postage and courier services	ñ	(838)		(8)	Ë	(949)	(949)
Printing and stationeries	Î	(6,381)	1	(1,055)	Î	(7,436)	(7,436)
Processing fees	ì	(99)	*	ī	ı	(22)	(99)
Professional fees	1	(10,890)		1	1	(10,890)	(10,890)
Ration, appliances and kinds							
dispensed		1	Ĭ	Ĩ	(7,156)	(7,156)	(7,156)
Recruitment expenses	,	(473)	ä	ã	ä	(473)	(473)
Skill development levy	i	(4,127)	Ĭ.	(326)	ï	(4,483)	(4,483)
Software and IT maintenance	i,	(11,091)	ľ	(571)	r	(11,662)	(11,662)

Company Registration No.: 201301276N (Registered under the Companies Act, Chapter 37, Singapore)

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2021

4	DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)	VANCIAL ACTIVITI	ES (Continued)				
	<u>2020</u>	Unrestricted			Restricted		
		General	FSC Operation Fund	Care and Share Fund	FPP/ Keystart Fund*	Food Ration Fund	Total Restricted Funds
	EXPENDITURES (Continued)	€9	ω	s	\$	€	φ.
	Charitable activities (Continued)						
	Staff benefits	1	(45,797)	3	(3,431)	1	(49,228)
	Staff medical and dental	31	(10,614)	2	(1,164)	1	(11,778)
	Staff insurance	3(1)	(15,591)		(1,033)	•	(16,624)
	Staff leave benefits		1				
	(Unconsumed leave)		(2,715)	1	(2,392)	1	(2,107)
	Staff salaries	(1)	(1,995,056)	3.	(146, 766)	1	(2,141,822)
	Staff training	II.	(82,670)	10	(3,591)	•	(86,261)
	Subscriptions	3	(326)	,	(19)	1	(375)
	Telephone and facsimile	I	(8,230)		(410)	1	(8,640)
	Temporary staffing costs	10	1	15	(1,785)	1	(1,785)
	Transportation for staff	1	(31,741)	1	(3,741)	3	(35,482)
	Web hosting/internet and broadband	1	(814)	3	(37)		(851)
		(210,550)	(3,213,128)	(14,850)	(223,480)	(7,156)	(3,458,614)
	Governance cost						
	Audit fees	(3,000)	(10,165)	<u>a</u>	X	i	(10,165)
	Professional fees	Ü	(2,100)	3	3	1	(2,100)
	Secretarial fees	1	(13)	•	•	1	(13)
		(3,000)	(12,278)	9	7	ā	(12,278)

(49,228) (11,778) (16,624)

Funds

S

Total

Total

(375) (8,640) (1,785) (35,482)

(851)

(3,669,164)

(2,141,822) (86,261)

(5,107)

(13,165) (2,100) (13)

(15,278)

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2021

DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

	EXPENDITURES (Continued) Other expenditures Depreciation of property, plant and equipment Gain on disposal of assets TOTAL EXPENDITURES BEFORE TAXATION Taxation NET INCOME/ (EXPENDITURE) DEDESCENTING NET	General Op Fund \$ (87,620) (87,620) (714,714) (3,	FSC peration Fund \$ \$ 1,021 1,021 1,021 (382,827)	Care and Share Fund \$ (7,289) (7,289) (22,139)	FPP/ Keystart Fund* \$ (467) (223,947) (467)	Food Ration Fund \$	Total Restricted Funds \$ (7,756) 1,021 (6,735) (3,477,627)
670 457 (382 827) (22 139) (467) 6 462	(EXPENDITORE) REPRESENTING NET MOVEMENT IN FUNDS		(382 827)	(22 139)	(467)	6.462	
			678 742	31 104	13 708	9 178	3,732,822
997,705 3,678,742 31,194 13,708 9,178 3,732,822			7,010,	101,10	0,10		The second secon

*Funded by MILK

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2021

ALLOCATIONS OF INCOME AND COSTS ON ACTIVITY BASIS

2

The table below shows the allocation of the funds received and the costs incurred per activity of the Company:

Net income/	(expenditure)	↔	,	(938,675)	884,148		(68,913)		16,832	(106,608)
	Total costs	\$		(5,628,261)	(110,106)		(132,195)		(5,157)	(5,875,719)
EXPENSES	Support costs	€		(316,255)	(13,456)		(610)		ì	(330,321)
	Direct costs	ક્ક		(5,312,006)	(96,650)		(131,585)		(5,157)	(5,545,398)
	INCOME	8		4,689,586	994,254		63,282		21,989	5,769,111
			2021 Family Service Centre (FSC) Operations	- Case Management	- Other FSC operations	Family Partnership Platform	- Keystart	Food ration	- Food assistance operations	

