

EMCC

(Unique Entity Number: S97SS0164E)

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37)

**AUDITED FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017**



**Tan, Chan
& Partners**

CHARTERED ACCOUNTANTS SINGAPORE

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EMCC

AUDITED FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2017

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EMCC

**STATEMENT BY THE MANAGEMENT COMMITTEE
For the Financial Year Ended 31 December 2017**

In the opinion of the Management Committee,

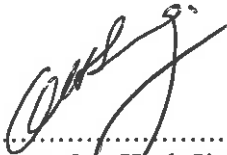
- (a) the financial statements of EMCC (the "Society") and the notes thereto are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the Societies Act), the Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2017, and the results, changes in funds, and cash flows of the Society for the financial year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

The Management Committee authorised the issue of these financial statements.

On behalf of the Management Committee



.....
Dr Kenny Tan Ban Leong
Honorary Chairman



.....
Mr Benny Ong Hock Siong
Honorary Assistant Treasurer

Singapore

Date: 29 June 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of
EMCC
For the Financial Year Ended 31 December 2017

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of EMCC (the "Society"), which comprise the statement of financial position of the Society as at 31 December 2017, the statement of financial activities, statement of changes in funds, and statement of cash flows of the Society 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 Societies Act, Chapter 311 (the Societies Act), the Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2017, and the results, changes in funds, and cash flows of the Society 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 Society in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The financial statements of the Society for the previous financial year ended 31 December 2016 were audited by another firm of auditor who expressed an unmodified opinion on those statements on 11 June 2017.

Other Information

Management is responsible for the other information. The other information comprise the Statement by the Management Committee, but does not include financial statements and our auditor's report thereon.

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

INDEPENDENT AUDITOR'S REPORT

To the Members of EMCC For the Financial Year Ended 31 December 2017

Other Information (Cont'd)

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 the Financial Statements

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

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

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- 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 Society's internal control.

INDEPENDENT AUDITOR'S REPORT

**To the Members of
EMCC
For the Financial Year Ended 31 December 2017**

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

- 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 Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- 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.

Report on Other Legal and Regulatory Requirements

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

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

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



Tan, Chan & Partners
*Public Accountants and
Chartered Accountants*

Singapore
Date: 29 June 2018

EMCC
STATEMENT OF FINANCIAL POSITION
As at 31 December 2017

	Note	2017 \$	2016 \$ (Restated)	2015 \$ (Restated)
ASSETS				
Non-current asset				
Plant and equipment	4	<u>8,154</u>	<u>17,075</u>	<u>7,441</u>
Current assets				
Trade and other receivables	5	<u>96,175</u>	<u>91,340</u>	<u>20,593</u>
Prepayments		<u>11,429</u>	<u>6,925</u>	<u>32,314</u>
Cash and bank deposits	6	<u>1,020,617</u>	<u>1,325,971</u>	<u>880,989</u>
		<u>1,128,221</u>	<u>1,424,236</u>	<u>933,896</u>
Total assets		<u><u>1,136,375</u></u>	<u><u>1,441,311</u></u>	<u><u>941,337</u></u>
LIABILITIES AND FUNDS				
Current liabilities				
Deferred income	7	<u>147,741</u>	<u>352,434</u>	<u>77,308</u>
Trade and other payables	8	<u>23,858</u>	<u>102,515</u>	<u>50,100</u>
		<u>171,599</u>	<u>454,949</u>	<u>127,408</u>
Funds				
Unrestricted Fund				
General Fund		<u>1,678,371</u>	<u>1,550,356</u>	<u>1,262,126</u>
Restricted Funds				
Tote Board Social Service Fund	9	<u>(713,595)</u>	<u>(563,994)</u>	<u>(448,197)</u>
Care and Share Fund	10	<u>-</u>	<u>-</u>	<u>-</u>
		<u>964,776</u>	<u>986,362</u>	<u>813,929</u>
Total liabilities and funds		<u><u>1,136,375</u></u>	<u><u>1,441,311</u></u>	<u><u>941,337</u></u>

