

**YOUTH GUIDANCE OUTREACH SERVICES**

**(Registered in Singapore under the Societies Act, Cap. 311)**

**UEN No. S96SS0067H**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

**TAN & TEH**

**Public Accountants and Chartered Accountants Singapore**

# YOUTH GUIDANCE OUTREACH SERVICES

## AUDITED FINANCIAL STATEMENTS

*For the financial year ended 30 June 2019*

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## YOUTH GUIDANCE OUTREACH SERVICES

### STATEMENT BY THE MANAGEMENT BOARD

*For the financial year ended 30 June 2019*

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In the opinion of the Management Board:

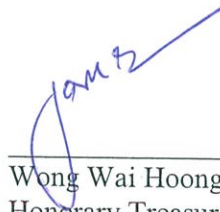
- (a) the accompanying financial statements of the Society, as set out on pages 5 to 33, are drawn up so as to present fairly, in all material respects, the state of affairs of the Society as at 30 June 2019, the results, changes in funds and reserve and cash flows of the Society for the year then ended; and
- (b) the Society is in compliance with the requirements of Regulation 7 of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations.

On behalf of the Management Board,



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Timothy Hia Yi Liang  
Chairman



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Wong Wai Hoong  
Honorary Treasurer

Date: 14 OCT 2019

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF YOUTH GUIDANCE OUTREACH SERVICES****Report on the Audit of the Financial Statements***Opinion*

We have audited the accompanying financial statements of Youth Guidance Outreach Services (the "Society"), set out on pages 5 to 33, which comprise the statement of financial position as at 30 June 2019, statement of income and expenditure and other comprehensive income, statement of changes in funds and reserve and the statement of cash flows of the Society for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 30 June 2019 and of the results, changes in total funds and reserve 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 Board is responsible for the other information. The other information comprises the Statement by the Management Board set out on page 1.

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 YOUTH GUIDANCE OUTREACH SERVICES (CONTINUED)**

### *Responsibilities of Management Board for the Financial Statements*

The Management Board is responsible for the preparation and fair presentation of these financial statements in accordance with the provision of the Societies Act, the Charities Act and other Regulations and the FRSS 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.

In preparing the financial statements, Management Board 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 Board either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

The Management Board'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 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.
- 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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF YOUTH GUIDANCE OUTREACH SERVICES (CONTINUED)**

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

- 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 Board's 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.

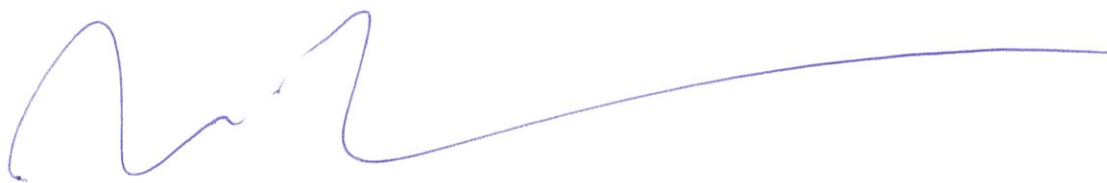
***Report on Other Legal and Regulatory Requirements***

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; and
- The fund-raising appeals held during the period 16 December 2018 to 23 December 2018 have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal.

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

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



**TAN & TEH**  
**Public Accountants and Chartered Accountants**  
**Singapore**

**Partner-in-charge: Teh Kwang Hwee**

**Date: 14 OCT 2019**

## YOUTH GUIDANCE OUTREACH SERVICES

### STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME

*For the financial year ended 30 June 2019*

	Note	2019 S\$	2018 S\$
Revenue	4	1,460,303	1,385,339
Other income	5	14,966	17,157
Programme expenses	6	(860,876)	(574,189)
Other operating expenses	7	<u>(641,317)</u>	<u>(735,496)</u>
<b>(Deficit) / Surplus from operation</b>		<u>(26,924)</u>	<u>92,811</u>
<b>Other income from</b>			
Care and share grant earned	14	457,471	10,696
<b>Total surplus for the year, representing total comprehensive income for the year</b>		<u>430,547</u>	<u>103,507</u>

