

**KAMPONG KAPOR FAMILY SERVICE CENTRE**

**FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM  
5 FEBRUARY 2010 (DATE OF ESTABLISHMENT)  
TO 31 MARCH 2011**

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**BAKER TILLY  
TFW LLP**

Certified Public Accountants



an independent member of

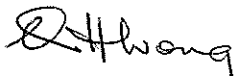
**BAKER TILLY  
INTERNATIONAL**

**THE MANAGEMENT COMMITTEE**

**KAMPONG KAPOR FAMILY SERVICE CENTRE**

**STATEMENT BY THE MANAGEMENT COMMITTEE**

On behalf of the Management Committee, we, Wong Quek Hin and Michael Chia Ping Kheong, being the Chairman and Honorary Treasurer of Kampong Kapor Family Service Centre (“Society”) respectively, do hereby state that in our opinion, the financial statements on pages 3 to 15 are properly drawn up in accordance with the Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Society as at 31 March 2011 and of its results, changes in accumulated fund and specific funds and cash flows of its operations for the financial period from 5 February 2010 (date of establishment) to 31 March 2011.



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Wong Quek Hin  
Chairman



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Michael Chia Ping Kheong  
Honorary Treasurer

15 August 2011



**BAKER TILLY  
TFW LLP**

Certified Public Accountants

15 Beach Road #03-10 Beach Centre  
Singapore 189677  
Tel : (65) 6336 2828  
Fax: (65) 6339 0438  
www.bakertillytfw.com

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
KAMPONG KAPOR FAMILY SERVICE CENTRE**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Kampong Kapor Family Service Centre ("Society") as set out on pages 3 to 15, which comprise the balance sheet as at 31 March 2011, the statement of comprehensive income, statement of changes in accumulated fund and specific funds and statement of cash flows for the period from 5 February 2010 (date of establishment) to 31 March 2011, and a summary of significant accounting policies and other explanatory notes.

*Management Committee's Responsibility for the Financial Statements*

The Management Committee is responsible for the preparation and fair presentation of these financial statements in accordance with Singapore Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

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

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

*Opinion*

In our opinion, the financial statements are properly drawn up in accordance with Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Society as at 31 March 2011 and the results, changes in accumulated fund and specific funds and cash flows of the Society for the financial period from 5 February 2010 (date of establishment) to 31 March 2011.

**Report on Other Legal and Regulatory Requirements**

In our opinion,

- a) the accounting and other records required by regulations enacted under the Societies Act to be kept by the Society have been properly kept in accordance with those regulations; and
- b) the use of donation money is in accordance with the objectives of the Society.

**Baker Tilly TFW LLP**  
Public Accountants and  
Certified Public Accountants  
Singapore

15 August 2011

## KAMPONG KAPOR FAMILY SERVICE CENTRE

### STATEMENT OF COMPREHENSIVE INCOME

For the financial period from 5 February 2010 (date of establishment) to 31 March 2011

	Notes	\$
<b>Income</b>		
Donations	3	86,855
Government subsidy		27,218
Government subvention grants		694,397
NCSS grants		663,774
VCF Fundings		14,917
Programme and membership income		43,558
Sundry income		1,708
Amortisation of capital grant	7	22,737
		<hr/> 1,555,164
<b>Less expenditure</b>		
<i>Expenditure on manpower</i>		
Central Provident Fund		125,098
Helpers' allowance		9,225
Manpower contract services		2,319
Recruitment expenses		683
Salaries and related costs		956,256
Staff benefits		21,454
Staff training		5,299
		<hr/> 1,120,334
<i>Maintenance</i>		
Depreciation	5	29,256
Rent of building, equipment and others		29,135
Repairs and maintenance		1,989
		<hr/> 60,380
<i>General expenditure</i>		
Air tickets and overseas accommodations		6,052
Audit fees		4,500
Bank charges		175
Communications		7,014
Insurance		2,821
Installations and dismantling expenses		3,668
Membership fees		139
Foods and refreshments		22,916
Stationery and printings		5,828
Professional fees		26,776
Special assistance to clients		29,498
Supplies and materials		9,492
Sundry expenses		3,988
Transport and travelling		1,462
Utilities		17,650
Volunteers honorarium		126
		<hr/> 142,105
<b>Total expenditure</b>		<hr/> 1,322,819
Surplus before donation from other organisation		232,345
Donation from Methodist Welfare Services	4	1,600,380
		<hr/> 1,832,725
<b>Net surplus for the financial period and total comprehensive income</b>		<hr/> <hr/> 1,832,725

