

YOUTH GUIDANCE OUTREACH SERVICES

(Registered in Singapore under the Societies Act 1966)

UEN No. S96SS0067H

AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

TAN & TEH

Public Accountants and Chartered Accountants Singapore

YOUTH GUIDANCE OUTREACH SERVICES

AUDITED FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

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YOUTH GUIDANCE OUTREACH SERVICES

STATEMENT BY THE MANAGEMENT BOARD

For the financial year ended 30 June 2022

In the opinion of the Management Board:

- (a) the accompanying financial statements of the Society, as set out on pages 5 to 31, are drawn up so as to present fairly, in all material respects, the state of affairs of the Society as at 30 June 2022, the results, changes in funds 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,



Timothy Hia Yi Liang
Chairman



Dennis Ang
Honorary Treasurer

Date:

08 NOV 2022

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YOUTH GUIDANCE
OUTREACH SERVICES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Youth Guidance Outreach Services (the "Society"), which comprise the statement of financial position as at 30 June 2022, statement of income and expenditure and other comprehensive income, statement of changes in funds 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 as set out on pages 5 to 31.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the Societies Act), the Charities Act 1994 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 2022 and of the results, changes in total funds 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 FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022 (CONTINUED)

Responsibilities of Management Board for the Financial Statements

The Management Board is responsible for the preparation and fair presentation of the financial statements in accordance with the provision of the Societies Act, the Charities Act and other Regulations and the FRSs, and for devising and for such internal controls as management determines is necessary to enable the preparation of the financial statements that are free from material misstatements, 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 judgment 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 FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022 (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 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.

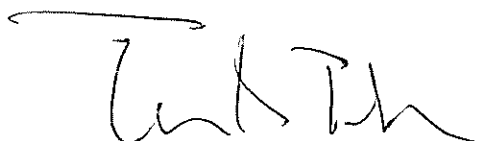
Report on Other Legal and Regulatory Requirements

In our opinion,

- (a) 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
- (b) There was no fund-raising appeals held during the year that should 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:

- (a) 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
- (b) 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

Date: 08 NOV 2022

YOUTH GUIDANCE OUTREACH SERVICES

STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2022

	Note	2022 S\$	2021 S\$
Revenue	4	3,062,829	3,417,685
Other income	5	17,898	20,417
Programme expenses	6	(2,397,023)	(2,029,314)
Other operating expenses	7	<u>(611,582)</u>	<u>(692,379)</u>
Surplus from operation		<u><u>72,122</u></u>	<u><u>716,409</u></u>

YOUTH GUIDANCE OUTREACH SERVICES

STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	Note	2022 S\$	2021 S\$
ASSETS			
Non-current assets			
Plant and equipment	8	<u>7,603</u>	<u>6,038</u>
Current assets			
Trade and other receivables	9	713,839	862,833
Other assets	10	139,107	121,102
Cash and cash equivalents	11	<u>2,455,021</u>	<u>2,265,793</u>
		<u>3,307,967</u>	<u>3,249,728</u>
LIABILITIES			
Current liabilities			
Other payables	12	<u>206,034</u>	<u>218,352</u>
NET ASSETS		<u>3,109,536</u>	<u>3,037,414</u>
FUNDS AND RESERVE			
Unrestricted			
Accumulated fund		4,115,596	3,827,941
Restricted			
Care and share fund	13	-	158,664
ELMP programme fund	14	(1,336,329)	(1,364,408)
ISP programme fund	15	330,269	410,685
The invictus fund	16	<u>-</u>	<u>4,532</u>
TOTAL FUNDS AND RESERVE		<u>3,109,536</u>	<u>3,037,414</u>

YOUTH GUIDANCE OUTREACH SERVICES

STATEMENT OF CHANGES IN FUNDS

For the financial year ended 30 June 2022

	Unrestricted fund	Restricted Funds			Total S\$	
	Accumulated fund S\$	Care & share fund S\$	ELMP programme fund S\$	ISP Programme fund S\$		The Invictus fund S\$
<u>2022</u>						
Balance as at 01 July 2021	3,827,941	158,664	(1,364,408)	410,685	4,532	3,037,414
Surplus / (Deficit) for the year	287,655	(158,664)	28,079	(80,416)	(4,532)	72,122
Balance as at 30 June 2022	4,115,596	-	(1,336,329)	330,269	-	3,109,536