**YOUTH GUIDANCE OUTREACH SERVICES**

**STATEMENT OF FINANCIAL POSITION**

*As at 30 June 2019*

	Note	2019 S\$	2018 S\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Plant and equipment	8	18,057	32,833
Investment securities	9	-	105,400
Other assets	11	5,000	7,500
		<u>23,057</u>	<u>145,733</u>
<b>Current assets</b>			
Trade and other receivables	10	497,042	117,123
Contract assets	4	24,100	-
Other assets	11	6,435	4,435
Cash and cash equivalents	12	1,756,555	1,534,268
		<u>2,284,132</u>	<u>1,655,826</u>
<b>LIABILITY</b>			
<b>Current liability</b>			
Other payables	13	148,847	73,764
<b>NET ASSETS</b>			
		<u>2,158,342</u>	<u>1,727,795</u>
<b>FUNDS AND RESERVE</b>			
<b>Unrestricted</b>			
Accumulated fund		2,837,195	2,847,156
Fair value reserve		-	5,400
<b>Restricted</b>			
Care and share fund	14	158,664	(302,284)
ELMP programme fund	15	(1,070,573)	(943,254)
ISP programme fund	16	233,056	120,777
<b>TOTAL FUNDS AND RESERVE</b>		<u>2,158,342</u>	<u>1,727,795</u>



**YOUTH GUIDANCE OUTREACH SERVICES**

**STATEMENT OF CHANGES IN FUNDS AND RESERVE**

*For the financial year ended 30 June 2019*

	Unrestricted fund		Restricted Funds			Total S\$
	Accumulated fund S\$	Fair value reserve S\$	Care & share fund S\$	ELMP programme fund S\$	ISP Programme fund S\$	
Balance as at 01 July 2018	2,847,156	5,400	(302,284)	(943,254)	120,777	1,727,795
Surplus / (Deficit) for the year	(11,884)	-	457,471	(127,319)	112,279	430,547
<u>Movement in funds</u>						
*Utilisation reclassified from accumulated funds	293,680	-	(293,680)	-	-	-
Reversal of unapproved claims for utilisation of care and share fund	(297,157)	-	297,157	-	-	-
Net fund movement	(3,477)	-	3,477	-	-	-
Transfer of realised fair value gain on redemption of investment securities to accumulated fund	5,400	(5,400)	-	-	-	-
Balance as at 30 June 2019	2,837,195	-	158,664	(1,070,573)	233,056	2,158,342

\*Utilisation of Care and Share fund reclassified from accumulated fund include capital cost and expenses incurred in the prior years but within the approved utilisation period.

**YOUTH GUIDANCE OUTREACH SERVICES**

**STATEMENT OF CHANGES IN FUNDS AND RESERVE**

*For the financial year ended 30 June 2019*

	Unrestricted fund		Restricted Funds				Total S\$
	Accumulated fund S\$	Fair value reserve S\$	Care & share fund S\$	ELMP programme fund S\$	ISP Programme fund S\$	Trust Fund YGOS Gifts S\$	
2018							
Balance as at 01 July 2017	2,612,252	5,400	(312,980)	(684,384)	-	4,000	1,624,288
Surplus / (Deficit) for the year	230,904	-	10,696	(258,870)	120,777	-	103,507
Fund transfer	4,000	-	-	-	-	(4,000)	-
Balance as at 30 June 2018	<u>2,847,156</u>	<u>5,400</u>	<u>(302,284)</u>	<u>(943,254)</u>	<u>120,777</u>	<u>-</u>	<u>1,727,795</u>

## YOUTH GUIDANCE OUTREACH SERVICES

### STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2019

	Note	2019 S\$	2018 S\$
<b>Cash flows from operating activities</b>			
Surplus for the year		430,547	103,507
Adjustments for:			
Depreciation on plant and equipment	8	23,470	17,789
Interest income	5	(10,927)	(9,513)
		<u>443,090</u>	<u>111,783</u>
Change in working capital:			
Trade and other receivables		77,552	(11,324)
Care and share grant receivable		(457,471)	-
Contract assets		(24,100)	-
Other current assets		500	2,630
Other payables		75,083	42,750
<b>Net cash generated from operating activities</b>		<u>114,654</u>	<u>145,839</u>
<b>Cash flows from investing activities</b>			
Acquisition of plant and equipment	8	(8,694)	(5,433)
Redemption of financial assets at FVOCI	9	105,400	-
Interest received		10,927	9,513
<b>Net cash generated from investing activities</b>		<u>107,633</u>	<u>4,080</u>
<b>Net increase in cash and cash equivalents</b>		222,287	149,919
Cash and cash equivalents at beginning of the year		<u>1,534,268</u>	<u>1,384,349</u>
<b>Cash and cash equivalents at end of the year</b>	12	<u><u>1,756,555</u></u>	<u><u>1,534,268</u></u>

# YOUTH GUIDANCE OUTREACH SERVICES

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

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

### 1. General

Youth Guidance Outreach Services (the “Society”) is registered with the Registrar of Societies on 11 April 1996 and as a charity under the Charities Act, Chapter 37 since 19 April 1997 and is conferred Institution of Public Character status since 01 October 2013 (UEN No. S96SS0067H). The Society’s registered office at the date of this report is at 10 Lorong 27A Geylang, #03-01 Emmanuel House, Singapore 388107 and principal places of activity are at Woodlands Centre: Blk 804 Woodlands Street 81 #01-37, Singapore 730804, 10 Lorong 27A Geylang Emmanuel House #03-01, Singapore 388107 and Blk 125 Ang Mo Kio Ave 6 #01-4077, Singapore 560125.