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

EMCC

STATEMENT OF CHANGES IN FUNDS
For the Financial Year Ended 31 December 2017

	Note	Restricted			Total Funds
		Unrestricted	Tote Board Social Service Fund	Care and Share Fund	
As at 1 January 2015		\$ 1,173,852	\$ (377,886)	\$ (99,970)	\$ 695,996
Surplus/(Deficit) for the financial year, representing total comprehensive income/(loss) for the financial year					
- As previously stated		88,274	(70,311)	177,278	195,241
- Prior financial year adjustment	23	-	-	(77,308)	(77,308)
- As restated		88,274	(70,311)	99,970	117,933
As at 31 December 2015		1,262,126	(448,197)	-	813,929
Surplus/(Deficit) for the financial year, representing total comprehensive income/(loss) for the financial year					
- As previously stated		265,741	(53,308)	235,126	447,559
- Prior financial year adjustment	23	22,489	(62,489)	(235,126)	(275,126)
- As restated		288,230	(115,797)	-	172,433
As at 31 December 2016		1,550,356	(563,994)	-	986,362
Surplus/(Deficit) for the financial year, representing total comprehensive income/(loss) for the financial year					
- As previously stated		128,015	(149,601)	-	(21,586)
- As restated		1,678,371	(713,595)	-	964,776

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

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STATEMENT OF CASH FLOWS
For the Financial Year Ended 31 December 2017

	Note	2017 \$	2016 \$ (Restated)
Operating activities			
(Deficit)/Surplus for the financial year		(21,586)	172,433
<u>Adjustments for:</u>			
Amortisation of Care and Share Matching Grant	7	(217,769)	(362,158)
Amortisation of President Challenge	7	(66,924)	-
Depreciation of plant and equipment	4	8,921	8,654
Operating cash flows before working capital changes		<u>(297,358)</u>	<u>(181,071)</u>
<u>Changes in working capital:</u>			
Trade and other receivables		(4,835)	(70,747)
Prepayments		(4,504)	25,389
Trade and other payables		(78,657)	52,415
Cash flows used in operating activities		<u>(385,354)</u>	<u>(174,014)</u>
Investing activity			
Acquisition of plant and equipment	4	-	(18,288)
Cash flow used in investing activity		<u>-</u>	<u>(18,288)</u>
Financing activity			
Receipt of President Challenge Fund	7	80,000	40,000
Receipt of Care and Share Matching Grant	7	-	597,284
Cash flow generated from financing activity		<u>80,000</u>	<u>637,284</u>
Net changes in cash and cash equivalents		(305,354)	444,982
Cash and cash equivalents at the beginning of the financial year		<u>1,325,971</u>	<u>880,989</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>1,020,617</u></u>	<u><u>1,325,971</u></u>

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

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NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2017

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

1. GENERAL INFORMATION

EMCC (the “Society”) is registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37 and is domiciled in the Republic of Singapore. The Society is an approved Institution of Public Character (“IPC”) from 01 April 2018 to 30 September 2020.

The Society’s registered office and place of operation is located at 177, River Valley Road, #05-19, Liang Court, Singapore 179030.

The principal objectives of the Society are:

- (a) To provide mediation and counselling to individuals, families and organisations;
- (b) To organise and participate in conferences, workshops, exhibitions, business and social meetings, lectures and discussions on subjects of interest to practitioners and person interested in mediation and counselling, and also facilitate and conduct research relevant to mediation and counselling;
- (c) To provide training to persons involved in working with people such as skills in counselling, mediation and conflict resolution;
- (d) To serve as a resource for help agencies, schools and other communities in the area of consultation, training and direct services; and
- (e) To publish papers, magazines or journals related to the above with the approval of relevant authorities.

There has been no significant change in the nature of these activities during the financial year.

The financial statements of the Society for the financial year ended 31 December 2017 were authorised for issue by the Management Committee on the date of the Statement by the Management Committee.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore (“FRSs”) under the historical cost convention, except as disclosed in the accounting policies below.

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NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Society has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 01 January 2017. The adoption of these new/revised standards and interpretations did not result in any substantial changes to the accounting policies of the Society or have any material effect on the financial performance or position of the Society.

2.3 New or revised accounting standards and interpretations

Certain new standards, amendments to standards and interpretations are issued but effective for annual financial periods beginning on or after 01 January 2018, and which the Society has not been early adopted in preparing these financial statements. None of these are expected to have a significant impact on the Society's financial statements.

