

**CHRISTIAN COUNSELLING SERVICES
(UEN: T12SS0078B)**

**STATEMENT BY THE MANAGEMENT COMMITTEE MEMBERS
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

**CHRISTIAN COUNSELLING SERVICES
(UEN: T12SS0078B)**

MANAGEMENT COMMITTEE (Appointed on 28 April 2019)

LIM POH SOON PHILIP	PRESIDENT
REV DARREN LIM SOO KUAN	VICE PRESIDENT
HO TONG MENG LEMUEL	VICE PRESIDENT
PECK HAN LIM JOSEPH	HONORARY SECRETARY
DAVID DANIEL SIOW PENG GUAN	HONORARY TREASURER
ELEANOR WONG PUI SIM	COMMITTEE MEMBER
TERRENCE TEO BOON TECK	COMMITTEE MEMBER

**CHRISTIAN COUNSELLING SERVICES
(UEN: T12SS0078B)**

Registered Office

73 Upper Paya Lebar Road
#07-02A Centro Bianco
Singapore 534818

Auditor

Kreston David Yeung PAC

Banker

Maybank Singapore Limited

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CHRISTIAN COUNSELLING SERVICES
(UEN: T12SS0078B)

STATEMENT BY THE MANAGEMENT COMMITTEE MEMBERS

In the opinion of Management Committee Members:-

- i) the accompanying statement of financial position, income and expenditure statement, statement of comprehensive income, statement of changes in accumulated fund and statement of cash flows, together with the notes thereto, are drawn up in accordance with the provisions of the Societies Act, Chapter 311, Charities Act, Chapter 37 and other relevant regulations and Singapore Financial Reporting Standards so as to present fairly, in all material respect, of the state of affairs of Christian Counselling Services (the "Society") as at 31 December 2020 and the results, changes in accumulated fund and cash flows of the Society for the financial year ended on that date; and
- ii) at the date of this statement there are reasonable grounds to believe that the Society will be able to pay its debts and when they fall due.

On behalf of the Management Committee Members,



LIM POH SOON PHILIP
President



PECK HAN LIM JOSEPH
Honorary Secretary



DAVID DANIEL SIOW PENG GUAN
Honorary Treasurer

Singapore, 22 April 2021



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTIAN COUNSELLING SERVICES (UEN: T12SS0078B)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Christian Counselling Services (the "Society"), which comprise the statement of financial position of the Society as at 31 December 2020, the income and expenditure statement, statement of comprehensive income, statement of changes in accumulated fund and statement of cash flows of the Society for the 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 2020 and the results, changes in accumulated fund and cash flows of the Society for the 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 Information

Management is responsible for the other information. The other information comprises the information included in the Statement By The Management Committee Members.

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

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CHRISTIAN COUNSELLING SERVICES (UEN: T12SS0078B) (Continued)**

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, whatever due to fraud and 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.

The Management Committee Members are responsible for overseeing the Society's 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CHRISTIAN COUNSELLING SERVICES (UEN: T12SS0078B) (Continued)**

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

- 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 Management Committee Members 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.

A handwritten signature in blue ink, appearing to be 'W. C. Yeung', is written over a horizontal line.

KRESTON DAVID YEUNG PAC
Public Accountants and
Chartered Accountants

Singapore, 22 April 2021

**CHRISTIAN COUNSELLING SERVICES
(UEN: T12SS0078B)**

**STATEMENT OF FINANCIAL POSITION
As at 31 December 2020**

	Note	2020 S\$	2019 S\$
ASSETS			
Current assets			
Deposit		1,680	2,480
Prepayments		1,299	7,453
Interest receivable		-	108
Grant receivable - JSS	3	1,400	-
Cash and bank balances	4	282,740	220,800
Total assets		<u>287,119</u>	<u>230,841</u>
 FUND AND LIABILITIES			
Fund			
Unrestricted Fund			
Accumulated fund		<u>279,936</u>	<u>226,690</u>
 Current liabilities			
Accruals		5,783	2,826
Deferred income	5	-	1,325
Deferred grant income -JSS		1,400	-
Total liabilities		<u>7,183</u>	<u>4,151</u>
Total fund and liabilities		<u>287,119</u>	<u>230,841</u>

The notes set out on pages 11 to 20 form an integral part of and should be read in conjunction with this set of financial statements.