The principal activity of the Society is to help youths and youths-at-risk to grow into responsible members of their community, in accordance with the teachings of the Lord Jesus Christ.

The financial statements of the Society for the financial year ended 30 June 2019 were authorised for issue by the Management Board on the date of the Statement by the Management Board.

### 2. Summary of significant accounting policies

#### 2.1 Basis of preparation

The financial statements have been drawn up in accordance with Singapore Financial Reporting Standards (FRS). The financial statements have been prepared under the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar (S\$), which is the Society’s functional and presentation currency.

#### 2.2 Adoption of new and revised standards

On 1 July 2018, the Society adopted the new or amended FRS and Interpretations to FRS (“INT FRS”) that are mandatory for application for annual financial periods beginning on or after 1 January 2018. Changes to the Society’s accounting policies have been made as required and in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of the following FRS and INT FRS that are relevant to the Society did not result in any substantial changes to the Society’s accounting policies or any significant impact on these financial statements:

<u>New or improvements to FRSs issued:</u>	<u>Effective for annual periods beginning on or after</u>
FRS 115 Revenue from Contracts with Customers	1 Jan 2018
FRS 109 Financial Instruments	1 Jan 2018
FRS 115 Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	1 Jan 2018

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 30 June 2019*

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#### 2. Summary of significant accounting policies (Continued)

##### 2.2 Adoption of new and revised standards (Continued)

###### FRS 115 Revenue from contracts with customers

FRS 115 supersedes FRS 11 *Construction Contracts*, FRS 18 *Revenue* and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. FRS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

FRS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Society adopted FRS 115 using the modified retrospective method of adoption with the date of initial application of 1 July 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Society elected to apply the standard to all contracts as at 1 July 2018.

The cumulative effect of initially applying FRS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings, however, for the Society, there was no cumulative effect on the initial application of FRS 115, hence, no adjustment was made to the opening balance of retained earnings. The comparative information was not restated and continues to be reported under FRS 11, FRS 18 and related interpretations.

There was no impact arising from the adoption of FRS 115.

###### FRS 109 Financial Instruments

FRS 109 replaces FRS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bring together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Society applied FRS 109 retrospectively, with an initial application date of 1 January 2018. The Society has not restated comparative information which continues to be reported under FRS 39 and the disclosure requirements of FRS 107 *Financial Instruments: Disclosures* relating to items within the scope of FRS 39.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

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#### 2. Summary of significant accounting policies (Continued)

##### 2.2 Adoption of new and revised standards (Continued)

###### FRS 109 Financial Instruments (Continued)

###### *Classification and Measurement*

Under FRS 109, financial assets are subsequently measured either at fair value through profit or loss (FVPL), amortised cost or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Society's business model for managing the assets; and whether the financial assets' contractual cash flows represent "solely payments of principal and interest" on the principal amount outstanding.

The assessment of the Society's business model was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on financial asset solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of FRS 109 did not have a significant impact to the Society. The Society continued measuring at fair value all financial assets previously held at fair value under FRS 39. The available-for-sale (AFS) financial assets as at 30 June 2018 were classified and measured as financial asset at FVOCI beginning 1 July 2018. The Society elected to classify irrevocably its financial asset under this category at the date of initial application as it intends to hold these investments to earn dividend income. There were no significant losses recognised in profit or loss for these investments in prior period. Upon adoption of FRS 109, the Society measures the financial assets at FVOCI.

There is no change in classification and measurement for the Society's financial liabilities.

Aside from classification and measurement of financial assets, there were no significant impact arising from the adoption of FRS 109.

##### 2.3 Standards issued but not yet effective

Certain new accounting standards, amendments and interpretations have been issued as at the end of the reporting period but are not yet effective. The Management Board assessment of those standards, amendments and interpretations that are relevant to the Society within 12 months from the end of the reporting period are as follows:

<u>New or improvements to FRSs issued:</u>	<u>Effective for annual periods beginning on or after</u>
FRS 116 Leases	1 Jan 2019
Annual Improvements to FRSs (March 2018)	1 Jan 2019

The Society plans to adopt the new standards on the required effective date.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 30 June 2019*

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#### 2. Summary of significant accounting policies (Continued)

##### 2.4 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Society and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

##### 2.5 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	<u>Useful lives</u>
Audio visual equipment	3
Computer equipment	1
Furniture and fittings	5
Motor vehicle	6
Office equipment	5
Rockwall	5
Security system	3
Operation and sports equipment	3

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use and no further charge for the depreciation is made in respect of these items.