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

# KAMPONG KAPOR FAMILY SERVICE CENTRE

## BALANCE SHEET

At 31 March 2011

	Notes	\$
<b>Non-current asset</b>		
Plant and equipment	5	48,797
		<hr/>
<b>Current assets</b>		
Other receivables	6	16,356
Cash and bank balances		1,889,783
		<hr/>
		1,906,139
		<hr/>
<b>Total assets</b>		1,954,936
		<hr/>
<b>Non-current liability</b>		
Capital grant	7	32,344
		<hr/>
<b>Current liability</b>		
Sundry payables and accruals	8	61,389
		<hr/>
<b>Total liabilities</b>		93,733
		<hr/>
<b>Net assets</b>		1,861,203
		<hr/>
<b>Funds</b>		
<i>Unrestricted Fund</i>		
Accumulated Fund	9	1,831,968
<i>Restricted Fund</i>		
School Pocket Money Fund	10	27,276
Financial Assistance Fund	11	1,959
		<hr/>
		1,861,203
		<hr/>

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

**KAMPONG KAPOR FAMILY SERVICE CENTRE**

**STATEMENT OF CHANGES IN ACCUMULATED FUND AND SPECIFIC FUNDS  
For the financial period from 5 February 2010 (date of establishment) to 31 March 2011**

	Unrestricted	← Restricted Funds →		Total
	Fund	Financial Assistant Fund	School Pocket Money Fund	
	Accumulated Fund	Financial Assistant Fund	School Pocket Money Fund	Total
	\$	\$	\$	\$
Balance at 5 February 2010 (date of establishment)	–	–	–	–
Net surplus and total comprehensive income for the financial period	1,832,725	1,202	27,276	1,861,203
Transfer of funds	(757)	757	–	–
<b>Balance at 31 March 2011</b>	<b>1,831,968</b>	<b>1,959</b>	<b>27,276</b>	<b>1,861,203</b>

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

## KAMPONG KAPOR FAMILY SERVICE CENTRE

### STATEMENT OF CASH FLOWS

For the financial period from 5 February 2010 (date of establishment) to 31 March 2011

	\$
<b>Cash flows from operating activities</b>	
Surplus for the financial period	1,832,725
Adjustments for:	
Depreciation	29,256
Donation of plant and equipment from MWS	(64,753)
Amortisation of capital grant	(22,737)
	<hr/>
Operating cash flow before working capital changes	1,774,491
Receivables	(16,356)
Payables	61,389
	<hr/>
Cash from operations	1,819,524
Capital grant	55,081
	<hr/>
<b>Net cash from operating activities</b>	1,874,605
	<hr/>
<b>Cash flows from investing activity</b>	
Purchase of plant and equipment	(13,300)
	<hr/>
<b>Cash flows from restricted funds</b>	
School Pocket Money Fund	27,276
Financial Assistance Fund	1,202
	<hr/>
<b>Net cash from restricted funds</b>	28,478
	<hr/>
<b>Net increase in cash and cash equivalents and balance at end of the period</b>	<b>1,889,783</b>
	<hr/>

Cash and cash equivalents is represented by the cash and bank balances as shown on the balance sheet.

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

# KAMPONG KAPOR FAMILY SERVICE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 5 February 2010 (date of establishment) to 31 March 2011

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

### 1 General information

Kampong Kapor Family Service Centre is registered in Singapore under the Societies Act.

The Society provides casework and counselling, information and referral services, preventive and developmental programmes and activities for individuals and families in need. The objective of the programmes and services is to develop and strengthen clients' resilience and social support networks within family and community. It is located at Blk 2 Kitchener Road, #03-89, Singapore.

### 2 Significant accounting policies

#### a) Basis of preparation

The financial statements, expressed in Singapore dollars which is the functional currency of the Society, have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. There were no significant judgment and estimates made during the financial period.

The carrying amounts of cash and bank balances, other current receivables and payables and provisions approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

In the current financial year, the Society has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial year. The adoption of these new/revised FRS and INT FRS has no material effect on the financial statements.