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(Registered under the Companies Act, Chapter 50, and Charities Act, Chapter 37, Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

ALLOCATIONS OF INCOME AND COSTS ON ACTIVITY BASIS (Continued)

2

Net income/	(expenditure)	6		(382,827)	(22, 139)	670,457		(467)		6,462	271,486
	Total costs	€		(3,224,385)	(22, 139)	(714,714)		(223,947)		(7,156)	(4,192,341)
EXPENSES	Support costs	€		(187,760)	(7,289)	(90,620)		(7,407)		ā	(293,076)
	Direct costs	€		(3,036,625)	(14,850)	(624,094)		(216,540)		(7,156)	(3,899,265)
	INCOME	⇔		2,841,558	3	1,385,171		223,480		13,618	4,463,827
			<u>2020</u> Family Service Centre (FSC) Operations	- Case Management	- Community Engagement	- Other FSC operations	T 31. D - 41. 2 2 2 1 1 1 1 1 1 1 2 1 2 1	Family Parmership Planorm - Keystart	Food ration	- Food assistance operations	

Direct costs

These are expenditures that are directly attributable to a particular activity of the Company. These include manpower costs and other programme costs.

Support costs

These are expenditures that are incidental to the performance of a programme or activity of the Company. These expenditures include but are not limited to rentals, maintenance, printing and stationery, postage and utilities.

The Company uses the following bases in order to allocate its support costs:

- Floor area used by each activity
- Staff headcounts working on each activity ← ~i

Other support costs that can be clearly attributable to a particular activity are charged on actual basis.

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2021

PROPERTY, PLANT AND EQUIPMENT

26,747 5,973 - 69,815 67,287 3,211 2,500
67,287 2,500
0001
(649) (8,704)
61,083
30,769
11,329
(88)
42,030
11,348
(6,054)
47,324
25 257
167'67
13,759

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

7 RECEIVABLES

	2021	2020
	\$	\$
Accrued income	338,563	369,518
Prepayments	28,516	20,207
Deposits	10,495	5,256
Other receivables	3,578	19,602
Advances to staff	1,342	1000 C. 1000 C
Job support scheme	=	226,067
Care and Share receivables		165,598
	382,494	806,248

Job Support Scheme ("JSS") is a grant receivable which pertains to the committed amount made by the Inland Revenue Authority of Singapore ("IRAS" that aims to provide wage support to employers due to the COVID-19 pandemic. The related deferred grant income is recognised under payables and will be recognised as an income on a systematic basis over the remaining period of economic uncertainty (Note 10).

The Company has no JSS receivable during the financial year (2020: \$226,067).

8 CASH AND CASH EQUIVALENTS

	2021	2020
	\$	\$
Fixed deposits	3,500,000	3,150,000
Cash at bank	1,923,624	1,979,385
Cash on hand	4,000	3,395
	5,427,624	5,132,780

Cash at bank and on hand

Cash at bank are held in non-interest bearing current accounts.

Out of the total cash at bank and on hand, \$171,037 (2020: \$476,249) of cash at bank balance and \$2,000 (2020: \$1,600) of cash on hand balance are funds received by the Company as disbursement agent (Note 9).

Fixed deposits

The Company places excess cash on short term deposits usually for a period of up to 12 months depending on the immediate cash requirements of the Company.

Fixed deposits earn interest ranging from 0.30% to 0.35% per annum (2020: 1.40% to 1.90% per annum).

For the purpose of the statement of cash flows, cash and cash equivalents comprise of the balances as shown above.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

9 FUNDS RECEIVED AS DISBURSEMENT AGENT

	<u>2021</u> \$	<u>2020</u> \$
Balance at beginning of the financial year	477,849	650,200
Funds received during the financial year	118,843	479,756
Interest on fixed deposits	100	3,707
Expenses incurred during the financial year	(120,000)	(159,771)
Disbursement/Utilisation during the financial year	(303,655)	(496,043)
Balance at end of the financial year	173,037	477,849

Funds received as disbursement agent are funds received but do not belong to the Company where it acts as agent or trustee of another charity or for the donor. The Company will act in line with the instructions of the principal and it has no discretion about the use to which the funds received are put to. It does not have legal responsibility for ensuring the charitable application of the funds.

(a) MILK Scholarship and Education Support Fund

"Mainly I love kids" ("MILK") Fund supports disadvantaged youth to realise their tertiary education aspirations and provide them opportunities to develop to their potential to the fullest through education scholarship. MILK scholarship covers the tuition fees and other education-related expenses.

