

**STUDENTS CARE SERVICE**  
**(UEN NO.S76SS0021F)**

*Financial Report*

*31 March 2016*

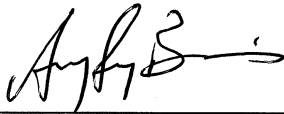
**Odds & Even Associates**  
*Public Accountants &  
Chartered Accountants Singapore*

**STUDENTS CARE SERVICE  
STATEMENT BY THE BOARD**

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In our opinion, the accompanying statement of financial position, statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows and the notes thereto present fairly the state of affairs of STUDENTS CARE SERVICE as at 31 March 2016. 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.

On behalf of the Board,



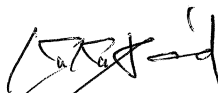
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**ANG SENG BIN**  
Chairman



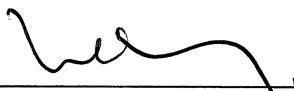
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**REBECCA ANG PEI-HUI**  
Hon. Secretary



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**KOH KIAT LAID IVY**  
Hon. Treasurer



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**TAN-WU MEI LING**  
Executive Director

Singapore  
23 July 2016

**STUDENTS CARE SERVICE  
INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF STUDENTS CARE SERVICE**

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**Report on financial statements**

We have audited the accompanying financial statements of STUDENTS CARE SERVICE (the "Society") which comprise the statement of financial position as at 31 March 2016, and the statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Singapore Financial Reporting Standards and the Societies Act, 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.

*Auditors' 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 the Constitution of the Society, The Charities Act Cap 37 and the Societies Act. Cap 311 and Singapore Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of STUDENTS CARE SERVICE as at 31 March 2016 and of the results, changes in accumulated funds and cash flows of the Society for the year ended on that date.

**STUDENTS CARE SERVICE  
INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF STUDENTS CARE SERVICE**

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**Report on other legal and regulatory requirements**

In our opinion,

- (a) the accounting and other records required by the regulations enacted under the Charities Act and Societies Act to be kept by the Society have been properly kept in accordance with those regulations; and
- (b) the fund-raising appeals held during the year have been carried out in accordance with regulation 6 of the Societies Regulations issued under the Societies Act Chapter 311 and proper accounts and other records have been kept of the fund-raising appeals.

During the course of our audit, nothing came to our attention that caused us to believe that:

- (a) the Society did not comply with the requirements of the Regulation 15(1) of the Charities Act, Cap 37 (institutions of a Public Character) Regulations 2007 which states that the total fund-raising expenses of the entity should not exceed 30% of the total gross receipts from fund-raising; and
- (b) the use of donation money received was not in accordance with the Society's objectives.

**ODDS & EVEN**

**Odds & Even Associates**  
Public Accountants and  
Chartered Accountants Singapore  
23 July 2016

## STUDENTS CARE SERVICE

### STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	Notes	2016 \$	2015 \$
<b>Assets</b>			
Renovation and equipment	4	83,851	155,765
Held-to-maturity financial assets	5	4,816,049	4,853,197
<b>Non-current assets</b>		<b>4,899,900</b>	<b>5,008,962</b>
Trade and other receivables	6	277,124	174,825
Prepayments		4,859	9,910
Cash and cash equivalents	7	5,777,678	4,172,021
<b>Current assets</b>		<b>6,059,661</b>	<b>4,356,756</b>
<b>Total assets</b>		<b>10,959,561</b>	<b>9,365,718</b>
<b>Funds and Reserves</b>			
General fund		1,630,601	912,226
Y's Men's Club (Beta Chapter) financial assistance fund		42,966	43,248
Asset enhancement fund		67,346	141,680
The Daisy Phay Foundation-SCS scholarship fund		5,364,595	5,297,407
Other programmes fund	8	3,335,594	2,597,281
		<b>10,441,102</b>	<b>8,991,842</b>
<b>Liabilities</b>			
Other payables	9	250,000	250,000
<b>Non-current liabilities</b>		<b>250,000</b>	<b>250,000</b>
Other payables	9	268,459	123,876
<b>Current liabilities</b>		<b>268,459</b>	<b>123,876</b>
<b>Total liabilities</b>		<b>518,459</b>	<b>373,876</b>
<b>Total funds and liabilities</b>		<b>10,959,561</b>	<b>9,365,718</b>