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

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 30 June 2019*

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#### 2. Summary of significant accounting policies (Continued)

##### 2.5 Plant and equipment (Continued)

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

##### 2.6 Impairment on non-financial assets

The Society assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, 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. Where 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.

##### 2.7 Financial instruments

###### (a) Financial assets

###### Initial recognition and measurement

Financial assets are recognised when, and only when the Society becomes party to the contractual provisions of the instruments.

At initial recognition, the Society measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of 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 party, if the trade receivables do not contain a significant financing component at initial recognition.



## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 30 June 2019*

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#### 2. Summary of significant accounting policies (Continued)

##### 2.7 Financial instruments (Continued)

###### (a) Financial assets (Continued)

###### Subsequent measurement

###### *Investments in debt instruments*

Subsequent measurement of debt instruments depends on the Society's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, FVOCI and FVPL. The Society only has debt instruments at 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 and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

###### *Investments in equity instruments*

On initial recognition of an investment in equity instrument that is not held for trading, the Society may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

###### 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 and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 30 June 2019*

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#### 2. Summary of significant accounting policies (Continued)

##### 2.7 Financial instruments (Continued)

###### (b) Financial liabilities

###### Initial recognition and measurement

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

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

###### Subsequent measurement

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

###### 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 profit or loss.

##### 2.8 Impairment of financial assets

The Society recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. 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 or other credit enhancements that are integral to the contractual terms.

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-month 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 receivables, the Society applies 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 each reporting date.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 30 June 2019*

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#### 2. Summary of significant accounting policies (Continued)

##### 2.8 Impairment of financial assets (Continued)

The Society considers a financial asset in default when contractual payments are 60 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.

##### 2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks are subject to an insignificant risk of changes in value.

##### 2.10 Provisions

###### General

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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

##### 2.11 Government grants

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

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

##### 2.12 Taxation

The Society is a registered charity under the Charities Act and its income is exempted from income tax under the provisions of the Singapore Income Tax Act.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 30 June 2019*

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#### 2. Summary of significant accounting policies (Continued)

##### 2.13 Employee benefits

###### (a) Defined contribution plans

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

###### (a) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Society has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

##### 2.14 Operating leases as lessee

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

##### 2.12 Revenue

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.

###### a) Billable services

Revenue from rendering of services is recognised in the accounting period in which the services are rendered.

###### b) Programme funding

Revenue from programme funding contracts is recognised based on the actual number of cases served under the programme.

###### c) Donations

Donations are recognised upon receipts.

## **YOUTH GUIDANCE OUTREACH SERVICES**

### **NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 30 June 2019*

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#### **2. Summary of significant accounting policies (Continued)**

##### **2.13 Revenue (Continued)**

###### **d) Dividends**

Dividends and other investment income are recognised when the rights to receive these incomes have been established.

###### **e) Interest income**

Interest income is recognised on a time proportion basis using the effective interest method.

##### **2.14 Fund accounting**

Unless specifically indicated, fund balances are not represented by any specific assets, but are represented by all assets of the Society.

#### **3. Significant accounting judgements and estimates**

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

##### **3.1 Judgements made in applying accounting policies**

###### **Determination of functional currency**

In determining the functional currency of the Society, judgment is used by the Society to determine the currency of the primary economic environment in which the Society operates. Consideration factors include the currency that mainly influences sales prices of services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its services.

##### **3.2 Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Society based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Society. Such changes are reflected in the assumptions when they occur.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 30 June 2019*

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#### 3. Significant accounting judgements and estimates (Continued)

##### 3.2 Key sources of estimation uncertainty (continued)

###### **Useful lives of plant and equipment**

The useful life of an item of plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Society's plant and equipment as at 30 June 2019 was S\$18,057 (2018: S\$32,833).

###### **Provision for expected credit losses of trade receivables**

When measuring ECL the Society uses reasonable and supportable forward-looking information, which is based on the assumptions for the future movement of the different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cashflows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitute a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The information about the ECLs of the Society's trade receivables is disclosed in Note 19.

The carrying amounts of the Society's trade and other receivables, as at 30 June 2019 were S\$497,042 (2018: S\$68,646).