## 2 Significant accounting policies (cont'd)

### a) Basis of preparation (cont'd)

At the date of the balance sheet, the following FRSs and Interpretations of FRS ("INT FRS") were issued, revised or amended but not effective:

FRS 24	Related Party Disclosures
INT FRS 115	Agreements for the Construction of Real Estate
INT FRS 119	Extinguishing Financial Liabilities with Equity Instruments
Amendments to FRS 12	Deferred Tax: Recovery of Underlying Assets
Amendments to FRS 101	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to FRS 101	Limited Exemption from Comparative FRS 107 Disclosures for First-time Adopters
Amendments to FRS 107	Disclosures - Transfers of Financial Assets
Amendments to INT FRS 114	Prepayments of a Minimum Funding Requirement
Improvements to FRSs 2010 project	

At the date of the balance sheet, the Society anticipates that the adoption of these FRS and INT FRS that were issued, revised or amended but not effective will have no material impact on the financial statements of the Society in the year of initial application.

### b) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any impairment loss. Depreciation is charged on the straight-line method to write off the assets over their estimated useful lives as follows:-

Computers	- 3 years
Furniture, fittings & office equipment	- 10 years
Renovations	- 5 years

On disposal of plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

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

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

### c) Income recognition

Donations	- when received
Programme income	- over the period of provision of services to clients

### d) Grants

#### *Capital grants*

Capital grants received are amortised over the useful lives of the assets acquired using the grants.

Total capital grants received less the amounts amortised to profit or loss at the balance sheet date are included in the balance sheet as capital grants.

#### *Revenue grants*

Grants of a revenue nature are credited to profit or loss in the period to which they relate.

## 2 Significant accounting policies (cont'd)

### e) Employee benefits

#### *Defined contribution plans*

The Society contributes to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Singapore Government. Contributions to CPF are charged to profit or loss in the period in which the contributions relate.

### f) Impairment of non-financial assets

Non-financial assets are reviewed for impairment at each balance sheet date or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in profit or loss.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recorded in income. However, the increased carrying amount of an asset due to a reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for that asset in prior years.

### g) Income tax

The Society is exempt from income tax under the Income Tax Act. As such, no provision for income tax has been made in the financial statements of the Society.

### h) Provision for liabilities

Provisions are recognised when the Society has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where the Society expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

### i) Financial assets

#### *(1) Classification*

The Society classifies its financial assets according to 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. The Society's only financial assets are loans and receivables.

#### *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 more than 12 months after the reporting date. These are classified as non-current assets. Loans and receivables are classified within cash and bank balances and other receivables on the balance sheet.

## 2 Significant accounting policies (cont'd)

### i) Financial assets (cont'd)

#### (2) Recognition and derecognition

Purchases and sales of financial assets are recognised on trade-date - the date on which the Society commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Society has transferred substantially all risks and rewards of ownership.

On sale of a financial asset, the difference between the net sales proceeds and its carrying amount is taken to profit or loss.

#### (3) Initial measurement

Loans and receivables are initially recognised at fair value plus transaction costs.

#### (4) Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method.

Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

#### (5) Impairment

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

##### *Loans and 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 carrying amount of these assets is reduced through the use of an impairment allowance account, and the amount of the loss is recognised in profit or loss. The allowance amount 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. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

### j) Financial liabilities

Financial liabilities comprise sundry payables and accruals which are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

### k) Leases

#### *Operating lease*

Leases where 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 profit or loss 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.

**3 Donations**

Included in donations are tax deductible receipts of \$67,650.

**4 Donation from Methodist Welfare Services**

This is the accumulated surplus of Kampong Kapor Family Service Centre ("KKFSC", operating previously within MWS) transferred to the Society. The Society was formed as a separate legal entity to take over all operations, assets and commitments, as well as staff. In substance, it is the same operation housed in a separate and autonomous structure.

**5 Plant and equipment**

	Furniture fittings & fixtures \$	Computers \$	Office equipment \$	Renovation \$	Total \$
<b>Cost</b>					
At 5.2.2010 (date of establishment)	–	–	–	–	–
Donations*	203	11	8,459	56,080	64,753
Additions	2,225	11,075	–	–	13,300
At 31.3.2011	<b>2,428</b>	<b>11,086</b>	<b>8,459</b>	<b>56,080</b>	<b>78,053</b>
<b>Accumulated depreciation</b>					
At 5.2.2010 (date of establishment)	–	–	–	–	–
Depreciation charge	47	3,395	1,051	24,763	29,256
At 31.3.2011	<b>47</b>	<b>3,395</b>	<b>1,051</b>	<b>24,763</b>	<b>29,256</b>
<b>Net book value</b>					
At 31.3.2011	<b>2,381</b>	<b>7,691</b>	<b>7,408</b>	<b>31,317</b>	<b>48,797</b>

\* Donation relates to plant and equipment donated by MWS at net book value on 1 April 2010.