**STUDENTS CARE SERVICE  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	2016 \$	2015 \$
<b>INCOME</b>			
Community Chest funding	11	2,286,770	1,933,123
Tax-deductible donations		755,872	574,343
Non-tax deductible donations		331,155	360,594
Centre-based income		346,633	335,508
School social work income		379,295	481,774
Matching Grant-Care & Share		300,000	-
MSF- Funding		91,800	-
Training income		52,168	49,030
Interest income from held-to-maturity financial assets		109,801	110,733
Bank interest income		19,537	5,670
Miscellaneous income		16,915	4,845
		<u>4,689,946</u>	<u>3,855,620</u>
<b>Less: EXPENDITURE</b>			
Employee benefits	12	(2,703,859)	(2,695,189)
Depreciation of renovation and equipment		(98,971)	(86,282)
Other operating expenses		(437,855)	(470,698)
		<u>(3,240,685)</u>	<u>(3,252,169)</u>
<b>SURPLUS AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>			
	13	<u>1,449,261</u>	<u>603,451</u>
<i>Surplus/(deficit) allocated to:</i>			
General fund		718,376	319,297
Y's Men's Club (Beta Chapter) financial assistance fund		(282)	(441)
Asset enhancement fund		(74,334)	(71,126)
The Daisy Phay Foundation-SCS scholarship fund		67,188	72,138
Other programmes fund		738,313	283,583
		<u>1,449,261</u>	<u>603,451</u>

**STUDENTS CARE SERVICE**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS  
FOR THE YEAR ENDED 31 MARCH 2016**

Notes	General fund \$	Y's Men's Club (Beta Chapter) financial assistance fund \$	Asset enhancement fund \$	The Daisy Play Foundation - SCS scholarship fund \$	Other programmes fund \$	Total \$
Balance at 1 April 2014	592,929	43,689	212,806	5,225,269	2,313,698	8,388,391
Total comprehensive income for the year	319,297	(441)	(71,126)	72,138	283,583	603,451
Balance at 31 March 2015	912,226	43,248	141,680	5,297,407	2,597,281	8,991,842
<b>Total comprehensive income for the year</b>	<b>718,376</b>	<b>(282)</b>	<b>(74,334)</b>	<b>67,188</b>	<b>738,313</b>	<b>1,449,261</b>
<b>Balance at 31 March 2016</b>	<b>1,630,601</b>	<b>42,966</b>	<b>67,346</b>	<b>5,364,595</b>	<b>3,335,594</b>	<b>10,441,102</b>

**STUDENTS CARE SERVICE  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2016**

	2016	2015
	\$	\$
<b>Cash flows from operating activities</b>		
Surplus for the year	1,449,261	603,451
Adjustments for:		
Depreciation of renovation and equipment	98,971	86,281
Interest income	(19,537)	(5,670)
Loss on sale of renovation and equipment	176	-
<b><i>Operating surplus before working capital changes</i></b>	<b>1,528,871</b>	<b>684,062</b>
Changes in:		
- trade and other receivables	(82,762)	73,019
- prepayments	5,051	(7,882)
- other payables	144,583	170,893
Cash generated from operations	1,595,743	920,092
Tax paid	-	-
<b>Net cash from operating activities</b>	<b>1,595,743</b>	<b>920,092</b>
<b>Cash flows from/(used in) investing activities</b>		
Interest received	37,148	36,217
Acquisition of renovation and equipment	(27,234)	(59,103)
<b>Net cash from/(used in) investing activities</b>	<b>9,914</b>	<b>(22,886)</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,605,657</b>	<b>897,206</b>
Cash and cash equivalents at 1 April 2015/1 April 2014	4,172,021	3,274,815
<b>Cash and cash equivalents at 31 March</b>	<b>5,777,678</b>	<b>4,172,021</b>



**STUDENTS CARE SERVICE**  
**NOTES TO THE FINANCIAL STATEMENTS – 31 March 2016**

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

The financial statements are authorised for issue by the Board on 23 July 2016.

**1. General**

Students Care Service (the 'Society') is a society registered under the Societies Act, Chapter 311 and as a Charity under the Charities Act, Cap. 37. The Society is a member of the National Council of Social Service and a recipient of grant funding from the Community Chest. The address of the Society's registered office is 463 Hougang Avenue 10 #01-964 Singapore 530463.

The Society's Institutions of a Public Character (IPC) status is obtained under the sector administrator, Ministry of Social and Family Development, and is valid from 1 October 2013 to 30 September 2016. Renewal process will commence in July 2016 as mandated.

The Society has complied with all applicable requirements of the Code of Governance for Charities and Institutions of a Public Character (IPCs) issued by the Charity Council. The Governance Evaluation checklist can be obtained from the Charity Portal ([www.charities.gov.sg](http://www.charities.gov.sg)).