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

#### 4. Revenue

##### a) Disaggregation of revenue

	Note	2019 S\$	2018 S\$
<b><u>Programme funding - over time</u></b>			
Experiential learning and mentoring programme			
- Ang Mo Kio	15	88,831	68,083
- Woodlands	15	144,998	142,430
Guidance programme		-	82,336
Streetwise programme		10,667	19,033
Youth-at-risk engagement		74,240	63,040
ISP programme fund	16	486,266	120,777
Youth Enhanced Supervision		24,961	48,167
Enhanced step-up		50,435	131,324
		<u>880,398</u>	<u>675,190</u>
<b><u>Billable services - over time</u></b>			
Neighbourhood youth outreach		26,120	21,083
School social work		60,642	94,215
Other programmes		7,265	29,288
		<u>94,027</u>	<u>144,586</u>
<b><u>Donations - at a point of time</u></b>			
Donations for YGOS		373,482	424,690
Fund raising		11,434	-
		<u>384,916</u>	<u>424,690</u>
<b><u>*Grants from Government (FRS 20)</u></b>			
Professional conversion programme for social workers		68,087	26,027
Other grants		32,875	114,846
		<u>100,962</u>	<u>140,873</u>
		<u>1,460,303</u>	<u>1,385,339</u>

\*Care and share grant is not included, it is presented separately in the statement of income and expenditure and other comprehensive income.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

#### 4. Revenue (Continued)

##### b) Contract assets

	2019 S\$
Unbilled receivables	4,260
Programme funding receivables	19,840
	<u>24,100</u>

A contract asset is recognised for the cumulative revenue recognised but not yet invoiced.

#### 5. Other income

	2019 S\$	2018 S\$
Dividend income	2,571	5,100
Interest income	10,927	9,513
Miscellaneous	1,468	2,544
	<u>14,966</u>	<u>17,157</u>

#### 6. Programme expenses

The following items are included in programme expenses:

	Note	2019 S\$	2018 S\$
Enhanced step-up expenses		1,772	285
ELMP employee benefits	15	348,355	463,330
ELMP other operating expenses	15	12,793	6,053
Other programme		3,374	-
ISP manpower costs	16	370,669	-
Neighbourhood youth outreach expenses		7,332	3,850
Project servant expenses		84,006	66,823
Balance c/f		<u>828,301</u>	<u>540,341</u>



## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

#### 6. Programme expenses (Continued)

	Note	2019 S\$	2018 S\$
Balance b/f		828,301	540,341
School social work expenses		18,721	18,843
Streetwise programme expenses		1,541	424
Guidance programme expenses		1,546	2,156
Youth Enhanced Supervision		231	1,565
Theft Intervention Program expenditure		-	258
Youth at risk engagement		7,565	4,211
Other programmes		2,971	-
		<u>860,876</u>	<u>567,798</u>

#### 7. Other operating expenses

The following items are included in other operating expenses:

	2019 S\$	2018 S\$
Depreciation on plant and equipment	23,470	17,789
Insurance	12,331	13,083
Rental of office premises	14,738	14,739
Staff CPF contributions	62,652	83,446
Staff welfare and development	16,714	9,892
Staff salaries and bonuses	363,466	483,648
Staff training	46,591	34,631
Transportation	32,354	25,780

**YOUTH GUIDANCE OUTREACH SERVICES**

**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 30 June 2019*

**8. Plant and equipment**

	Audio Visual equipment S\$	Computer equipment S\$	Furniture & fittings S\$	Motor vehicle S\$	Office equipment S\$	*Rock wall S\$	Security system S\$	Operation & sports equipment S\$	Total S\$
<b>Cost</b>									
Balance as at 01 July 2017	-	12,081	14,720	47,776	1,011	53,528	13,352	8,571	151,039
Additions	1,594	-	3,300	-	539	-	-	-	5,433
Balance as at 30 June 2018	1,594	12,081	18,020	47,776	1,550	53,528	13,352	8,571	156,472
Additions	-	5,938	1,900	-	428	-	428	-	8,694
Balance as at 30 June 2019	1,594	18,019	19,920	47,776	1,978	53,528	13,780	8,571	165,166
<b>Accumulated depreciation</b>									
Balance as at 01 July 2017	-	12,081	9,390	47,776	716	21,411	11,619	2,857	105,850
Depreciation	531	-	2,190	-	206	10,706	1,299	2,857	17,789
Balance as at 30 June 2018	531	12,081	11,580	47,776	922	32,117	12,918	5,714	123,639
Depreciation	531	5,938	2,570	-	292	10,706	576	2,857	23,470
Balance as at 30 June 2019	1,062	18,019	14,150	47,776	1,214	42,823	13,494	8,571	147,109
<b>Carrying amount</b>									
Balance as at 30 June 2019	532	-	5,770	-	764	10,705	286	-	18,057
Balance as at 30 June 2018	1,063	-	6,440	-	628	21,411	434	2,857	32,833

\*This represents 50% of the total cost of the Rockwall as the Rockwall is shared with Singapore Youth For Christ.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

#### 9. Investment securities

	2019	2018
	S\$	S\$
Quoted equity securities measured at FA at FVOCI	-	105,400

Upon adoption of FRS 109, the investment were classified and measured as financial assets at fair value through other comprehensive income beginning 1 July 2018. There is no significant effect of adopting FRS 109 as at 1 July 2018. The investment was redeemed by the issuer during the year.