2.4 Presentation and functional currency

Items included in the financial statements of the Society are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements of the Society are presented in Singapore dollar ("S\$") which is the Society's functional currency.

2.5 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to initial recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use.

Depreciation is computed on a straight-line method over the estimated useful lives of the assets as follows:

	<u>Estimated useful lives</u>
Furniture and fittings	3 years
Office equipment	3 years
Renovation	3 years

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, estimated useful lives and depreciation method are reviewed at each reporting period and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the assets is included in statement of financial activities in the period that the assets are derecognised.

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.6 Impairment of non-financial assets

The Society assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment assessment for an asset is required, the Society makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and written down to its recoverable amount.

Impairment losses are recognised in statement of financial activities.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in statement of financial activities.

2.7 Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. The Society determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

Loans and receivables

Non-derivative assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in statement of financial activities when the loans and receivables are derecognised or impaired, and through the amortisation process.

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NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and fixed deposits that are subject to an insignificant risk of changes in value. The carrying amounts of these assets approximate their fair value.

2.9 Impairment of financial assets

The Society assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

The Society first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Society determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in statement of financial activities.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in statement of financial activities.

2.10 Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. The Society determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.10 Financial liabilities (cont'd)

Subsequent measurement

Financial liabilities carried at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of financial activities when the liabilities are derecognised, and through the amortisation process.

De-recognition

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

2.11 Provisions

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

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources 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.

2.12 Income recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Society, the revenue can be reliably measure, and the following specific recognition criteria must also be met before revenue is recognised:

Voluntary income

Voluntary income consists of donations which are recognised upon receipt.

Income from charitable activities

Income from charitable activities is recognised on an accrual basis and when the services are rendered.

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NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.12 Income recognition (cont'd)

Activities for generating funds

Revenue from activities for generating funds is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customers, usually on performance of services.

Other income

Other income is recognised upon receipt.

2.13 Taxation

The Society which is registered as a Charity under the Charities Act is exempted from income tax under Section 13(1)(zm) of the Income Tax Act.

2.14 Operating leases

As a lessee

Leases where substantially all of the risks and rewards incidental to the ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of incentives received from the lessors) are recognised in statement of financial activities on a straight-line basis over the period of the lease term.

Contingent rents are recognised as expense in statement of financial activities when incurred.

2.15 Employee benefits

Defined contribution plan

The Society makes contributions to the Central Provident Fund in Singapore. Contributions to the defined contribution plan are recognised as an expense in the period in which the related service is performed.

Short-term benefits

All short-term benefits including accumulating compensated absences are recognised in statement of financial activities in the period in which the employees rendered their services to the Society.

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NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.16 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Society; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured within sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Society.

Contingent liabilities and assets are not recognised on the statement of financial position of the Society.

2.17 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Society's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of the revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Management is of the opinion that there is no significant judgement made in applying accounting policies, and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

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NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

4. PLANT AND EQUIPMENT

	Note	Furniture and fittings \$	Office equipment \$	Renovation \$	Total \$
<u>Cost</u>					
As at 01 January 2016		7,516	91,233	114,660	213,409
Additions		-	18,288	-	18,288
As at 31 December 2016 and 31 December 2017		7,516	109,521	114,660	231,697
<u>Accumulated depreciation</u>					
As at 01 January 2016		7,516	83,792	114,660	205,968
Depreciation	16	-	8,654	-	8,654
As at 31 December 2016		7,516	92,446	114,660	214,622
Depreciation	16	-	8,921	-	8,921
As at 31 December 2017		7,516	101,367	114,660	223,543
<u>Net carrying amount</u>					
As at 31 December 2017		-	8,154	-	8,154
As at 31 December 2016		-	17,075	-	17,075

5. TRADE AND OTHER RECEIVABLES

	2017 \$	2016 \$
Trade receivables - third parties	2,771	19,774
Other receivables:		
- Deposits	18,073	17,073
- Sundry debtors	75,331	54,493
	93,404	71,566
Total trade and other receivables	96,175	91,340

Trade receivables from third parties are unsecured, interest-free, and are generally settled between 30 days and 60 days' term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

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NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

6. CASH AND BANK DEPOSITS

	2017	2016
	\$	\$
Cash on hand	575	231
Cash at bank	519,163	825,313
Fixed deposits	500,879	500,427
	1,020,617	1,325,971

Cash at banks earns interest at prevailing bank interest rate.