The Society is involved in the rendering of social work and educational psychology services to children and youth with behavioural, emotional or learning issues.

**2. Basis of preparation**

**2.1 Statement of compliance**

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (FRS).

**2.2 Basis of measurement**

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

**2.3 Functional and presentation currency**

These financial statements are presented in Singapore dollars, which is the Society's functional currency.

**2.4 Use of estimates and judgements**

*Measurement of fair values*

A number of the Society's disclosures require the measurement of fair values for financial assets.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

Further information about the assumptions made in measuring fair values is included in the following note:

- Note 10 - financial instruments

**3. Significant accounting policies**

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

**3.1 Financial instruments**

**(i) Non-derivative financial assets**

The Society initially recognizes loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Society becomes a party to the contractual provisions of the instrument.

The Society derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The Society classifies non-derivative financial assets into the following categories: held-to-maturity financial assets and loans and receivables.

*Held-to-maturity financial assets*

If the Society has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

Held-to-maturity financial assets comprise debt securities.

*Receivables*

Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, receivables are measured at amortised cost using the effective interest method, less impairment losses.

Receivables comprise cash and cash equivalents, and trade and other receivables.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash balances.

**(ii) Non-derivative financial liabilities**

All financial liabilities are recognized initially on the trade date, which is the date that the Society becomes a party to the contractual provisions of the instrument.

The Society derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

The Society classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise other payables.

**STUDENTS CARE SERVICE**  
**NOTES TO THE FINANCIAL STATEMENTS – 31 March 2016**

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**3.2 Renovation and equipment**

(i) Recognition and measurement

Items of renovation and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of renovation and equipment have different useful lives, they are accounted for as separate items (major components) of renovation and equipment.

The gain or loss on disposal of an item of renovation and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the statement of comprehensive income.

(ii) Subsequent costs

The cost of replacing a component of an item of renovation and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Society, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of renovation and equipment are recognised in the statement of comprehensive income as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of the asset, that component is depreciated separately.

Depreciation is recognized as an expense in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each component of an item of renovation and equipment, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the renovation and equipment are installed and are ready for use.

The estimated useful lives for the current and comparative years are as follows:

- Renovation 5 years
- Furniture, fittings & equipment 5 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

**3.3 Leased assets**

Leases are operating leases and are not recognized in the Society's statement of financial position.

**3.4 Impairment**

(i) Non-derivative financial assets

A financial asset not carried at fair value through the statement of comprehensive income is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event(s) has occurred after the initial recognition of the asset, and that the loss event(s) has an impact on the estimated future cash flows of that asset that can be estimated reliably.

**STUDENTS CARE SERVICE**  
**NOTES TO THE FINANCIAL STATEMENTS – 31 March 2016**

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Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Society on terms that the Society would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Society, economic conditions that correlate with defaults or the disappearance of an active market for a security.

*Receivables*

The Society considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment, the Society uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognized in the statement of comprehensive income and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statement of comprehensive income.

(ii) **Non-financial assets**

The carrying amounts of the Society's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognized in income statement.

Impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**3.5 Employee benefits**

(i) **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in the statement of comprehensive income in the years during which related services are rendered by employees.

**STUDENTS CARE SERVICE**  
**NOTES TO THE FINANCIAL STATEMENTS – 31 March 2016**

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- (ii) Short-term employee benefits  
Short-term employee benefit obligations are expensed as the related service is provided.

**3.6 Revenue**

Revenue from rendering of services is recognised as entitlement to income in proportion to the stage of completion of the transaction at the reporting date.

Donations are recognised when the Society's entitlement to such income is established with certainty and the amount can be measured with sufficient reliability. Cash contributions for capital expenditure are subsequently allocated to Asset enhancement fund.

Income other than donations and contributions for capital expenditure are taken up at fair value on an accrual basis.

Interest income from bank deposits and bonds is accrued on a time proportion basis with reference to the principal outstanding and at the rate applicable on an effective yield method.

**3.7 Government grants**

Grants and subsidies from the government are recognised at their fair value where there is reasonable assurance that those grants and subsidies will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match the income on a systematic basis to the cost which it is intended to compensate. Where the grant or subsidy relates to a depreciable asset, the grant is recognised in the income statement over the life of the depreciable asset to match the depreciation charge of the asset to which it relates.

**3.8 Lease payments**

Payments made under operating leases are recognized in the statement of comprehensive income on a straight-line basis over the term of the lease.

**3.9 Tax**

As the Society is registered as a Charity under the Charities Act, Cap. 37, its income is exempt from income tax.