YOUTH GUIDANCE OUTREACH SERVICES

STATEMENT OF CHANGES IN FUNDS

For the financial year ended 30 June 2022

	Unrestricted fund	Restricted Funds				Total
	Accumulated fund S\$	Care & share fund S\$	ELMP programme fund S\$	ISP Programme fund S\$	The Invictus fund S\$	
2021						
Balance as at 01 July 2020	3,126,293	158,664	(1,253,135)	289,183	-	2,321,005
Surplus / (Deficit) for the year	701,648	-	(111,273)	121,502	4,532	716,409
Balance as at 30 June 2021	3,827,941	158,664	(1,364,408)	410,685	4,532	3,037,414

YOUTH GUIDANCE OUTREACH SERVICES

STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2022

	Note	2022 S\$	2021 S\$
Cash flows from operating activities			
Surplus for the year		72,122	716,409
Adjustments for:			
Depreciation on plant and equipment	8	13,206	6,278
Interest income	5	(5,383)	(11,954)
		<u>79,945</u>	<u>710,733</u>
Change in working capital:			
Trade and other receivables		148,994	(572,526)
Other current assets		(18,005)	(467)
Other payables		<u>(12,318)</u>	<u>(31,970)</u>
Net cash generated from operating activities		<u>198,616</u>	<u>105,770</u>
Cash flows from investing activities			
Acquisition of plant and equipment	8	(14,771)	(3,536)
Interest received	5	<u>5,383</u>	<u>11,954</u>
Net cash (used in) / generated from operating activities		<u>(9,388)</u>	<u>8,418</u>
Net increase in cash and cash equivalents		189,228	114,188
Cash and cash equivalents at beginning of the year		<u>2,265,793</u>	<u>2,151,605</u>
Cash and cash equivalents at end of the year	11	<u><u>2,455,021</u></u>	<u><u>2,265,793</u></u>

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

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 1994 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. Its principal places of activity are at:

- (i) Woodlands Centre: Blk 804 Woodlands Street 81 #01-37, Singapore 730804
- (ii) 10 Lorong 27A Geylang Emmanuel House #03-01, Singapore 388107
- (iii) 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 2022 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 of the Society have been drawn up in accordance with Financial Reporting Standards in Singapore (FRSs). The financial statements have been prepared on 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 amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Society has adopted all the new and amended standards which are relevant to the Society and are effective for annual financial periods beginning on or after 1 January 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Society.

<u>Description</u>	<u>Effective periods (Annual periods Beginning or after)</u>
Amendments to FRS 109 Financial Instruments, FRS 39 Financial Instruments: Recognition and Measurement, FRS 107 Financial Instruments: Disclosures	01 January 2021

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (Continued)

2.3 Standards issued but not yet effective

The Society has not adopted the following standards applicable to the Society that have been issued but not yet effective.

<u>Description</u>	<u>Effective periods (Annual periods Beginning or after)</u>
Amendments to FRS 16 Property, Plant and Equipment: Proceeds before Intended Use	01 January 2022
Annual Improvements to FRSs 2018-2020	01 January 2022
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	01 January 2023
Amendment to FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies	01 January 2023
Amendments to FRS 8: Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	01 January 2023

The Management Board expects that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

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.

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (Continued)

2.5 Plant and equipment (Continued)

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

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

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition 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.

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (Continued)

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 fair value through profit or loss (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.

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, fair value through other comprehensive income (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.

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 2022

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 2022

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 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.

(b) 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.

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (Continued)

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.

(d) 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.

(e) Interest income

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

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (Continued)

2.13 Taxation

a) Income tax

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.

b) Goods and Services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

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 judgments 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 Judgments 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.

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

3. Significant accounting judgments and estimates (Continued)

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.

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 carrying amounts of the Society's trade and other receivables, as at 30 June 2022 were S\$713,839 (2021: S\$862,833).

