

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

**STATEMENT BY THE MANAGEMENT COMMITTEE MEMBERS  
AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

**MANAGEMENT COMMITTEE (Appointed on 27 April 2021)**

<b>LIM POH SOON PHILIP</b>	<b>PRESIDENT</b>
<b>REV DARREN LIM SOO KUAN</b>	<b>VICE PRESIDENT</b>
<b>HO TONG MENG LEMUEL</b>	<b>VICE PRESIDENT</b>
<b>TERRENCE TEO BOON TECK</b>	<b>HONORARY SECRETARY</b>
<b>DAVID DANIEL SIOW PENG GUAN</b>	<b>HONORARY TREASURER</b>
<b>ELEANOR WONG PUI SIM</b>	<b>COMMITTEE MEMBER</b>
<b>EILEEN LEOW CHEOK HWA</b>	<b>COMMITTEE MEMBER</b>

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

**Registered Office**

5 Pereira Road  
#06-02 Asiawide Industrial Building  
Singapore 368025

**Auditor**

Kreston David Yeung PAC

**Banker**

Maybank Singapore Limited

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

**STATEMENT BY THE MANAGEMENT COMMITTEE**

In the opinion of Management Committee:-

- 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 respects, the state of affairs of Christian Counselling Services (the "Society") as at 31 December 2021 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.

The Management Committee approved and authorised these financial statements for issue.

On behalf of the Management Committee,



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LIM POH SOON PHILIP  
President



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TERRENCE TEO BOON TECK  
Honorary Secretary



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DAVID DANIEL SIOW PENG GUAN  
Honorary Treasurer

**11 APR 2022**



## **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 2021, 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 2021 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.

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's responsibilities include 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Committee.



**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 the Management Committee'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 the Management Committee 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 'K. Yeung', written over a horizontal line.

**KRESTON DAVID YEUNG PAC**  
**Public Accountants and**  
**Chartered Accountants**

Singapore, 11 April 2022

**KRESTON DAVID YEUNG PAC** (UEN: 200717891W)

A public accounting corporation incorporated with limited liability and an independent member of the **Kreston Global** network  
128A Tanjong Pagar Road, Singapore 088535  
Tel: 6223 7979 Fax: 6222 7979

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

**STATEMENT OF FINANCIAL POSITION  
As at 31 December 2021**

	Note	2021 S\$	2020 S\$
<b>ASSETS</b>			
<b>Non-current asset</b>			
Right-of-use asset	3	30,734	-
<b>Current assets</b>			
Deposit		2,000	1,680
Prepayments		612	1,299
Grant receivable - JSS	4	-	1,400
Cash and bank balances	5	204,186	282,740
<b>Total current assets</b>		<u>206,798</u>	<u>287,119</u>
<b>Total assets</b>		<u>237,532</u>	<u>287,119</u>
<b>FUND AND LIABILITIES</b>			
<b>Fund</b>			
<b>Unrestricted Fund</b>			
Accumulated fund		<u>202,997</u>	<u>279,936</u>
<b>Non-current liability</b>			
Lease liability	6	20,110	-
<b>Current liabilities</b>			
Accruals		3,735	5,783
Lease liability	6	10,690	-
Deferred grant income - JSS		-	1,400
<b>Total current liabilities</b>		<u>14,425</u>	<u>7,183</u>
<b>Total liabilities</b>		<u>34,535</u>	<u>7,183</u>
<b>Total fund and liabilities</b>		<u>237,532</u>	<u>287,119</u>

The notes set out on pages 11 to 24 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 2021**

	Note	2021 S\$	2020 S\$
<b>Income</b>			
Activities income		1,990	1,745
Donation received: Non tax-deductible donation		700	121,495
Interest income		539	1,737
Other income	7	<u>4,235</u>	<u>19,784</u>
<b>Total income</b>		7,464	144,761
<b>Less: Total expenditure (Page 7)</b>		<u>(84,403)</u>	<u>(91,515)</u>
<b>(Deficit)/Surplus before taxation</b>		(76,939)	53,246
<b>Less: Taxation</b>	8	<u>-</u>	<u>-</u>
<b>Net (deficit)/surplus for the year</b>		<u>(76,939)</u>	<u>53,246</u>

The notes set out on pages 11 to 24 form an integral part of and should be read in conjunction with this set of financial statements.