**3.10 New standards and interpretations not adopted**

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2015, and have not been applied in preparing these financial statements.

These new standards include, among others, FRS 109 *Financial Instruments* which is mandatory for adoption by the Society on 1 January 2018.

- FRS 109 replaces most of the existing guidance in FRS 39 *Financial Instruments: Recognition and Measurement*. It includes revised guidance on classification and measurement of financial instruments and a new expected credit loss model for calculating impairment on financial assets.

As FRS 109, when effective, will change the existing accounting standards and guidance applied by the Society in accounting for financial instruments, this standard is expected to be relevant to the Society. The Society does not plan to adopt this standard this year.

**STUDENTS CARE SERVICE**  
**NOTES TO THE FINANCIAL STATEMENTS – 31 March 2016**

**4. Renovation and equipment**

<b>Cost</b>	<b>Furniture fittings and equipment</b>		<b>Total</b>
	<b>Renovation</b>	<b>equipment</b>	
	<b>\$</b>	<b>\$</b>	<b>\$</b>
As at 31 March 2014	779,422	160,574	939,996
Additions	51,500	7,603	59,103
Disposals	(38,283)	(3,222)	(41,505)
As at 31 March 2015	<b>792,639</b>	<b>164,955</b>	<b>957,594</b>
Additions	18,252	8,981	27,233
Disposals	-	(880)	(880)
As at 31 March 2016	<b>810,891</b>	<b>173,056</b>	<b>983,947</b>
<b>Accumulated Depreciation</b>			
As at 31 March 2014	635,529	121,524	757,053
Charge for the year	73,153	13,128	86,281
Disposals	(38,283)	(3,222)	(41,505)
As at 31 March 2015	<b>670,399</b>	<b>131,430</b>	<b>801,829</b>
Charge for the year	85,344	13,627	98,971
Disposals	-	(704)	(704)
As at 31 March 2016	<b>755,743</b>	<b>144,353</b>	<b>900,096</b>
<b>Net Carrying Amount</b>			
As at 31 March 2016	<b>55,148</b>	<b>28,703</b>	<b>83,851</b>
As at 31 March 2015	122,240	33,525	155,765

**5. Held-to-maturity financial assets**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Quoted bonds, at amortised cost:		
Within 1 to 5 years	<b>4,061,966</b>	3,059,292
More than 5 years	<b>754,083</b>	1,793,905
	<b>4,816,049</b>	4,853,197

Bonds classified as held-to-maturity investments of the Society with carrying amounts of \$4,816,049 at 31 March 2016 (2015: \$4,853,197) have stated interest rates of 1.83% to 4.47% (2015: 1.83% to 4.47%) and mature in 2 to 6 years.

Information about the Society's fair value measurement is included in note 10.

**STUDENTS CARE SERVICE  
NOTES TO THE FINANCIAL STATEMENTS – 31 March 2016**

**6. Trade and other receivables**

	2016	2015
	\$	\$
Receivables	150,069	59,643
Interest income from held-to-maturity financial assets	33,936	33,935
Amount due from MSF	69,765	68,479
Sundry deposits	10,297	9,827
Bank interest receivable	13,058	2,941
	<u>277,125</u>	<u>174,825</u>

The Society's exposure to credit risk is disclosed in note 10.

**7. Cash and cash equivalents**

	2016	2015
	\$	\$
Cash at bank and on hand	2,756,602	1,588,151
Fixed deposits*	<u>3,021,076</u>	<u>2,583,870</u>
	<u>5,777,678</u>	<u>4,172,021</u>

\* Fixed deposits are placed mainly on 6 months and 1 year term and carry interest rates ranging from 0.80% to 1.88% (2015: 0.15% to 0.50%) per annum.

**8. Fund and reserves**

The reserves of the Society comprise the following balances:

	2016	2015
	\$	\$
General fund	1,630,601	912,226
Y's Men's Club (Beta Chapter) financial assistance fund	42,966	43,248
Asset enhancement fund	67,346	141,680
The Daisy Phay Foundation-SCS scholarship fund	5,364,595	5,297,407
Other programmes fund	<u>3,335,594</u>	<u>2,597,281</u>
	<u>10,441,102</u>	<u>8,991,842</u>

**Unrestricted Funds**

General fund

**Purpose**

This amount comprises accumulated surplus of SCS arising from general activities. Also accounted within this fund are the net results of SYNC/TSP Programme, Learning & Social Support Programme, Youth COP Programme and Buddy'IN which are funded partially by Community Chest.