#### 10. Trade and other receivables

	2019	2018
	S\$	S\$
<b>Trade receivables</b>		
Third parties	3,565	54,022
<b>Other receivables</b>		
Interest receivable	8,379	9,029
Grant receivables	457,471	-
Other funding and grant receivables	27,627	53,974
Others	-	98
	<u>493,477</u>	<u>63,101</u>
	<u>497,042</u>	<u>117,123</u>

Trade receivables are non-interest bearing and are collectible on demand. They are recognised at their original invoice amounts which represents their fair values on initial recognition.

Other receivables are non-trade, non-interest bearing and collectible on demand.

Trade and other receivables are denominated in Singapore dollar.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

#### 11. Other assets

	2019	2018
	S\$	S\$
<b>Non-current</b>		
Prepayments	5,000	7,500
<b>Current</b>		
Deposits	1,935	1,935
Prepayments	4,500	2,500
	6,435	4,435
	11,435	11,935

Other assets are denominated in Singapore dollar.

#### 12. Cash and cash equivalents

	2019	2018
	S\$	S\$
Cash at bank	611,428	591,678
Fixed deposits	1,145,127	942,590
	1,756,555	1,534,268

The fixed deposits mature within 3 to 24 months (2018: 3 to 13 months) and earn interest at the rate of 0.35% to 2.18% (2018: 0.35% to 1.8%) per annum. Fixed deposits are available for use anytime by the Society.

The cash and cash equivalents are denominated in Singapore dollar.

#### 13. Other payables

	2019	2018
	S\$	S\$
Accrued expenses	137,522	61,104
Trust fund - School pocket money fund	11,325	12,660
	148,847	73,764

Other payables are unsecured, non-interest bearing and repayable on demand.

Other payables are denominated in Singapore dollar.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

#### 14. Care and share fund

The Government in celebration of SG50 has provided for the purpose of building capabilities and capacities of the social service sector a dollar for dollar matching grant.

#### 15. ELMP programme fund

Experiential learning and mentoring programme (ELMP) seeks to prevent youth from falling into negative influences which may arise from aimless loitering and idleness after school hours. They are providing an open door for youth who need support and a supportive community that can help them to succeed and achieve positive life outcomes at home, at school and with their peers. ELMP is funded by NCSS.

	ELMP Ang Mo Kio S\$	ELMP Woodlands S\$	2019 Total S\$	2018 Total S\$
<b>Balance as at beginning of the year</b>	<u>(525,695)</u>	<u>(417,559)</u>	<u>(943,254)</u>	<u>(684,384)</u>
<i>Income</i>				
ELMP funding (Note 4)	88,831	144,998	233,829	210,513
<i>Expenditure</i>				
<i>Manpower costs</i> (Note 6)				
Staff CPF and SDL	(22,421)	(27,930)	(50,351)	(68,135)
Staff salaries and bonuses	<u>(132,409)</u>	<u>(165,595)</u>	<u>(298,004)</u>	<u>(395,195)</u>
	(154,830)	(193,525)	(348,355)	(463,330)
<i>Other operating expenses</i> (Note 6)	(4,532)	(8,261)	(12,793)	(6,053)
<b>Deficit for the year</b>	<u>(70,531)</u>	<u>(56,788)</u>	<u>(127,319)</u>	<u>(258,870)</u>
<b>Balance as at end of the year</b>	<u>(596,226)</u>	<u>(474,347)</u>	<u>(1,070,573)</u>	<u>(943,254)</u>

The ELMP programme fund is restricted to the operation costs of programmes that will benefit its intended clients. In keeping with the funder/donor's intent for use of the monies, the fund will not be transferred out of the programme for other purposes.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

#### 16. ISP programme fund

	2019	2018
	S\$	S\$
<b>Balance as at beginning of the year</b>	120,777	-
<i>Income</i>		
ISP Funding (Note 4)	486,266	120,777
<i>Expenditure</i>		
<i>Manpower cost</i> (Note 6)		
Staff CPF and SDL	(53,858)	-
Staff salaries and bonuses	(316,811)	-
	<u>(370,669)</u>	<u>-</u>
<i>Other operating expenses</i> (Note 6)		
Streetwise programme expenses	(1,541)	-
Guidance programme expenses	(1,546)	-
Youth Enhanced Supervision	(231)	-
	<u>(3,318)</u>	<u>-</u>
<b>Surplus for the year</b>	<u>112,279</u>	<u>120,777</u>
<b>Balance as at end of the year</b>	<u><u>233,056</u></u>	<u><u>120,777</u></u>