Fixed deposits are placed with banks for varying periods of between 1 to 3 months (2016: 1 to 3 months) and earn interest rates at 0.05% (2016: 0.05% to 0.15%) per annum.

7. DEFERRED INCOME

	2017	2016
	\$	\$
		(Restated)
Care and Share Matching Grant	94,665	312,434
President Challenge Fund	53,076	40,000
	147,741	352,434

	Note	2017	2016
		\$	\$
			(Restated)
At beginning of the financial year		352,434	77,308
Grant received - President challenge		80,000	40,000
Grant received - Care and Share Matching Grant		-	597,284
Amortisation during the financial year	10,12	(284,693)	(362,158)
At end of the financial year		147,741	352,434

8. TRADE AND OTHER PAYABLES

	2017	2016
	\$	\$
Trade payables - third parties	11,464	12,430
Other payables:		
- Accrued expenses	7,136	82,830
- Sundry creditors	5,258	7,255
	12,394	90,085
Total trade and other payables	23,858	102,515

EMCC

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

9. TOTE BOARD SOCIAL SERVICE FUND

Tote Board Social Service Fund (“TBSSF”) was set up to support the operation of a programme known as Integrative Mediation and Counselling.

Movement during the financial year:

	Note	2017 \$	2016 \$
At the beginning of the financial year		(563,994)	(448,197)
Income during the financial year	12,13	726,879	701,924
Expenses during the financial year	15,16	(876,480)	(817,721)
At the end of the financial year		(713,595)	(563,994)

10. CARE AND SHARE FUND

The Care and Share Matching Grant Fund was set up by the Singapore government in December 2013 to encourage firms and people to work with the Society to help the needy. The government had pledged to make a dollar and twenty-five cents (S\$1.25) for every eligible donation dollar for the first S\$1,000,000, and match for every eligible donation dollar raised by the Society.

The grant is to be used for the following purposes:

- a. To fund programmes/activities that contribute to building the Society’s capability;
- b. To fund programmes/activities that contribute to building the Society’s capacity;
- c. To fund new programmes that aim to meet emerging or unmet needs of the social service sector and enhancements/expansion of the existing services that the Society provides; and
- d. To cover the costs of meeting the critical existing needs of the Society up to 20% of the grant.

Movement during the financial year:

	Note	2017 \$	2016 \$
At the beginning of the financial year		-	-
Amortisation during the financial year	12	217,769	362,158
Expenses during the financial year	15,16	(217,769)	(362,158)
At the end of the financial year		-	-

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NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

11. VOLUNTRAY INCOME

	Unrestricted General Fund 2017	Restricted		Total Funds 2017	\$	Unrestricted General Fund 2016	Restricted		Total Funds 2016	Total Funds 2016
		Tote Board Social Service Fund	Care and Share Fund				Tote Board Social Service Fund	Care and Share Fund		
	\$	\$	\$	\$		\$	\$	\$	\$	\$
Donations	59,116	-	-	59,116		234,542	-	234,542		234,542
Direct debit donor program	63,626	-	-	63,626		72,396	-	72,396		72,396
	122,742	-	-	122,742		306,938	-	306,938		306,938

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NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

12. INCOME FROM CHARITABLE ACTIVITIES

Note	Unrestricted	Restricted		Total Funds	Unrestricted	Restricted		Total Funds
		Tote Board Social Service Fund	Care and Share Fund			Tote Board Social Service Fund	Care and Share Fund	
	2017	2017	2017	2017	2016	2016	2016	2016
	\$	\$	\$	\$	\$	\$	\$	\$
Tote Board Social Service Fund	-	508,843	-	508,843	-	496,952	-	496,952
Amortisation of deferred	-	-	-	-	-	-	-	-
Care and Share Matching Grant	7, 10	-	217,769	217,769	-	-	362,158	362,158
Amortisation of President Challenge	7	66,924	-	66,924	-	-	-	-
Community chest funding		-	-	-	398	-	-	398
VCF Funding		67,636	-	67,636	59,457	-	-	59,457
Sale of publication		-	-	-	880	-	-	880
Charity gala event		-	-	-	-	-	-	-
(Special Tote Board Grant)		-	-	-	43,180	-	-	43,180
	134,560	508,843	217,769	861,172	103,915	496,952	362,158	963,025