**CHRISTIAN COUNSELLING SERVICES**  
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**INCOME AND EXPENDITURE STATEMENT**  
**For the year ended 31 December 2021**

	2021	2020
	S\$	S\$
<b>Expenditure</b>		
Auditors' remuneration	1,800	1,800
Bank charges	50	120
CPF and SDL	7,846	5,317
Depreciation of right-of-use asset	932	-
Fellowship activities	4,790	11,438
Fellowship expenses	80	-
General expenses	1,883	851
Incare project expenses	5,700	6,650
Insurance	-	490
Interest expense on lease liability	134	-
IT expenses	763	-
Love gift	450	600
Medical expenses	30	-
Meeting room charges	335	-
Office supplies	200	-
Postage	8	36
Printing and stationery	690	220
Professional fees	500	1,500
Publicity and publication	-	3,998
Refreshment	22	-
Rental expenses	8,002	9,603
Repair and maintenance	60	-
Salaries and bonuses	46,165	46,136
Subscription fee	297	200
Telephone charges	2,922	2,556
Training and conferences	680	-
Transportation and travelling	64	-
<b>Total expenditure (Page 6)</b>	<b>84,403</b>	<b>91,515</b>

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

**STATEMENT OF COMPREHENSIVE INCOME  
For the year ended 31 December 2021**

	2021 S\$	2020 S\$
Net (deficit)/surplus for the year	(76,939)	53,246
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>(76,939)</u>	<u>53,246</u>

The notes set out on pages 11 to 24 form an integral part of and should be read in conjunction with this set of financial statements.

**CHRISTIAN COUNSELLING SERVICES  
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**STATEMENT OF CHANGES IN ACCUMULATED FUND  
For the year ended 31 December 2021**

	Accumulated fund S\$
Balance as at 01.01.2020	226,690
Total comprehensive income for the year	<u>53,246</u>
Balance as at 31.12.2020/01.01.2021	279,936
Total comprehensive loss for the year	<u>(76,939)</u>
Balance as at 31.12.2021	<u>202,997</u>

The notes set out on pages 11 to 24 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 2021**

	2021	2020
	S\$	S\$
<b>Cash flows from operating activities</b>		
Net (deficit)/surplus for the year	(76,939)	53,246
Adjustments for:-		
Depreciation of right-of-use asset	932	-
Interest expense on lease liability	134	-
Interest income	(539)	(1,737)
	<u>(76,412)</u>	<u>51,509</u>
<b>Operating (deficit)/surplus before working capital changes</b>		
Changes in working capital:-		
Decrease in deposit and other receivables	1,767	5,554
(Decrease)/Increase in accruals and other payables	(3,448)	4,357
	<u>(78,093)</u>	<u>61,420</u>
<b>Net cash (used in)/generated from operating activities</b>		
<b>Cash flows from investing activities</b>		
Decrease in fixed deposits	-	150,000
Interest received	539	520
	<u>539</u>	<u>150,520</u>
<b>Net cash generated from investing activities</b>		
<b>Cash flows from financing activity</b>		
Payment of principal portion of lease liability	(1,000)	-
	<u>(1,000)</u>	<u>-</u>
<b>Net cash used in financing activity</b>		
<b>Net (decrease)/increase in cash and cash equivalents</b>	(78,554)	211,940
<b>Cash and cash equivalents at beginning of year</b>	<u>282,740</u>	<u>70,800</u>
<b>Cash and cash equivalents at end of year (Note 5)</b>	<u>204,186</u>	<u>282,740</u>

The notes set out on pages 11 to 24 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 2021**

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 5 Pereira Road, #06-02 Asiawide Industrial Building, Singapore 368025.