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

4. Revenue

(a) Disaggregation of revenue and timing of recognition

	Note	2022 S\$	2021 S\$
<u>Programme funding - over time</u>			
Enhanced step-up		21,189	24,566
Experiential learning and mentoring programme	14	306,420	303,399
ISP programme fund	15	544,234	510,219
Other programmes		60,000	39,318
		<u>931,843</u>	<u>877,502</u>
<u>Billable services - over time</u>			
Management fee		1,257,400	1,198,470
Neighbourhood youth outreach		-	5,565
School social work		220,732	80,872
Smoking Cessation		9,089	-
Triple P-Positive Parenting Pro		7,398	-
		<u>1,494,619</u>	<u>1,284,907</u>
<u>Donations - at a point of time</u>			
Donations for YGOS		301,776	345,905
<u>Grants from Government (FRS 20)</u>			
Job support scheme		-	680,232
Professional conversion programme for social workers		77,346	70,098
Other grants		257,245	159,041
		<u>334,591</u>	<u>909,371</u>
		<u>3,062,829</u>	<u>3,417,685</u>

Management fee pertains to the contract price earned from case management services provided to the Community Rehabilitation Centre under Singapore Prison Service.

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

4. Revenue (Continued)

(b) Contract balances

	2022	2021
	S\$	S\$
Trade receivables - unbilled	453,240	858,450

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

5. Other income

	2022	2021
	S\$	S\$
Interest income	5,383	11,954
Miscellaneous income	12,515	8,463
	17,898	20,417

6. Programme expenses

	2022	2021
	S\$	S\$
CRC manpower costs	818,155	850,032
CRC expenditure	287,256	291,006
ELMP manpower costs	258,729	408,688
ELMP expenditures	19,612	5,984
ISP manpower costs	620,401	388,305
ISP expenditures	4,249	-
Project servant expenses	-	34,308
SSW manpower costs	346,280	-
SSW expenditures	25,077	23,374
Other programme expenses	17,264	27,617
	2,397,023	2,029,314

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

7. Other operating expenses

The following items are included in other operating expenses:

	2022	2021
	S\$	S\$
Associate Fee	24,649	-
Audit fee	11,600	11,150
Back-To-Basics Expenses	53,146	-
Depreciation on plant and equipment	13,206	6,278
General expense	38,624	11,227
Insurance	15,036	23,783
Intern Fee	24,779	-
Rental of office premise	13,554	15,109
Repair and maintenance	12,551	10,470
Staff CPF contributions	45,630	71,447
Staff welfare & development	6,481	960
Staff salaries and bonuses	280,559	413,994
Staff training	4,820	65,698
Transportation	28,764	25,616
Utilities	15,755	12,781

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

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\$
Cost									
Balance as at 30 June 2020	1,594	19,247	19,920	47,776	5,858	53,528	13,780	8,571	170,274
Additions	-	1,892	-	-	1,516	-	128	-	3,536
Balance as at 30 June 2021	1,594	21,139	19,920	47,776	7,374	53,528	13,908	8,571	173,810
Additions	-	6,314	3,300	-	1,284	-	3,873	-	14,771
Written off	-	-	-	-	(492)	-	-	-	(492)
Balance as at 30 June 2022	1,594	27,453	23,220	47,776	8,166	53,528	17,781	8,571	188,089
Accumulated depreciation									
Balance as at 30 June 2020	1,594	18,019	16,720	47,776	1,504	53,528	13,780	8,571	161,492
Depreciation	-	3,120	1,780	-	1,252	-	128	-	6,280
Balance as at 30 June 2021	1,594	21,139	18,500	47,776	2,756	53,528	13,908	8,571	167,772
Depreciation	-	6,314	1,700	-	4,418	-	774	-	13,206
Written off	-	-	-	-	(492)	-	-	-	(492)
Balance as at 30 June 2022	1,594	27,453	20,200	47,776	6,682	53,528	14,682	8,571	180,486
Carrying amount									
Balance as at 30 June 2022	-	-	3,020	-	1,484	-	3,099	-	7,603
Balance as at 30 June 2021	-	-	1,420	-	4,618	-	-	-	6,038

*This represents 50% of the total cost of the asset as it is shared with Singapore Youth For Christ

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

9. Trade and other receivables

	2022	2021
	S\$	S\$
Trade receivables		
Third parties	614,443	858,450
	<hr/>	<hr/>
Other receivables		
Interest receivable	3,462	4,328
Grant receivables	95,934	55
	<hr/>	<hr/>
	99,396	4,383
	<hr/>	<hr/>
	713,839	862,833
	<hr/> <hr/>	<hr/> <hr/>

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.