Other programmes fund

This amount comprises accumulated surplus of SCS arising from activities including educational psychology service, school social work, Guidance Programme, Enhanced Step-Up, ACE Football, Community Mental Health, training and consultancy services and Spooner Road.

**STUDENTS CARE SERVICE  
NOTES TO THE FINANCIAL STATEMENTS – 31 March 2016**

**Restricted Funds**

The Daisy Phay Foundation  
- SCS scholarship fund

**Purpose**

This is an endowment fund created by the generous donation of \$5million by the Estate of Dr Phay Seng Whatt. The donation is invested in quoted bonds (see note 5) and kept intact at all times. Only the income generated from the investment of this fund is to be distributed on an annual basis for the benefit of full-time students, who are good, needy, deserving and studying in junior colleges.

Y's Men's Club (Beta Chapter)  
financial assistance fund

This is a fund restricted to be utilised only for financial assistance for needy students and their families. The Y's Men's Club (Beta Chapter) Board of Directors confirmed via email on 5 April 2013 that it had no objection to SCS's proposal to continue using the Y's Men's Club (Beta Chapter) Scholarship Fund to provide financial assistance to needy students and their families. It also agreed to rename the Fund as "Y's Men's Club (Beta Chapter) Financial Assistance Fund".

Asset enhancement fund

This is a fund restricted to be utilised for capital expenditure including cost of building development, renovation works, furniture & equipments etc.

**9. Other payables**

	2016	2015
	\$	\$
Central Provident Fund	62,710	59,235
Accruals	59,018	61,874
Funds received in advance	129,400	-
Advance held for designated services*	250,000	250,000
Others	17,331	2,767
	<b>518,459</b>	<b>373,876</b>

\* Milk Fund (Mainly I Love Kids) disbursed \$250,000 to SCS in December 2014 with the intention of obtaining dollar-for-dollar matching grant under the Care and Share Movement. The funding was redesignated as MILK Education Fund in February 2016 to be used solely for the award of MILK Scholarship until 1 January 2022 to Singapore Citizens under the age of 25 who cannot afford to finance their tertiary education in local government tertiary institutions.

The Society's exposure to liquidity risk related to other payables is disclosed in note 10.

**10. Financial instruments**

**Financial risk management**

*Overview*

The Society has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk

This note presents information about the Society's exposure to each of the above risks.



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**Credit risk**

Credit risk is the risk of financial loss to the Society if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises primarily from the Society's receivables from customers.

The carrying amounts of financial assets in the statement of financial position represent the Society's maximum credit exposure to credit risk.

*Cash and cash equivalents*

The Society held cash and cash equivalents of \$5,777,678 at 31 March 2016 (2015: \$4,172,021) - this figure represents its maximum credit exposure on this asset.

**Liquidity risk**

*Exposure to liquidity risk*

The following are the contractual maturities of financial liabilities:

**31 March 2016**

	Carrying amount	Contractual cash flows	1 year or less	More than 1 year
	S\$	S\$	S\$	S\$
Other payables	518,459	(518,459)	(268,459)	(250,000)

31 March 2015

	Carrying amount	Contractual cash flows	1 year or less	More than 1 year
	S\$	S\$	S\$	S\$
Other payables	373,876	(373,876)	(123,876)	(250,000)

The maturity analyses show the contractual undiscounted cash flows of the Society's financial liabilities on the basis of their earliest possible contractual maturity.

It is not expected that the cash flows included in the maturity analysis above could occur significantly earlier, or at significantly different amounts.

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**Accounting classifications and fair values**

The carrying amounts and fair values of financial assets, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount			Fair value	
	Held-to-maturity S\$	Loans and receivables S\$	Other financial liabilities S\$	Level 1 S\$	Total S\$
<b>31 March 2016</b>					
Financial assets not measured at fair value					
Held-to-maturity debt securities	4,816,049	-	-	4,847,725	4,847,725
Trade and other receivables	-	277,125	-		277,125
Cash and cash equivalents	-	5,777,678	-		5,777,678
	<b>4,816,049</b>	<b>6,054,803</b>	<b>-</b>		<b>10,870,852</b>
Financial liabilities not measured at fair value					
Trade and other payables	-	-	(518,459)		(518,459)
<b>31 March 2015</b>					
Financial assets not measured at fair value					
Held-to-maturity debt securities	4,853,197	-	-	4,838,350	4,838,350
Trade and other receivables	-	174,825	-		174,825
Cash and cash equivalents	-	4,172,021	-		4,172,021
	<b>4,853,197</b>	<b>4,346,846</b>	<b>-</b>		<b>9,200,043</b>
Financial liabilities not measured at fair value					
Trade and other payables	-	-	(373,876)		(373,876)