**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 2021. 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 2021**

**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 reporting date and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The critical accounting estimates and assumptions used and areas involving a high degree of judgements are described below.

*Critical assumption used and accounting estimates in applying accounting policies*

In the process of applying the entity's accounting policies, management has made the following judgements that have significant effect on the amounts recognised in the financial statements.

Leases – estimating the incremental borrowing rate

The Society cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Society would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use assets in a similar economic environment. The incremental borrowing rate therefore reflects what the Society would have to pay, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Society estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

**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.

**CHRISTIAN COUNSELLING SERVICES  
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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2021**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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.

*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.



**CHRISTIAN COUNSELLING SERVICES  
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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2021**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d) Financial Instruments (Continued)**

**ii) Financial Liabilities (Continued)**

*Derecognition*

A financial liability is derecognised 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.

**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.

**CHRISTIAN COUNSELLING SERVICES  
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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2021**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**f) Impairment of Non-Financial Assets**

The Society assesses at the end of each reporting period whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing 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 of disposal 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 or group of assets. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

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 profit or loss.

**g) Cash and Cash Equivalents**

Cash and cash equivalents are defined as cash in hand and at bank which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

**h) 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 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.

**i) 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.

**CHRISTIAN COUNSELLING SERVICES  
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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2021**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**j) 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.

**k) 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.

**l) 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.

**m) 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

**CHRISTIAN COUNSELLING SERVICES  
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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2021**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**m) Contingencies (Continued)**

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.

**n) Leases**

The Society assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Society applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Society recognises lease liability representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased asset.

*Right-of-use asset*

The Society recognises right-of-use asset at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use asset are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liability. The cost of right-of-use asset includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the asset.

If ownership of the leased asset transfers to the Society at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use asset is also subject to impairment. The accounting policy for impairment is disclosed in Note 2(f) to the financial statements.

The Society's right-of-use asset is disclosed Note 3 to the financial statements.

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**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

n) **Leases (Continued)**

As lessee (Continued)

*Lease liabilities*

At the commencement date of the lease, the Society recognises lease liability measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Society uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Society's lease liability is disclosed in Note 6 to the financial statements.

o) **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.

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2021**

**3. RIGHT-OF-USE ASSET**

	Leasehold premise S\$
Cost	
At 01.01.2021	-
Addition	<u>31,666</u>
At 31.12.2021	<u>31,666</u>
Accumulated Depreciation	
At 01.01.2021	-
Charge for the year	<u>932</u>
At 31.12.2021	<u>932</u>
Net Book Value	
At 31.12.2021	<u>30,734</u>

**4. 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 4<sup>th</sup> payout of JSS for wage support from September to December 2020 and receivable in March 2021. JSS grant income of S\$2,485 (2020: S\$15,357) has been recognised during the financial year.

**5. CASH AND BANK BALANCES**

	2021 S\$	2020 S\$
Cash and bank balances comprise:-		
Cash at bank	204,013	282,572
Cash in hand	<u>173</u>	<u>168</u>
	<u>204,186</u>	<u>282,740</u>

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2021**

**6. LEASE**

As a lessee

The Society has lease contract for its office premises. The Society's obligation under this lease is secured by the lessor title to the leased asset. The Society is restricted from assigning and subleasing its leased asset.

(a) Lease liability

The carrying amounts of lease liability and the movements during the year are as below:-

	1 January 2021 S\$	Acquisition S\$	Cash flows S\$	Non-cash changes Accretion of Interest S\$	31 December 2021 S\$
Lease liability:-					
- Current	-	11,556	(1,000)	134	10,690
- Non-current	-	20,110	-	-	20,110
	-	31,666	(1,000)	134	30,800

(b) Amount recognised in profit or loss

	2021 S\$	2020 S\$
Depreciation of right-of-use asset	932	-
Interest expense on lease liability	134	-
Short-term lease	8,002	9,603
Total amount recognised in profit or loss	9,068	9,603

(c) Total cash outflows

The Society had total cash outflows for leases of S\$9,002 (2020: S\$9,603).