CHRISTIAN COUNSELLING SERVICES
(UEN: T12SS0078B)

INCOME AND EXPENDITURE STATEMENT
For the year ended 31 December 2020

	Note	2020 S\$	2019 S\$
Income			
Activities income		1,745	3,141
Donation received: Non tax-deductible donation		121,495	122,250
Interest income		1,737	1,299
Other income	6	<u>19,784</u>	<u>2,570</u>
Total income		144,761	129,260
Less: Total expenditure (Page 7)		<u>(91,515)</u>	<u>(92,801)</u>
Surplus before taxation		53,246	36,459
Less: Taxation	7	<u>-</u>	<u>-</u>
Net surplus for the year		<u>53,246</u>	<u>36,459</u>

The notes set out on pages 11 to 20 form an integral part of and should be read in conjunction with this set of financial statements.

CHRISTIAN COUNSELLING SERVICES
(UEN: T12SS0078B)

INCOME AND EXPENDITURE STATEMENT
For the year ended 31 December 2020

	2020	2019
	S\$	S\$
Expenditure		
Auditors' remuneration	1,800	1,800
Bank charges	120	50
CPF and SDL	5,317	3,192
Fellowship activities	11,438	12,664
Fellowship expenses	-	1,086
General expenses	851	1,508
Incare project expenses	6,650	6,000
Insurance	490	589
Love gift	600	600
Postage	36	15
Printing and stationery	220	638
Professional fees	1,500	-
Publicity and Publication	3,998	5,282
Refreshment	-	4
Rental expenses	9,603	13,761
Salaries and bonuses	46,136	41,233
Subscription fee	200	200
Telephone charges	2,556	2,984
Training and conferences	-	1,195
Total expenditure (Page 6)	<u>91,515</u>	<u>92,801</u>

The notes set out on pages 11 to 20 form an integral part of and should be read in conjunction with this set of financial statements.

**CHRISTIAN COUNSELLING SERVICES
(UEN: T12SS0078B)**

**STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2020**

	2020	2019
	S\$	S\$
Net surplus for the year	53,246	36,459
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>53,246</u>	<u>36,459</u>

The notes set out on pages 11 to 20 form an integral part of and should be read in conjunction with this set of financial statements.

**CHRISTIAN COUNSELLING SERVICES
(UEN: T12SS0078B)**

**STATEMENT OF CHANGES IN ACCUMULATED FUND
For the year ended 31 December 2020**

	Accumulated fund S\$
Balance as at 01.01.2019	190,231
Total comprehensive income for the year	<u>36,459</u>
Balance as at 31.12.2019/01.01.2020	226,690
Total comprehensive income for the year	<u>53,246</u>
Balance as at 31.12.2020	<u>279,936</u>

The notes set out on pages 11 to 20 form an integral part of and should be read in conjunction with this set of financial statements.

CHRISTIAN COUNSELLING SERVICES
(UEN: T12SS0078B)

STATEMENT OF CASH FLOWS
For the year ended 31 December 2020

	2020	2019
	S\$	S\$
Cash flows from operating activities		
Net surplus for the year	53,246	36,459
Adjustment for:-		
Interest income	<u>(1,737)</u>	<u>(1,299)</u>
Operating surplus before working capital changes	51,509	35,160
Changes in working capital:-		
Decrease/(Increase) in deposit and other receivables	5,554	(4,454)
Increase/(Decrease) in accruals and other payables	<u>4,357</u>	<u>(5,236)</u>
Net cash generated from operating activities	<u>61,420</u>	<u>25,470</u>
Cash flows from investing activities		
Decrease/(Increase) in fixed deposits (Note 4)	150,000	(150,000)
Interest received	<u>520</u>	<u>2,917</u>
Net cash generated from/(used in) investing activities	<u>150,520</u>	<u>(147,083)</u>
Net increase/(decrease) in cash and cash equivalents	211,940	(121,613)
Cash and cash equivalents at beginning of year	<u>70,800</u>	<u>192,413</u>
Cash and cash equivalents at end of year (Note 4)	<u>282,740</u>	<u>70,800</u>

The notes set out on pages 11 to 20 form an integral part of and should be read in conjunction with this set of financial statements.

**CHRISTIAN COUNSELLING SERVICES
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NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2020

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

1. GENERAL

Christian Counselling Services (the “Society”) was registered in the Republic of Singapore under Societies Act and Charities Act.

The principal activities of the Society are:-

- a) to assist in the rehabilitation of prisoners and ex-prisoners and their reintegration into the society, based on Christian principles;
- b) to train Christian Volunteer Counsellors so as to attain a holistic approach towards the rehabilitation process;
- c) to help ex-prisoners and drug abusers with job placement and skills development in order to help them become contributing citizens of Singapore;
- d) to provide preventive education and/or Biblical counselling in governmental or non-governmental institutions and to the public in general;
- e) to work closely (and in tandem) with any related bodies to combat chronic social problems e.g. the drug abuse problem of the nation and in the region.

The Society shall not engage in any activities that may undermine the racial, political or religious harmony in Singapore.