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**11. Restricted Fund - Accumulated balance of NCSS/Community Chest Funding**

	<b>Learning and Social Support (Educational Psychology Service)</b>	<b>SYNC /TSP (Clementi Centre)</b>	<b>SYNC /TSP (Hougang Centre)</b>	<b>SYNC /TSP (Yishun Centre)</b>	<b>Youth COP</b>	<b>Buddy'IN</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$	\$
FY10/11 Community Chest Funding	376,847	335,765	291,817	292,500	-	-	1,296,929
FY10/11 Total Programme Expenditure	(414,672)	(502,502)	(486,817)	(439,855)	-	-	(1,843,846)
<i>Balance as at 1 April 2011</i>	<i>(37,825)</i>	<i>(166,737)</i>	<i>(195,000)</i>	<i>(147,355)</i>	-	-	<i>(546,917)</i>
FY11/12 Community Chest Funding	376,585	306,480	306,480	306,480	-	-	1,296,025
FY11/12 Total Programme Expenditure	(428,620)	(474,937)	(431,841)	(409,844)	-	-	(1,745,242)
<i>Balance as at 1 April 2012</i>	<i>(89,860)</i>	<i>(335,194)</i>	<i>(320,361)</i>	<i>(250,719)</i>	-	-	<i>(996,134)</i>
FY12/13 Community Chest Funding	375,720	305,777	305,777	305,777	246,252	-	1,539,303
FY12/13 Total Programme Expenditure	(465,092)	(408,580)	(412,250)	(428,900)	(236,591)	-	(1,951,413)
<i>Balance as at 1 April 2013</i>	<i>(179,232)</i>	<i>(437,997)</i>	<i>(426,834)</i>	<i>(373,842)</i>	<i>9,661</i>	-	<i>(1,408,244)</i>
FY13/14 Community Chest Funding	375,720	305,777	305,777	305,777	261,228	-	1,554,279
FY13/14 Total Programme Expenditure	(488,718)	(407,264)	(394,143)	(446,904)	(238,277)	-	(1,975,306)
<i>Balance as at 1 April 2014</i>	<i>(292,230)</i>	<i>(539,484)</i>	<i>(515,200)</i>	<i>(514,969)</i>	<i>32,612</i>	-	<i>(1,829,271)</i>
FY14/15 Community Chest Funding	375,720	430,752	430,752	430,752	265,147	-	1,933,123
FY14/15 Total Programme Expenditure	(487,950)	(387,872)	(363,226)	(427,525)	(331,762)	(3,318)	(2,001,653)
<i>Balance as at 1 April 2015</i>	<i>(404,460)</i>	<i>(496,604)</i>	<i>(447,674)</i>	<i>(511,742)</i>	<i>(34,003)</i>	<i>(3,318)</i>	<i>(1,897,801)</i>
FY15/16 Community Chest Funding*	375,720	485,058	485,058	485,058	286,943	168,934	2,286,771
FY15/16 Total Programme Expenditure#	(441,321)	(399,153)	(389,416)	(431,538)	(318,796)	(63,354)	(2,043,578)
<b>Balance as at 1 April 2016</b>	<b>(470,061)</b>	<b>(410,699)</b>	<b>(352,032)</b>	<b>(458,222)</b>	<b>(65,856)</b>	<b>102,262</b>	<b>(1,654,608)</b>

\* Refer to Community Chest Funding under Note 13 on page 20

# Refer to Total Expenditure under Note 13 on page 20

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The above table depicts the accumulated balance of funding received for the respective programmes. It does not include income generated, donations raised or funds injected by the Society to cover the operating deficits resulting from the partial funding model prescribed by NCSS/Community Chest. Funding for “Headquarters (corporate functions)” was allocated to the Learning and Social Support, SYNC/TSP Clementi, SYNC/TSP Hougang, SYNC/TSP Yishun, Youth COP and Buddy’IN programmes based on the apportionment quantum prescribed by NCSS.

The Accumulated Reserves ending balance of the year as indicated above is restricted for the operations of the programmes only, for the benefit of its intended clients.

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.

**12. Employee benefits**

	2016	2015
	\$	\$
Salaries and bonuses	2,269,840	2,296,354
Central Provident Fund (CPF) and Skills Development Levy (SDL)	407,606	373,695
Others	26,413	25,140
	<u>2,703,859</u>	<u>2,695,189</u>

Employees’ remuneration for the year are in the following range:

Yearly remuneration*	2016	2015
	\$	\$
\$125,001 to \$150,000	-	-
\$100,001 to \$125,000	2	3
\$75,001 to \$100,000	5	5
\$50,001 to \$75,000	25	21
\$50,000 and below	20	22

\* Salary and bonus (including employer’s CPF contributions).  
The Board members did not receive any remuneration during the year.