(b) Straits Times School Pocket Money Fund ("SPMF")

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

(c) Lee Foundation Financial Assistance Fund

Lee Foundation is one-off financial assistance given to named individuals or families as income supplement for daily living expenses or children's education use. The Company will disburse an equal monthly sum to beneficiaries over a prescribed period.

(d) FSC Comcare Fund ("FCF")

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

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

9 FUNDS RECEIVED AS DISBURSEMENT AGENT (Continued)

(e) Education-Related Fund

Funds received from individual donors to support student beneficiaries for their education-related expenses.

(f) Keystart Housing Fund

Keystart funds were received from MILK to provide support for families with young children in achieving housing stability through access to the following:

- (i) affordable and sustainable home ownership;
- (ii) opportunities and resources for upward social mobility, and
- (iii) home mortgage financing for asset building

10 PAYABLES

<u>2021</u>	2020
\$	\$
463,112	430,412
407,399	-
-	226,067
870,511	656,479
	\$ 463,112 407,399

Job Support Scheme is a deferred income which pertains to the committed amount made by the Inland Revenue Authority of Singapore ("IRAS") that aims to provide wage support to employers due to the COVID-19 pandemic. The related grant receivable is recognised as an accrued income under receivables which will be collected based on the scheduled payout as determined by the Singapore government (Note 7).

The Company has no JSS deferred income during the financial year (2020: \$226,067).

11 FUNDS ACCOUNTS BALANCES

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

FSC supports the low-income families, especially those with a socially disadvantaged background to help them out of the poverty cycle. This is done by facilitating their access to social services, financial and other resources in order to enhance their ability to achieve sustainable financial independence and strengthening their integration into their neighbourhoods and communities. The Company also works proactively with other stakeholders in the community to bring about a network of support that protects such families from disintegrating and encourage these families into becoming active and contributing members of their communities.

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

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

11 FUNDS ACCOUNTS BALANCES (Continued)

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

The accumulated reserves ("Reserves") of the FSC programme as at financial year ended 31 March 2021 amounts to \$2,687,128 (2020: \$3,295,915) indicated in Note 4 are restricted for the operation of the FSC Programme only, for the benefit of its intended beneficiaries. In keeping with the funder/donor's intent for the use of monies, the Reserves will not be transferred out of the programme for other purposes.

(b) Care and Share Fund

The Care and Share Fund is the matching grant paid out by the Singapore Government as part of the national fund-raising and volunteerism movement for the social service sector launched in October 2013. The matching grant will be used to develop Voluntary Welfare Organisation ("VWO") and programmes to better serve beneficiaries and communities.

This fund can be utilised for following categories:

- (i) Capability building for both organisational and manpower development,
- (ii) Capacity building in area of physical infrastructure and IT investment,
- (iii) Rolling out of new programmes to meet emerging needs and
- (iv) Enhancement of existing services, and funding of critical operational needs.

VWOs have up to 31 March 2021 to utilise the grant.

(c) Family Partnership Platform Fund (FPP) / Keystart Fund

FPP and Keystart Fund is a 3-way partnership, between SCC's members, family partners and social workers, to connect low-income members with the larger community through befriending relationships, economic opportunities and connections, and financial support which may go towards educational, transport expenses, housing support etc.

The funding for FPP and Keystart programme will principally come from the President's Challenge 2016 and MILK.

(d) Food Ration Fund

Donation received that are earmarked for supply of food ration to needy families.

12 TAX EXEMPT RECEIPTS

The Company issued tax deduction receipts for donations received from voluntary income for the financial year ended 31 March 2021 amounting to \$656,127 (2020: \$1,108,058).

13 INCOME TAX

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

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

14 OPERATING LEASE COMMITMENTS

The Company has entered into operating leases on its premises and its photocopier machine.

Rental expenses for premises and photocopier machine for the Company recognised in the statement of financial activities for the financial year ended 31 March 2021 amount to \$40,360 and \$4,968 (2020: \$35,427 and \$3,201), respectively.

Premises

The Company has entered into a lease agreement with the Housing Development Board ("HDB") on 18 October 2013, with subsequent amendment for the extended space on 14 April 2018. No commitment has been made for rental of premises. The Company has continued to utilise the premises on the understanding with HDB that the rental of premises may be terminated by either lessee or lessor without assigning any reason thereof on giving the other one month's notice in writing. The Company has no intention to terminate the lease on its premises for the subsequent year. The lease agreement does not include any contingent rent provision in the contract.

On 13 September 2019, the Company has entered into a lease agreement with Ministry of Social and Family Development ("MSF"). The lease for the premises has a tenure of 3 years and has the option to renew the agreement for another 2 years at a rental amount to be agreed.