Integrated Service Provider (ISP) programme funding is funded by Ministry of Social and Family Development (MSF) from 1 April 2018 and is restricted for provision of the three core programmes, namely Enhanced Set-Up (ESU), Guidance Programme (GP), and Triage, and any of the specialised Programme, such as Streetwise Programme (SWP), Enhances Streetwise Programme (ESWP), Youth Enhanced Supervision (YES) Scheme, and Theft Intervention Programme (TIP).

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

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#### 17. Trust Fund – YGOS Gifts

	2019	2018
	S\$	S\$
Balance as at beginning of the year	-	4,000
Fund transfer to accumulated fund	-	(4,000)
Balance as at end of the year	<u>-</u>	<u>-</u>

The Trust Fund was donated by one of the Management Board member with specific purpose to help families with financial difficulties but do not qualify for the financial assistance available. In previous financial year, donor instructed the Society to transfer the donation for general purpose use and fund balance was transferred to accumulated fund.

#### 18. Significant related party transactions

##### Compensation of key management personnel

Key management personnel of the Society are those having the authority and responsibility for planning, directing and controlling the activities of the Society. The compensation of key management personnel is as follows:

	2019	2018
	S\$	S\$
Salaries and bonuses	109,062	105,601
CPF contributions	17,140	16,556
	<u>126,202</u>	<u>122,157</u>

#### 19. Financial risk management

The Society activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

The Management Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Society policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Society exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 30 June 2019*

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#### 19. Financial risk management (Continued)

There has been no change to the Society exposure to these financial risks or the manner in which it manages and measures the risks.

##### (a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Society. The Society's exposure to credit risk arises primarily from trade and other receivables. For other financial assets including cash, the Society minimises credit risk by dealing exclusively with high credit rating counterparties.

The Society has adopted a policy of only dealing with creditworthy counterparties. The Society performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Society considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Society has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, or there is significant difficulty of the counterparty.

The Society categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 60 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

##### Trade receivables

For trade receivables, the Society has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Society determines the ECL based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status. There were no expected credit losses as at year end.

##### Exposure to credit risk

The Society has no significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Society defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings.



## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

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#### 19. Financial risk management (Continued)

##### (a) Credit risk (continued)

###### Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Society's performance to developments affecting a particular industry.

##### (b) Liquidity risk

Liquidity risk refers to the risk that the Society will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Society exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Society operations are financed mainly through its revenue including grants from government. The directors are satisfied that funds are available to finance the operations of the Society.

All the Society's liabilities at the end of the reporting period will mature within one year or less.

##### (c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Society income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

###### (i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Society financial instruments will fluctuate because of changes in market interest rates. The Society exposure to interest rate risk arises primarily from their cash and cash equivalents.

The Society does not expect any significant effect on the Society profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

###### (ii) Foreign currency risk

The Society operates mainly in Singapore and is not exposed to foreign currency risk.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 30 June 2019*

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#### 20. Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

##### *Cash and cash equivalents, deposits, other receivables and other payables*

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

##### *Trade receivables*

The carrying amounts of these receivables approximate their fair values as they are subject to normal trade credit terms.

##### *Investment securities*

The financial instruments are carried at fair value, by valuation method. The different levels of fair value hierarchy have been defined as follows:

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The Society's investment securities are classified as Level 1.

## YOUTH GUIDANCE OUTREACH SERVICES

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

#### 21. Financial instruments by category

At the reporting date, the aggregate carrying amounts of financial assets and financial liabilities at amortised costs were as follows:

	2019 S\$	2018 S\$
<b>Financial assets measured at FVOCI</b>		
Investment securities	-	105,400
<b>Financial assets measured at amortised cost</b>		
Trade and other receivables	497,042	117,123
Other current assets	1,935	1,935
Cash and cash equivalents	<u>1,756,555</u>	<u>1,534,268</u>
	2,255,532	1,653,326
 Total financial assets measured at FVOCI and amortised cost	 <u>2,255,532</u>	 <u>1,758,726</u>
<b>Financial liabilities measured at amortised cost</b>		
Other payables	<u>148,847</u>	<u>73,764</u>
 Total financial liabilities measured at amortised cost	 <u>148,847</u>	 <u>73,764</u>