10. Other assets

	2022	2021
	S\$	S\$
Deposits	114,085	113,635
Prepayments	25,022	7,467
	<hr/>	<hr/>
	139,107	121,102
	<hr/> <hr/>	<hr/> <hr/>

Other assets are denominated in Singapore dollar.

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

11. Cash and cash equivalents

	2022	2021
	S\$	S\$
Cash at bank	1,274,712	1,091,135
Fixed deposits	1,180,309	1,174,658
	<u>2,455,021</u>	<u>2,265,793</u>

The fixed deposits are placed in tenure of 3 to 24 months (2021: 3 to 24 months).

The cash and cash equivalents are denominated in Singapore dollar.

12. Other payables

	2022	2021
	S\$	S\$
Accrued expenses	168,318	144,599
Grant received in advance	4,610	43,275
GST payables	30,366	-
Other payables	2,740	30,478
	<u>206,034</u>	<u>218,352</u>

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

Other payables are denominated in Singapore dollar.

13. Care and share fund

Care and share fund pertains to a dollar for dollar matching grant received from the government for the purpose of building capabilities and capacities of the social service sector.

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

14. 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 National Council of Social Service (NCSS).

	2022	2021
	Total	Total
	S\$	S\$
Balance as at beginning of the year	<u>(1,364,408)</u>	<u>(1,253,135)</u>
<i>Income</i>		
ELMP funding (Note 4)	<u>306,420</u>	<u>303,399</u>
<i>Expenditure</i>		
<i>Manpower costs</i> (Note 6)		
Staff CPF and SDL	(38,318)	(57,693)
Staff salaries and bonuses	<u>(220,411)</u>	<u>(350,995)</u>
	<u>(258,729)</u>	<u>(408,688)</u>
<i>Other operating expenses</i> (Note 6)	<u>(19,612)</u>	<u>(5,984)</u>
Surplus/ (Deficit) for the year	<u>28,079</u>	<u>(111,273)</u>
Balance as at end of the year	<u><u>(1,336,329)</u></u>	<u><u>(1,364,408)</u></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 2022

15. ISP programme fund

	2022	2021
	S\$	S\$
Balance as at beginning of the year	410,685	289,183
<i>Income</i>		
ISP Funding (Note 4)	544,234	510,219
<i>Expenditure</i>		
<i>Manpower cost</i> (Note 6)		
Staff CPF and SDL	(93,250)	(59,862)
Staff salaries and bonuses	(527,151)	(328,428)
	(620,401)	(388,290)
<i>Other operating expenses</i> (Note 6)		
Streetwise programme expenses	-	(396)
Guidance programme expenses	-	(16)
Other expenses	(4,249)	(15)
	(4,249)	(427)
(Deficit)/ Surplus for the year	(80,416)	121,502
Balance as at end of the year	330,269	410,685

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 2022

16. The Invictus Fund

	2022	2021
	S\$	S\$
Balance as at beginning of the year	4,532	-
<i>Income</i>		
Grant received	-	50,000
<i>Expenditure</i>		
General expenses	(4,532)	(12,043)
Other programmes	-	(664)
Repair and maintenance - equipment	-	(1,133)
Staff training	-	(128)
Staff salaries	-	(31,500)
	<u>(4,532)</u>	<u>(45,468)</u>
(Deficit)/ Surplus for the year	<u>(4,532)</u>	<u>4,532</u>
Balance as at end of the year	<u>-</u>	<u>4,532</u>

The Invictus Fund was established by NCSS to marshal private donations to support Social Service Agencies (SSAs) in maintaining service delivery and serving clients safely and effectively during the pandemic.

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

17. 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:

	2022	2021
	S\$	S\$
Salaries and bonuses	127,300	117,700
CPF contributions	21,641	20,009
	<u>148,941</u>	<u>137,709</u>

18. Fair values

Assets and liabilities not measured at fair value

Cash and cash equivalents, 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.

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 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 2022

19. Financial risk management (Continued)

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

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. Management assess that 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 2022

19. Financial risk management (Continued)

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.

Other receivables

The Society assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the management measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

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 Management Board is 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.

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.

(a) 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.