(d) Extension options

The Society has a lease contract that include extension option. The Society is not considered extension of lease is likely to be occurred as it depends on the operation need of the Society in future which has yet been determined and negotiated by management.

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2021**

**7. OTHER INCOME**

	2021	2020
	S\$	S\$
Government grants		
- Jobs support scheme	2,485	15,357
- Special employment credit	10	234
- Wages credit scheme	1,470	3,566
Rental rebate	-	627
Other income	270	-
	<u>4,235</u>	<u>19,784</u>

**8. 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.

**9. OPERATING LEASE COMMITMENTS**

Office rental expense was S\$8,002 (2020: S\$9,603) for the year ended 31 December 2021. The lease does not include contingent rentals. Future minimum rentals under non-cancellable leases are as follows as of 31 December:-

	2021	2020
	S\$	S\$
Amount payable:-		
Within one year	-	5,201

**10. 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.



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**10. FINANCIAL RISK MANAGEMENT (Continued)**

**Foreign Currency Risk**

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

**Liquidity Risk**

The Society monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Society's operations and mitigate the effect of fluctuations in cash flow.

The following table details the remaining contractual maturities at the end of the reporting period of the Society's financial liabilities, which are based on contractual undiscounted cash flows and the earliest date that the Society required to pay:-

	2021			
	Carrying amount S\$	Total contractual undiscounted cash flow S\$	Within 12 months or on demand S\$	Between 2 to 5 years S\$
Accruals	3,735	3,735	3,735	-
Lease liability	30,800	33,000	12,000	21,000
	<b>34,535</b>	<b>36,735</b>	<b>15,735</b>	<b>21,000</b>
	2020			
	Carrying amount S\$	Total contractual undiscounted cash flow S\$	Within 12 months or on demand S\$	Between 2 to 5 years S\$
Accruals	5,783	5,783	5,783	-

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of the Society's financial instruments will fluctuate because of changes in market interest rates. As at year end, the Society has no significant exposure to interest rate risk.

Sensitivity analysis is not performed as the impact is not significant.

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2021**

**11. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES**

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

	2021 S\$	2020 S\$
<u>Financial assets</u>		
At amortised cost:-		
Deposit	2,000	1,680
Grant receivable - JSS	-	1,400
Cash and bank balances	204,186	282,740
Total financial assets	<u>206,186</u>	<u>285,820</u>
<u>Financial liabilities</u>		
At amortised cost:-		
Accruals	3,735	5,783
Lease liability	30,800	-
Total financial liabilities	<u>34,535</u>	<u>5,783</u>

**12. POLICIES**

Reserve policy

	2021 S\$	2020 S\$	% Increase / (Decrease)
Unrestricted fund (*Reserves)	<u>202,997</u>	<u>279,936</u>	
Ratio of *Reserves to Annual Operating Expenditure	<u>2.41:1</u>	<u>3.06:1</u>	(21%)

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.

Conflict of interest policy

All Management Committee members are required to read and understand the conflict of interest policy in place and make full disclosure of interests, relationships and holding that could potentially result in conflict of interests on annual basis. When a conflict of interest situation arises, the members will declare their potential or real conflict of interests.

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2021**

**13. 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.

**14. 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 2022. The Management Committee expects that the adoption of these standards or interpretations will have no material impact on financial statements.

**15. COVID-19**

The Covid-19 outbreak and the measures taken to contain the spread of the pandemic have resulted in significant impact to many industries and high level of uncertainty to global economic prospects. The government has imposed movement control order and followed by numerous restrictions by which it has resulted considerably disruption to the Society's operating activities. The Management Committee has implemented certain measures and strategies to mitigate the Society impact to reduce cost and preserve cash. The Management Committee has considered the overall impact is drastic and the Society would continuously monitor the situation.