#### 22. Reserve policy

	2019 S\$	2018 S\$	Increase/ (Decrease)
Unrestricted fund	2,837,195	2,847,156	0%
Restricted/Designated Fund:			
Care and share fund	158,664	(302,284)	-152%
ELMP programme fund	(1,070,573)	(943,254)	13%
ISP programme fund	<u>233,056</u>	<u>120,777</u>	
	<u>2,158,342</u>	<u>1,722,395</u>	
 Ratio of unrestricted funds to annual operating expenditure	 <u>1.89</u>	 <u>2.17</u>	

The reserves that the Society has set aside provide financial stability and the means for the development of its principal activities. The Society reviews annually the amount of reserves that are required to ensure that they are adequate to fulfil their continuing obligations.

## YOUTH GUIDANCE OUTREACH SERVICES

### DETAILED STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2019

*(This schedule is for management purposes only and does not form part of the audited statutory financial statements)*

	2019	2018
	S\$	S\$
<b><u>Programme funding</u></b>		
Experiential learning and mentoring programme		
- Ang Mo Kio	88,831	68,083
- Woodlands	144,998	142,430
Streetwise programme	10,667	19,033
Guidance programme	-	82,336
Youth-at-risk engagement	74,240	63,040
Youth Enhanced Supervision	24,961	48,167
ISP programme fund	486,266	120,777
Enhanced step-up	50,435	131,324
	<u>880,398</u>	<u>675,190</u>
<b><u>Billable services</u></b>		
Neighbourhood youth outreach	26,120	21,083
School social work	60,642	94,215
Other programmes	7,265	29,288
	<u>94,027</u>	<u>144,586</u>
<b><u>Donations</u></b>		
Donations for YGOS	373,482	424,690
Fund raising	11,434	-
	<u>384,916</u>	<u>424,690</u>
<b><u>Grants from Government</u></b>		
Professional conversion programme for social workers	68,087	26,027
Other grants	32,875	114,846
	<u>100,962</u>	<u>140,873</u>
<b>Total revenue</b>	<u>1,460,303</u>	<u>1,385,339</u>

## YOUTH GUIDANCE OUTREACH SERVICES

### DETAILED STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2019

*(This schedule is for management purposes only and does not form part of the audited statutory financial statements)*

	2019 S\$	2018 S\$
<b><u>Other income</u></b>		
Miscellaneous	1,468	2,544
Dividend received	2,571	5,100
Interest income	10,927	9,513
	<u>14,966</u>	<u>17,157</u>
<b><u>Less: programme expenses</u></b>		
Enhanced step-up expenses	1,772	285
ELMP manpower - Staff CPF	49,341	67,209
ELMP manpower - Skill development levy	1,010	927
ELMP manpower - Staff salary	245,382	350,688
ELMP manpower - Staff bonus	52,622	44,506
ELMP expenditure	12,793	6,053
Fund raising expenses	3,374	-
ISP manpower costs	370,669	-
Neighbourhood youth outreach expenses	7,332	3,850
Other programme	2,971	-
Project servant expenses	84,006	66,823
School social work expenses	18,721	18,843
Streetwise programme expenses	1,541	424
Guidance programme expenses	1,546	2,156
Theft Intervention Program expenditure	-	258
Youth Enhanced Supervision	231	1,565
Youth at risk engagement	7,565	4,211
	<u>860,876</u>	<u>567,798</u>
<b><u>Less: operating expenses</u></b>		
Audit fee	4,225	3,900
Bank charges	568	594
Depreciation on plant and equipment	23,470	17,789
Gift to needy family	-	933
General expense	9,123	5,777
<b>Balance c/f</b>	<u>37,386</u>	<u>28,993</u>

## YOUTH GUIDANCE OUTREACH SERVICES

### DETAILED STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2019

*(This schedule is for management purposes only and does not form part of the audited statutory financial statements)*

	2019	2018
	S\$	S\$
Balance b/f	37,386	28,993
Loss upon redemption of investment securities	5,400	-
Insurance	12,331	13,083
Medical	3,518	4,132
Postage and courier	205	590
Printing and stationery	3,353	4,518
Rental of office premise	14,738	14,739
Repair and maintenance	13,813	8,530
Staff CPF contributions	62,652	83,446
Staff Welfare & Development	16,714	9,892
Staff salaries and bonuses	363,466	483,648
Staff training	46,591	34,631
Subscriptions	456	-
Telecommunication	5,653	5,079
Transportation	32,354	25,780
Upkeep of motor vehicle	10,512	13,217
Utilities	12,175	11,609
	<u>641,317</u>	<u>741,887</u>
<b>Surplus for the year</b>	<u>(26,924)</u>	<u>92,811</u>