Photocopier machine

The lease on the photocopier machine has an average tenure of 5 years with no renewal clause. The lease agreement does not include any contingent rent provision in the contract.

Future minimum lease payments payable under non-cancellable operating leases for photocopier machine as of 31 March are as follows:

<u>2021</u> \$	<u>2020</u> \$
18,612	13,212
29,804	20,216
48,416	33,428
	29,804

15 REMUNERATION OF KEY MANAGEMENT PERSONNEL

	<u>2021</u> \$	<u>2020</u> \$
Short-term employee benefits	470,512	649,353

Key management personnel consist of the Executive Director, 1 Lead Social Worker and 2 Assistant Directors from social work, community engagement and corporate services (2020: Executive Director and 3 Assistant Directors from social work, community engagement, family partnership, team integration and corporate services). The team collectively plans, directs and manages the Company's vision, strategic plans and programmes.

Short-term employee benefits comprise basic annual salary, annual wage supplement, annual variable component and contributions to Central Provident Fund. Fringe benefits are excluded.

During the current financial year, 2 employees have received a total annual remuneration within the range of \$100,000 to \$150,000 (2020: 2 employees) and 1 employee has received a total annual remuneration within the range of \$150,000 to \$200,000 (2020: 1 employee).

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

16 FUND-RAISING

Fund-raising appeals

The Company does not have any donations arising from public fund-raising activities during the financial year (2020: Nil).

17 MANAGEMENT OF RESERVES

The Company regards its unrestricted general fund as its reserves for providing financial stability and a means for the development of its principal activity. In order to ensure that services to the beneficiaries can continue for another year or more, the Company aims to maintain its reserves together with the restricted funds at a level of at least one year of its annual operating expenditure.

The Board reviews its reserve policy annually to ensure that the amount of reserves required is adequate.

Net cash resources of the Company are as follows:

	<u>2021</u>	<u>2020</u>
	\$	\$
Cash and cash equivalents (Note 8)	5,427,624	5,132,780
Receivables - excluding prepayments (Note 7)	353,978	786,041
Funds received as disbursement agent (Note 9)	(173,037)	(477,849)
Payables - excluding deferred income (Note 10)	(870,511)	(430,412)
	4,738,054	5,010,560

The Company's overall approach to management of reserves remain unchanged from the previous financial year.

The Company is not subject to any externally imposed reserve requirements.

18 DONATION-IN-KIND AND SPONSORSHIP-IN-KIND

During the financial year, the Company received pro bono corporate secretarial services, legal advices and benefits-in-kind from corporates and the public. It also operates a Goodwill Xchange where used but usable items, such as clothes, books, toys, electrical appliances, in which the item values are often non-substantial and neither can they be reasonably quantifiable, donated by the community to be given away free to the community in need. Besides receiving sponsorship-in-kind for community events, like providing free transportation, manpower, logistic supplies and food items, the Company received goodwill food ration, such as rice, packet noodle, cooking oil, sugar, beverages, canned food, milk powder from walk-in donors and they were being issued free to the needy families.

The following items of benefit-in-kind are not captured in above statement of activities of the Company:

	Estimated amount	
Item event / description	\$	
<u>2021</u>		
Goodwill food ration		
Food ration received	14,555	

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NOTES TO THE FINANCIAL STATEMENTS

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18 DONATION-IN-KIND AND SPONSORSHIP-IN-KIND

The following items of benefit-in-kind are not captured in above statement of activities of the Company: (Continued)

Item event / description \$

2020

Goodwill food ration
Food ration received 5,824

19 EVENT AFTER REPORTING PERIOD

During the financial year, the Company initiated a programme called =DREAMS, which is a secular, co-ed weekday residential model that provides after school education and holistic support. The program aspires to create a holistic, child-centric system of care.

Donations received by the Company intended to support =DREAMS programme and the costs incurred related to the programme were kept and managed by the Company under the General Fund. As the scale of the program is significant, the Company agreed that the =DREAMS programme should be run by a separate legal entity =DREAMS (Singapore) Limited to manage and operate the programme.

During the financial year, the total =DREAMS programme fund available is \$1,018,642. Of this amount, \$642,137 was transferred to =DREAMS Singapore Limited during the financial year. The remaining fund of \$376,505 was held by the Company and was transferred from General Fund to Restricted Fund (FSC Operations Fund) on 31 March 2021. The remaining fund was transferred to =DREAMS Singapore Limited on 31 May 2021.

On 1 April 2021, =DREAMS Singapore Limited obtained its IPC registered charity status.