YOUTH GUIDANCE OUTREACH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

19. Financial risk management (Continued)

Market risk (Continued)

(b) Foreign currency risk

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

20. Financial instruments by category

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

	2022 S\$	2021 S\$
Financial assets measured at amortised cost		
Trade and other receivables	713,839	862,833
Other current assets	114,085	113,635
Cash and cash equivalents	2,455,021	2,265,793
Total financial assets measured at amortised cost	<u>3,282,945</u>	<u>3,242,261</u>
Financial liabilities measured at amortised cost		
Other payables	201,424	218,352
Total financial liabilities measured at amortised cost	<u>201,424</u>	<u>218,352</u>

21. Reserve policy

	2022 S\$	2021 S\$	Increase/ (Decrease)
Unrestricted fund	4,115,596	3,827,941	8%
Restricted/Designated Fund:			
Care and share fund	-	158,664	-
ELMP programme fund	(1,336,329)	(1,364,408)	-2%
ISP programme fund	330,269	410,685	-20%
The Invictus fund	-	4,532	0%
	<u>3,109,536</u>	<u>3,037,414</u>	
Ratio of unrestricted funds to annual operating expenditure	<u>1.37</u>	<u>1.41</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 2022

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

	2022	2021
	S\$	S\$
<u>Programme funding</u>		
Enhanced step-up	21,189	24,566
Experiential learning and mentoring programme	306,420	303,399
ISP programme fund	544,234	510,219
Other programme funds	60,000	39,318
	<u>931,843</u>	<u>877,502</u>
<u>Billable services</u>		
CRC Management fee	1,257,400	1,198,470
Neighbourhood youth outreach	-	5,565
School social work	220,732	80,872
Smoking Cessation	9,089	-
Triple P-Positive Parenting Pro	7,398	-
	<u>1,494,619</u>	<u>1,284,907</u>
<u>Donations</u>		
Donations for YGOS	<u>301,776</u>	<u>345,905</u>
<u>Grants from Government</u>		
Job support scheme	-	680,232
Professional conversion programme for social workers	77,346	70,098
Other grants	257,245	159,041
	<u>334,591</u>	<u>909,371</u>
Total revenue	<u>3,062,829</u>	<u>3,417,685</u>

YOUTH GUIDANCE OUTREACH SERVICES

DETAILED STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2022

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

	2022	2021
	S\$	S\$
<u>Other income</u>		
Interest income	5,383	11,954
Miscellaneous income	12,515	8,463
	<u>17,898</u>	<u>20,417</u>
<u>Less: programme expenses</u>		
CRC manpower cost	818,155	850,032
CRC expenditure	287,256	291,006
ELMP manpower costs	258,729	408,688
ELMP expenditures	19,612	5,984
ISP manpower costs	620,401	388,305
ISP expenditures	4,249	-
Project servant expenses	-	34,308
SSW manpower costs	346,280	-
SSW expenditures	25,077	23,374
Other programme expenses	17,264	27,617
	<u>2,397,023</u>	<u>2,029,314</u>
<u>Less: operating expenses</u>		
Associate Fee	24,649	-
Audit fee	11,600	11,150
Back-To-Basics Expenses	53,146	-
Bank charges	1,955	550
Depreciation on plant and equipment	13,206	6,278
General expense	38,624	11,227
Balance c/f	<u>143,180</u>	<u>29,205</u>

YOUTH GUIDANCE OUTREACH SERVICES

DETAILED STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2022

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

	2022	2021
	S\$	S\$
Balance b/f	143,180	29,205
Gift	551	-
Insurance	15,036	23,783
Intern Fee	24,779	-
Postage and courier	12	167
Printing and stationery	4,624	2,679
Rental of office premise	13,554	15,109
Repair and maintenance	12,551	10,470
Staff CPF contributions	45,630	71,447
Staff welfare & development	6,481	4,584
Staff salaries and bonuses	280,559	413,994
Staff training	4,820	65,698
Subscriptions	3,388	60
Telecommunication	3,586	5,046
Transportation	28,764	25,616
Upkeep of motor vehicle	8,312	11,740
Utilities	15,755	12,781
	<u>611,582</u>	<u>692,379</u>
Surplus for the year	<u><u>72,122</u></u>	<u><u>716,409</u></u>