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**13. Surplus for the year\***

	Programmes funded partially by Community Chest/ General fund							2016 Total \$	2015 Total \$
	Learning and Social Support (Educational Psychology Service) \$	SYNC /TSP (Clementi Centre) \$	SYNC /TSP (Hougang Centre) \$	SYNC /TSP (Yishun Centre) \$	Youth COP \$	Buddy'IN \$			
<b>Income</b>									
Community Chest funding	375,720	485,058	485,058	485,058	286,943	168,934	2,286,771	1,933,123	
Tax-deductible donations	381	200	6,562	12,580	-	-	19,723	4,481	
Non-tax deductible donations	-	851	-	1,135	91,918	500	94,404	3,180	
Centre-based income									
- Programme fees	30,870	-	260	40	-	-	31,170	27,715	
- Consultation	4,410	-	-	150	-	-	4,560	3,155	
School social work income	-	40,140	108,213	68,052	54,438	-	270,843	309,534	
Training income	8,412	7,010	7,010	7,010	5,608	1,402	36,452	32,958	
Membership fee	19	16	16	16	13	3	83	82	
Singapore Telecom Sponsorship Scheme (STSS)	-	440	440	440	-	-	1,320	1,320	
Miscellaneous income	519	757	739	588	487	86	3,176	1,687	
Finance income	3,119	2,600	2,534	2,599	2,080	520	13,452	3,715	
	423,450	537,072	610,832	577,668	441,487	171,445	2,761,954	2,320,950	
<b>Expenditure</b>									
<b>Employee benefits</b>									
Salaries	280,252	235,597	230,753	257,960	192,828	34,765	1,232,155	1,215,213	
Bonuses	75,715	55,197	49,160	59,948	51,302	8,827	300,149	313,317	
Employer's CPF and SDL	62,656	51,625	50,670	56,210	45,181	7,786	274,128	248,541	
Staff welfare/benefits	3,255	2,878	2,486	3,011	2,300	448	14,378	15,136	
Medical benefits	407	416	479	1,010	424	115	2,851	721	
Dental benefits	317	186	193	346	85	45	1,172	613	
	422,602	345,899	333,741	378,485	292,120	51,986	1,824,833	1,793,541	
<b>Depreciation of renovation and equipment</b>	595	1,731	1,710	926	580	99	5,641	5,854	
<b>Other operating expenses</b>									
Staff training and development	596	2,182	1,056	1,189	886	78	5,987	8,092	
Rental of offices	3,573	10,504	10,128	11,524	-	-	35,729	35,728	
Rental of equipment	860	2,581	2,581	2,581	-	-	8,603	8,603	
Utilities	-	11,338	10,088	10,200	-	-	31,626	35,164	
Communications	182	2,799	3,428	2,716	98	36	9,259	9,328	
Maintenance - Land and building	-	2,474	2,604	2,830	-	-	7,908	4,247	
Maintenance - Equipment	2,044	4,084	3,585	3,246	1,362	341	14,662	16,122	
Insurance	210	940	894	873	434	74	3,425	3,574	
Supplies and materials	4,824	10,070	14,030	10,262	17,723	8,540	65,449	59,866	
Transport	1,150	1,692	2,440	2,627	4,317	1,881	14,107	8,978	
Volunteer development	2,770	1,264	1,222	2,485	-	-	7,741	5,521	
Professional fees and services	1,157	964	964	964	771	193	5,013	3,593	
Bank charges	67	56	53	56	44	11	287	358	
Subscription/ membership fees	20	17	17	17	14	3	88	86	
Recruitment	23	19	162	19	15	4	242	275	
Public education	648	539	539	538	432	108	2,804	2,723	
Gain on disposal of fixed assets	-	-	174	-	-	-	174	-	
	18,124	51,523	53,965	52,127	26,096	11,269	213,104	202,258	
<b>Total Expenditure</b>	441,321	399,153	389,416	431,538	318,796	63,354	2,043,578	2,001,653	
<b>(Deficit)/surplus for the year</b>	<b>(17,871)</b>	<b>137,919</b>	<b>221,416</b>	<b>146,130</b>	<b>122,691</b>	<b>108,091</b>	<b>718,376</b>	<b>319,297</b>	