The registered office and principal place of operation of the Society is located at 73 Upper Paya Lebar Road, #07-02A Centro Bianco, Singapore 534818.

The financial statements of the Society for the year ended 31 December 2020 are authorised for issue by Management Committee Members on 22 April 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements of the Society have been prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up in accordance with the Singapore Financial Reporting Standards (“FRS”).

In the current financial year, the Society has adopted all the new and revised FRS and Interpretations of FRS (“INT FRS”) that are relevant to its operations and effective for annual period beginning on or after 1 January 2020. The adoption of these new/revised FRSs and INT FRSs have no material effect on the financial statements.

**CHRISTIAN COUNSELLING SERVICES
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NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Significant Accounting Estimates and Judgements

The preparation of the financial statements in conformity with FRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial period. Although these estimates are based on management's best knowledge of current events and actions, the management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements.

c) Foreign Currencies

Functional and presentation currency

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

Transactions and balances

Transactions in foreign currencies are measured and recorded in Singapore dollar at the exchange rate in effect at the date of transactions. At end of each reporting period, recorded foreign currency monetary items are adjusted to reflect the rate at the end of reporting period. All realised and unrealised differences are taken to the income and expenditure statement.

d) Financial Instruments

i) Financial Assets

Initial recognition and measurement

Financial assets are recognised on the statement of financial position when, and only when, the Society becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, transaction costs that are directly attributable to the acquisition of the financial asset.

**CHRISTIAN COUNSELLING SERVICES
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NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Financial Instruments (Continued)

i) Financial Assets (Continued)

Subsequent measurement

Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains or losses are recognised in income and expenditure statement when the assets are derecognised or impaired, and through amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in income and expenditure statement.

ii) Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised on the statement of financial position 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 and directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in income and expenditure statement when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in income and expenditure statement.

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Impairment of Financial Assets

The Society recognises an allowance for expected credit losses (ECL) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Society expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held of other credit enhancement that are integral to the contractual term.

Financial assets carried at amortised cost

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-months ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade and other receivables, the Society will apply a simplified approach in calculating ECLs. Therefore, the Society does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at the end of each reporting period. The Society will establish a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Society considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Society may also consider a financial asset to be in default when internal or external information indicates that the Society is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Society. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

f) Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand and cash at banks, net of fixed deposits with 3 months tenure or more intended for investment purpose. These cash and cash equivalents form part of the Society's cash management that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

g) 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.

**CHRISTIAN COUNSELLING SERVICES
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NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Provisions (Continued)

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

l) Government Grants

Government and others grants are recognised when there is reasonable assurance that the conditions attaching to it will be complied with and the grant will be received.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

i) Income Recognition

Revenue is measured based on the consideration to which the Society expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Society satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Cash donations are recognised as income as and when received.

Donation in kind received which are donated to the Society are recorded at values based on a reasonable estimate of their value or at market value.

Interest income is recognised using the effective interest method.

j) Employee Benefits

Defined contribution plans

As required by law, the Society makes contributions to the state pension scheme, the Central Provident Fund (CPF). CPF contributions are recognised as compensation expense in the same period as the employment that gives rise to the contribution.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to the employees. Accruals are made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

**CHRISTIAN COUNSELLING SERVICES
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NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Key Management Personnel

Key management personnel of the Society are those having authority and responsibility for planning, directing and controlling the activities of the Society. Management Committee Members are considered as key management personnel.

l) Contingencies

A contingent liability is:-

A possible obligation 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; or

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 with 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.

m) Leases

As lessee

Short-term leases and leases of low-value assets

The company applies the short-term lease recognition exemption under FRS 116 to its short-term leases of premises (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

n) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**CHRISTIAN COUNSELLING SERVICES
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NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2020

3. GRANT RECEIVABLE - JSS

The grant receivable – JSS for the financial year represents Jobs Support Scheme (JSS) receivable from government. The JSS is government assistance intended to provide wage support to the entities who retain their local employees during the period of economic uncertainty due to outbreak of Covid-19 pandemic. The Society's operation was impacted from April 2020, following the circuit-breaker measures which took effect on 7 April 2020. The grant receivable – JSS of S\$1,400 represents 4th payout of JSS for wage support from September to December 2020 and receivable in March 2021. JSS grant income of S\$15,357 has been recognised during the financial year.

4. CASH AND BANK BALANCES

	2020	2019
	S\$	S\$
Cash and bank balances comprise:-		
Fixed deposits	-	150,000
Cash at bank	282,572	70,505
Cash in hand	168	295
	<u>282,740</u>	<u>220,800</u>
Less: Fixed deposits with maturity more than 3 months	<u>-</u>	<u>(150,000)</u>
Cash and cash equivalents	<u>282,740</u>	<u>70,800</u>

The fixed deposits earned interests at rates ranging from 1.6% to 2.1% (2019: 1.6% to 2.1%) per annum.