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NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

13. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted		Restricted		Total Funds	Unrestricted		Restricted		Total Funds
	2017	2017	Tote Board Social Service Fund	Care and Share Fund		2016	2016	Tote Board Social Service Fund	Care and Share Fund	
	\$	\$	\$	\$	\$	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)
Program fees:										
Counselling	-	188,296	188,296	-	188,296	-	164,682	-	-	164,682
Marriage journey	140,864	21,775	162,639	-	162,639	110,933	28,050	-	-	138,983
Mediation	-	7,965	7,965	-	7,965	-	12,240	-	-	12,240
Training fees	25,466	-	25,466	-	25,466	63,596	-	-	-	63,596
	166,330	218,036	384,366	-	384,366	174,529	204,972	-	-	379,501

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NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

14. OTHER INCOME

	Unrestricted		Restricted		Total Funds	Unrestricted		Restricted		Total Funds
	2017	2017	Tote Board Social Service Fund	Care and Share Fund		2016	2016	Tote Board Social Service Fund	Care and Share Fund	
General Fund										
2017	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Government paid leave	13,734	-	-	-	13,734	(Restated)	-	-	-	(Restated)
Interest income	577	-	-	-	577	551	-	-	-	551
Miscellaneous income	13,246	-	-	-	13,246	1,960	-	-	-	1,960
Salary support (Staff on sabbatical leave)	-	-	-	-	-	15,000	-	-	-	15,000
Special employment credit	4,153	-	-	-	4,153	5,683	-	-	-	5,683
Temporary employment credit	6,284	-	-	-	6,284	6,862	-	-	-	6,862
Wage credit scheme	3,763	-	-	-	3,763	21,769	-	-	-	21,769
	41,757	-	-	-	41,757	51,825	-	-	-	51,825

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NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

15. COSTS OF GENERATING FUNDS

	Unrestricted	Restricted		Total	Unrestricted	Restricted		Total
		Tote Board Social Service Fund	Care and Share Fund			2017	2016	
General Fund	2017	2017	2017	2017	2016	2016	2016	2016
\$	\$	\$	\$	\$	\$	\$	\$	\$
					(Restated)	(Restated)	(Restated)	(Restated)
Program costs:								
-Counselling	-	65,028	-	65,028	-	57,431	-	57,431
-Marriage Journey	7,989	17,040	74,315	99,344	22,732	7,140	60,075	89,947
-Mediation	-	15,464	-	15,464	-	4,359	-	4,359
-Training cost	5,184	-	10,982	16,166	9,382	-	29,195	38,577
Donation expenses	8,688	-	-	8,688	23,249	-	-	23,249
	21,861	97,532	85,297	204,690	55,363	68,930	89,270	213,563

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NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

16. GOVERNANCE AND ADMINISTRATIVE COSTS

Note	Unrestricted		Restricted		2017	Unrestricted		Restricted		2016	Total Funds
	2017	\$	Tote Board Social Service Fund	Care and Share Fund		2017	\$	2016	\$		
	1,632		3,808	1,360	6,800		1,560	3,640	1,300	6,500	
Accounting fees	840		1,960	700	3,500		720	1,680	600	3,000	
Audit fees	244		568	203	1,015		295	688	246	1,229	
Bank charges	79		185	66	330		-	-	-	-	
Books and periodicals	1,442		3,363	1,201	6,006		2,545	5,938	2,121	10,604	
Collaterals (Design and Print)	3,332		7,774	2,776	13,882		87	203	72	362	
Communication strategy	34,634		80,356	5,712	120,702		29,073	70,089	15,031	114,193	
CPF contribution and SDL	8,921		-	-	8,921		8,654	-	-	8,654	
Depreciation of plant and equipment	109		254	91	454		98	227	81	406	
Fine and penalty	410		955	341	1,706		-	-	-	-	
Gift	4,324		10,088	3,603	18,015		4,883	11,393	4,069	20,345	
Insurance	4,592		10,715	9,177	24,484		-	-	38,414	38,414	
IT related expenses	2,834		6,612	15,456	24,902		1,923	4,487	30,215	36,625	
Marketing and communications	248		577	206	1,031		597	1,392	497	2,486	
Meeting expenses	57		133	4,607	4,797		458	1,069	382	1,909	
Minor equipment	63,698		127,348	45,499	236,545		50,893	100,806	93,028	244,727	