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<b>Other Programmes and Activities</b>						
	Y's Men's Club financial assistance fund	Asset enhancement fund	The Daisy Phay Foundation- SCS scholarship fund	Other programmes fund	2016 Total	2015 Total
	\$	\$	\$	\$	\$	\$
<b>Income</b>						
Tax-deductible donations	-	-	-	736,149	736,149	569,862
Non-tax deductible donations	-	-	-	236,751	236,751	357,414
Centre-based income						
- Programme fees	-	-	-	297,303	297,303	286,483
- Consultation	-	-	-	13,600	13,600	18,155
School social work income	-	-	-	108,452	108,452	172,240
Training income	-	-	-	15,717	15,717	16,072
Membership fee	-	-	-	36	36	38
Finance income	-	350	-	5,736	6,086	1,955
Miscellaneous income	-	-	-	12,296	12,296	1,718
Interest income from held-to-maturity financial assets	-	-	109,801	-	109,801	110,733
Matching Grant-Care & Share	-	-	-	300,000	300,000	-
MSF- Funding	-	-	-	91,800	91,800	-
	-	350	109,801	1,817,840	1,927,991	1,534,670
<b>Expenditure</b>						
<b>Employee benefits</b>						
Salaries	-	-	-	613,885	613,885	628,109
Bonuses	-	-	-	123,651	123,651	139,715
Employer's CPF and SDL	-	-	-	133,477	133,477	125,154
Staff welfare / benefits	-	-	-	6,129	6,129	7,991
Medical benefits	-	-	-	1,443	1,443	329
Dental benefits	-	-	-	440	440	350
	-	-	-	879,025	879,025	901,648
<b>Depreciation of renovation and equipment</b>	-	74,684	-	18,646	93,330	80,428
<b>Other operating expenses</b>						
Staff training and development	-	-	-	5,760	5,760	3,170
Rental of offices	-	-	-	9,836	9,836	9,918
Utilities	-	-	-	323	323	530
Communications	-	-	-	2,090	2,090	2,123
Maintenance - Land and building	-	-	-	10,310	10,310	10,007
Maintenance - Equipment	-	-	-	4,070	4,070	2,564
Insurance	-	-	-	917	917	1,172
Supplies and materials	-	-	2,573	127,137	129,710	188,243
Transport	-	-	-	4,904	4,904	8,927
Professional fees and services	-	-	-	15,043	15,043	1,673
Bank charges	-	-	40	228	268	2,262
Subscription/ membership fees	-	-	-	37	37	40
Recruitment	-	-	-	42	42	135
Public education	-	-	-	1,159	1,159	1,235
Financial assistance	282	-	-	-	282	441
Scholarship/Bursary	-	-	40,000	-	40,000	36,000
	282	-	42,613	181,856	224,751	268,440
<b>Total Expenditure</b>	282	74,684	42,613	1,079,527	1,197,106	1,250,516
<b>(Deficit)/surplus for the year</b>	<b>(282)</b>	<b>(74,334)</b>	<b>67,188</b>	<b>738,313</b>	<b>730,885</b>	<b>284,154</b>

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	<b>2016</b>	2015
<b>Summary</b>	<b>\$</b>	<b>\$</b>
Programmes funded partially by Community Chest/ General Fund	<b>718,376</b>	319,297
Other Programmes and Activities	<b>730,885</b>	284,154
Income for the year	<b>1,449,261</b>	603,451

**14. Operating leases**

Non-cancellable operating lease rentals are payable as follows :

	<b>2016</b>	2015
	<b>\$</b>	<b>\$</b>
Not later than 1 year	<b>18,522</b>	16,869
Later than 1 year but not later than 5 years	<b>33,370</b>	51,652
	<b>51,892</b>	68,521

The Society leases copiers and office under operating leases. The leases typically run for a period of 3 to 5 years.

During the year, an amount of \$45,565 was recognised as an expense in statement of comprehensive income in respect of operating leases (2015: \$45,646).

**15. Subsequent Events**

In Apr 2016, DBS issued a notice to exercise the call option to fully redeem all outstanding Notes together with all outstanding interest accrued on 15 Jul 2016 for Subordinate Notes due on 2021. As of 31 Mar 2016, the carrying amount of this Note held by SCS is \$754,083. Based on the maturity date of 15 Jul 2016, the breakdown of the financial assets held to maturity in Note 5 would be:

	<b>2016</b>	2015
	<b>\$</b>	<b>\$</b>
Quoted bonds, at amortised cost:		
Less than 1 year	<b>754,083</b>	-
Within 1 to 5 years	<b>4,061,965</b>	4,853,197
	<b>4,816,048</b>	4,853,197