5. DEFERRED INCOME

Deferred income represents fixed deposit interest received in advance.

6. OTHER INCOME

	2020	2019
	S\$	S\$
Government grants		
- Jobs support scheme	15,357	-
- Special employment credit	234	1,248
- Temporary employment credit	-	1,072
- Wages credit scheme	3,566	-
Rental rebate	627	-
Other income	-	250
	<u>19,784</u>	<u>2,570</u>

**CHRISTIAN COUNSELLING SERVICES
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NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2020

7. INCOME TAX

The Society has been registered as a charity under the Charities Act with effect from 12 June 2014 and income received from 13 June 2014 is exempted from income tax under the provisions of the Income Tax Act, Cap. 134.

At the end of the reporting period, the Society has unutilised tax losses of S\$1,080 arose from result before 13 June 2014.

8. OPERATING LEASE COMMITMENTS

Office rental expense was S\$9,603 (2019: S\$4,311) for the year ended 31 December 2020. The lease does not include contingent rentals. Future minimum rentals under non-cancellable leases are as follows as of 31 December:-

	2020	2019
	S\$	S\$
Amount payable:-		
Within one year	<u>5,201</u>	<u>5,201</u>

9. FINANCIAL RISK MANAGEMENT

The Society is exposed to credit risk, interest rate risk, liquidity risk and foreign currency risk which arise in the normal course of its operations. The Society does not have written risk management policies and guidelines. The Society does not hold or issue derivative financial instruments.

Credit Risk

The Society has no significant concentrations of credit risk. Cash is placed with established financial institutions. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Foreign Currency Risk

The Society is not exposed to foreign currency risk as all its transactions are denominated in Singapore dollar.

Interest Rate Risk

The Society has no significant exposure to interest rate risk. As such, fluctuations in market interest rate do not have any significant effect on the Society's cash flows.

Liquidity Risk

The Society monitors and maintains a level of cash and cash equivalents deemed adequate to meet its cash flow obligations.

The maturity profile of the Society's financial liabilities is within 12 months from the end of the reporting period.

**CHRISTIAN COUNSELLING SERVICES
(UEN: T12SS0078B)**

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2020

10. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The following table sets out the financial assets and liabilities at the end of the reporting period:-

	2020 S\$	2019 S\$
<u>Financial assets</u>		
At amortised cost:-		
Deposit	1,680	2,480
Interest receivable	-	108
Grant receivable - JSS	1,400	-
Cash and bank balances	<u>282,740</u>	<u>220,800</u>
Total financial assets	<u>285,820</u>	<u>223,388</u>
<u>Financial liabilities</u>		
At amortised cost:-		
Accruals	<u>5,783</u>	<u>2,826</u>
Total financial liabilities	<u>5,783</u>	<u>2,826</u>

11. RESERVE POLICY

	2020 S\$	2019 S\$	% Increase / (Decrease)
Unrestricted fund (*Reserves)	<u>279,936</u>	<u>226,690</u>	
Ratio of *Reserves to Annual Operating Expenditure	<u>3.06:1</u>	<u>2.44:1</u>	25%

The reserves have been set aside by Management Committee to provide financial stability and the means for the development of its principal activities. These reserves will be critical when donations dry up or the economy is at a downturn.

The Management Committee regularly reviews the amounts of reserves that are required to ensure that they are able to fulfill their continuing obligations.

12. FAIR VALUES

The carrying amounts of the Society's financial assets and financial liabilities are recorded in the financial statements at their approximate fair values, determined in accordance with the accounting policies disclosed in Note 2 to the financial statements.

**CHRISTIAN COUNSELLING SERVICES
(UEN: T12SS0078B)**

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2020

13. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards, amendments and interpretations to existing standards have been published that are mandatory for accounting periods beginning on or after 1 January 2021. The Management Committee expects that the adoption of these standards will have no material impact on the financial statements in the period of initial application.

14. EVENT OCCURRING AFTER THE REPORTING PERIOD

The development of the COVID-19 pandemic since the beginning of the year 2020 has significantly disrupted activities and operations of many organisations. In line with the enforcement of circuit breaker measures from April to June 2020, the Society had suspended physical events and other activities on-site.

Since reopening on second half of the year, the Society has gradually resumed activities at its premises in accordance with government guidelines. The Management Committee has estimated the financial impact of the outbreak is not drastic to the Society experienced a gradual recovery and much of the activities and donations have normalised. The Society received continuous financial support from donors.