Balance brought forward to next page

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NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

16. GOVERNANCE AND ADMINISTRATIVE COSTS (Cont'd)

Note	Unrestricted		Restricted		Total Funds	Unrestricted		Restricted		Total Funds
	2017	2017	Tote Social Service Fund	Care and Share Fund		2017	2017	2016	2016	
	\$	\$	\$	\$	\$	\$	(Restated)	(Restated)	(Restated)	(Restated)
<i>Balance carried forward</i>										
<i>from previous page</i>										
Office supplies	63,698	127,348	45,499		236,545	50,893	100,806	93,028	244,727	
Office upkeep	1,080	2,519	900		4,499	997	2,325	830	4,152	
Printing and stationery	2,089	4,873	1,740		8,702	2,136	4,984	1,780	8,900	
Professional fee	2,459	5,737	2,049		10,245	1,016	2,370	846	4,232	
Publication cost	860	2,006	12,994		15,860	3,888	9,072	15,546	28,506	
Rental of equipment	84	198	71		353	170	395	141	706	
Rental of premises	1,011	2,359	842		4,212	1,011	2,359	842	4,212	
Salary and bonus	13,414	31,300	11,179		55,893	13,414	31,300	11,179	55,893	
Stakeholder engagement expenses	222,372	582,898	33,600		838,870	212,780	578,118	96,005	886,903	
SG Gives and Paypal	-	-	-		-	43	101	36	180	
Special staff development	1,282	2,992	1,068		5,342	1,064	2,484	887	4,435	
Staff benefits	130	302	5,620		6,052	-	-	25,566	25,566	
Staff training	3,724	8,691	3,104		15,519	2,803	6,539	2,335	11,677	
Subscription and membership	76	176	11,111		11,363	-	-	21,031	21,031	
Telecommunication expenses	846	1,974	705		3,525	369	862	308	1,539	
Transportation	865	2,017	720		3,602	1,208	2,819	1,007	5,034	
Water and electricity	738	1,723	615		3,076	1,086	2,536	906	4,528	
	785	1,835	655		3,275	736	1,721	615	3,072	
	315,513	778,948	132,472		1,226,933	293,614	748,791	272,888	1,315,293	

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NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

17. TAXATION

The Society which is registered as a Charity under the Charities Act is exempted from income tax under Section 13(1)(zm) of the Income Tax Act.

18. OPERATING LEASE COMMITMENTS

When the Society is a lessee

The Society leases a premise from non-related party under non-cancellable operating lease agreements. The lease is for a period of 5 years term with no renewal option and no restrictions placed.

The future aggregate minimum rental payables under non-cancellable operating leases contracted for at the reporting date but not recognised as payables are as follows:

	2017	2016
	\$	\$
Within one year	52,236	52,236
Between 2 and 5 years	52,236	104,472
	<u>104,472</u>	<u>156,708</u>

The rental expense incurred during the financial year is \$55,893 (2016: \$55,893) (Note 16) respectively.

19. RELATED PARTY TRANSACTIONS

In addition to information disclosed elsewhere in the financial statements, the following significant transaction took place between the Society and related party at terms agreed between the parties:

	2017	2016
	\$	\$
<u>Transactions with the related parties</u>		
Donations received from Key Management Personnel	7,500	-
Donations received from related company	<u>20,000</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS For the Financial Year Ended 31 December 2017

20. OVERSEAS TRANSACTIONS

In addition to information disclosed elsewhere in the financial statements, the following significant expenditure outlaid to, spent in or donated to locations outside Singapore are as follows:

<u>Country</u>	<u>Nature of expenditures</u>	2017 \$	2016 \$
Australia	Travel, accommodation and allowances	2,272	-
Australia	Course fees	1,373	-
Indonesia	Travel and accommodation	-	183
United States of America	Travel, accommodation and allowances	1,932	19,843
United States of America	Seminar	24	6,272
Vietnam	Travel and accommodation	-	268
		<u>5,601</u>	<u>26,566</u>

21. FUND MANAGEMENT

The primary objective of the Society's fund management is to ensure that the funding from members, public, and other sources are properly managed and used to support its operations.