**6 Other receivables**

	\$
Sundry receivables	10,872
Sundry deposits	3,662
Prepayments	1,822
	<u>16,356</u>
Not past due and not impaired	3,098
Past due but not impaired	7,774
Past due and impaired	–
	<u>10,872</u>

The age analysis of sundry receivables past due but not impaired was as follows:-

Past due 0 - 30 days	1,385
Past due 31 - 60 days	497
Past due 60 days and over	5,892
	<u>7,774</u>

**7 Capital grant**

	\$
At 5 February 2010 (date of establishment)	–
Transfer from MWS*	55,081
	<hr/>
Current year amortisation	55,081 (22,737)
	<hr/>
At 31 March	32,344
	<hr/>

\* This is the capital grant of KKFSC under MWS transferred to the Society.

**8 Sundry payables and accruals**

	\$
Sundry payables	55,560
Accrued operating expenses	4,645
Deposits from students	1,184
	<hr/>
	61,389
	<hr/>

**9 Accumulated Fund**

	\$
Surplus for the year	1,832,725
Transfer to Financial Assistance Fund (Note 11)	(757)
	<hr/>
At 31 March	1,831,968
	<hr/>

**10 School Pocket Money Fund**

	\$
Receipts	77,981
Transfer from MWS*	26,080
Expenditure	(76,785)
	<hr/>
At 31 March	27,276
	<hr/>

These are funds received from National Council of Social Service to finance needy students.

\* This is the School Pocket Money Fund of KKFSC under MWS transferred to the Society.

**11 Financial Assistance Fund**

	\$
Receipts	14,414
Expenditure	(13,212)
	<hr/>
Deficit	1,202
Transfer from Accumulated Fund (Note 9)	757
	<hr/>
	1,959
	<hr/>

The fund is set up to provide financial assistance to needy families.

**12 Operating lease commitment**

At balance sheet date, minimum lease payments for non-cancellable operating lease not provided for in the financial statements are as follows:-

	\$
Within 1 year	4,943
Within 2 to 5 years	13,059
	<hr/>

**13 Reserve policy**

The Society shall seek to accumulate and maintain cash reserves of at least one year, but not more than two years of annual operating expenditure. Substantial funding is secured in advance annually (or in some cases, bi-annually) from well-funded National-level institutions.

**14 Financial instruments****a) Categories of financial instruments**

Financial instruments as at balance sheet date are as follows:-

	\$
<i>Financial assets</i>	
Other receivables	14,534
Cash and bank balances	1,889,783
	<hr/>
Loan and receivables	1,904,317
	<hr/>
<i>Financial liability</i>	
Sundry payables and accruals	61,244
	<hr/>
At amortised cost	61,244
	<hr/>

## 14 Financial instruments (cont'd)

### *b) Financial risk management*

Overall risk management is determined and carried out by the Management Committee. Due to the nature of the Society's activities, it has minimal financial risks exposure.

#### *Foreign exchange risk*

The Society's exposure to foreign exchange risk is minimal as nearly all of its transactions are in Singapore dollars.

#### *Credit risk*

The Society's exposure to credit risk arises primarily from sundry receivables and cash and bank balances. The Society has no significant concentration of credit risk exposure. The maximum exposure to credit risk is represented by the carrying value of each class of financial assets recognised in the balance sheet.

#### Financial assets that are neither past due nor impaired

Sundry receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Society. Cash and bank balances that are neither past due nor impaired are placed with reputable financial institutions with high credit ratings and no history of default.

#### Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in note 6.

#### *Interest rate risk*

The Society's income and operating cash flows are substantially independent of changes in market interest rates as it has no significant interest bearing assets or liabilities except for cash and bank balances where interest earned is not significant.

The sensitivity analysis for interest rate is not disclosed as the effect on the financial statements is not expected to be significant.

#### *Liquidity risk*

The Management Committee exercises prudent liquidity and cash flow risk management policies and aims to maintain sufficient level of liquidity and cash flows at all times.

The financial liabilities of the Society as presented in the balance sheet are due within twelve months from the balance sheet and approximate the contractual undiscounted payments.

### *c) Fair values*

The carrying amounts of the financial assets and liabilities recorded in the financial statements of the Society approximate their fair values.

## **15 Comparative figures**

There are no comparative figures as this is the first set of financial statements since the date of establishment.

## **16 Authorisation of financial statements**

The financial statements of the Society for the financial period from 5 February 2010 (date of establishment) to 31 March 2011 were authorised for issue in accordance with a resolution of the Management Committee dated 15 August 2011.