The Society manages its fund structure and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2017 and 2016 respectively.

The Society is not subjected to externally imposed capital requirements.

22. FINANCIAL RISK MANAGEMENT AND FAIR VALUE

22.1 Financial risk management

The Society is exposed to financial risks arising from its operations and use of financial instruments. The key financial risks include credit risk and liquidity risk. The managements committee reviews and agrees on policies and procedures for the management of this risk, which are executed by management. It is, and has been, throughout the current and previous financial year, the Society's policy that no trading in derivatives for speculative purposes shall be undertaken. There has been no significant change to the Society's exposure arising from this financial risk or the manner in which it manages and measures this risk.

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

22. FINANCIAL RISK MANAGEMENT AND FAIR VALUE (Cont'd)

22.1 Financial risk management (cont'd)

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Society's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Society adopts the policy of dealing only with parties of appropriate credit history, healthy credit ratings, and obtaining sufficient security where appropriate to mitigate credit risk.

(a) Risk concentration

The Society seeks to maintain a diversified portfolio to avoid excessive concentration of risk. Identified concentrations of credit risks are controlled and managed accordingly. The Society does not apply hedge accounting.

(b) Exposure to credit risk

Credit exposure to an individual customer is restricted by the credit limit approved by the Society. Customers' payment profile and credit exposure are continuously monitored by management. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments disclosed or presented in the financial statements.

At the end of the reporting period, the Society has no concentration of credit risk in any customer.

(c) Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Company. Cash and bank deposits is placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

Liquidity risk

Liquidity risk is the risk that the Society may encounter difficulties to settle or meet its financial obligations due to shortage of available funds. The Society's objective is to maintain sufficient level of cash and cash equivalents, and internally generated cash flows to finance its activities. The Society actively manages its debt maturity profile, operating cash flows and availability of funding so as to ensure that all repayment and funding needs are met.

All financial liability in the statement of financial position are repayable within one year from the reporting date.

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NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

22. FINANCIAL RISK MANAGEMENT AND FAIR VALUE (Cont'd)

22.2 Fair value of financial assets and financial liabilities

The carrying amounts of trade and other receivables (Note 5), cash and bank deposits (Note 6) and trade and other payables (Note 8) are assumed to approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

22.3 Financial instruments by categories

The following table sets out the financial instruments as at the end of the reporting period is as follows:

	Note	2017 \$	2016 \$
<u>Financial assets</u>			
Trade and other receivables	5	96,175	91,340
Cash and bank deposits	6	1,020,617	1,325,971
Total loans and receivables carried at amortised cost		<u>1,116,792</u>	<u>1,417,311</u>
<u>Financial liabilities</u>			
Trade and other payables, representing			
total financial liabilities carried at amortised cost	8	<u>23,858</u>	<u>102,515</u>

23. PRIOR FINANCIAL YEAR ADJUSTMENTS

Retrospective restatements have been made to correct the errors in prior financial year's financial statements. As a result, certain line items have been amended in the statement of financial position, statement of financial activities and related notes to the financial statements. Comparative figures have been adjusted to conform to current financial year's presentation.

	As previously stated \$	Prior financial year adjustment \$	As restated \$
31 December 2016			
<u>Statement of financial position</u>			
<u>Current liability</u>			
Deferred income		352,434	352,434
<u>Funds</u>			
Unrestricted - General Fund	1,527,867	22,489	1,590,356
Restricted:			
- Tote Board Social Service Fund	(501,505)	(62,489)	(563,994)
- Care and Share Fund	312,434	(312,434)	-

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NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2017

23. PRIOR FINANCIAL YEAR ADJUSTMENTS (Cont'd)

	As previously stated \$	Prior financial year adjustment \$	As restated \$
<u>31 December 2016</u>			
<u>Statement of financial activities</u>			
Income – Care and Share grant	597,284	(597,284)	-
Income - President challenge	40,000	(40,000)	-
Amortisation of deferred Care and Share Matching Grant	-	362,158	362,158
<u>31 December 2015</u>			
<u>Statement of financial position</u>			
<u>Current liability</u>			
Deferred income	-	77,308	77,308
<u>Funds</u>			
Restricted - Care and Share Fund	77,308	(77,308)	-