

SINGAPORE COUNCIL OF WOMEN'S
ORGANISATIONS (SCWO)
THE STAR SHELTER

UNIQUE ENTITY NUMBER: T00CC1406K

**REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 JANUARY 2017

LO HOCK LING & CO

Chartered Accountants Singapore

盧鶴齡會計公司



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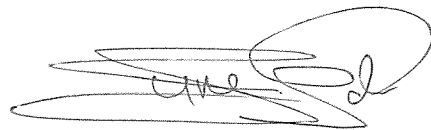
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SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)
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STATEMENT BY THE SCWO BOARD

In our opinion, the accompanying financial statements which comprise the statement of financial position (balance sheet) as at 31 January 2017, and the statement of comprehensive income, and statement of changes in funds for the year then ended, and a summary of significant accounting policies and other explanatory notes, are properly drawn up in accordance with the provisions of the Charities Act, Cap. 37 and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of The Star Shelter as at 31 January 2017 and the results and changes in funds for the year ended on that date.



Dr June Goh
President



Ms Janet Lim
Honorary Treasurer

Singapore, 24 MAY 2017

INDEPENDENT AUDITORS' REPORT
SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)
THE STAR SHELTER

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Star Shelter, an integral part of SCWO (the "Association") set out on pages 5 to 18 which comprise the following:

- statement of financial position (balance sheet) as at 31 January 2017;
- statement of comprehensive income for the year then ended;
- statement of changes in funds for the year then ended; and
- notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Charities Act, Cap. 37 and other relevant regulations (the Charities Act and Regulations) [collectively the "Act"] and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the state of affairs of The Star Shelter as at 31 January 2017 and the results and changes in funds of The Star Shelter 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Statement by the SCWO Board set out on page 1.

Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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 AUDITORS' REPORT
SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)
THE STAR SHELTER

Continued

Responsibilities of Management and SCWO Board for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Act and 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 is responsible for assessing The Star Shelter's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate The Star Shelter or to cease operations, or has no realistic alternative but to do so.

The SCWO Board is responsible for overseeing The Star Shelter's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Star Shelter's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITORS' REPORT
SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)
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Continued

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on The Star Shelter'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 Star Shelter to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the SCWO 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.

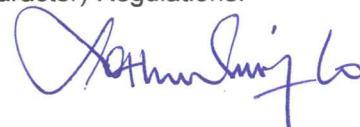
Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Association in respect of The Star Shelter have been properly kept in accordance with the provisions of the Act.

During the financial year, the Association did not conduct any fund-raising appeal in respect of The Star Shelter for which proper accounts and other records of fund-raising appeal are required to be maintained in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act.

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

- (i) the use of the donation moneys was not in accordance with the objectives of The Star Shelter as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (ii) The Star Shelter has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



LO HOCK LING & CO.
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS SINGAPORE

Singapore, 24 MAY 2017

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SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

Statement of Comprehensive Income for the year ended 31 January 2017

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
		\$	\$
<u>INCOME</u>			
Bank interest		1,399	1,384
Contributions from dormitory residents		2,750	4,145
Donations			
- non-tax deductible		25,289	52,640
- tax deductible		289,145	99,216
Grants from Ministry of Social and Family Development (MSF)		320,667	284,183
Grant from Tote Board Social Service Fund (TBSSF)		46,791	35,345
Other grants and subsidies		889	-
Income from Thriftshop		90,000	86,234
Sundry income		20	682
		776,950	563,829
<u>EXPENSES</u>			
Advertisement		250	-
Auditors' remuneration		3,959	3,959
Bank charges		313	443
Cleaning services		19,595	14,320
Contract services		739	1,211
Depreciation on property, plant and equipment	3	28,444	17,878
Employee benefits expense	4	227,425	238,170
Foreign workers' levy		10,500	10,080
General expenses		2,279	4,220
Groceries		10,418	16,067
Insurance		2,062	2,321
IT/website expenses		44	-
Medical expenses		1,954	2,322
Postage and courier		106	35
Printing and stationery		2,316	2,748
Property, plant and equipment written off		128	-
Refreshments		1,216	637
Rental of office equipment		2,996	2,996
Rental of premises	5	96,000	96,000
Repairs and maintenance		14,465	19,474
Residents welfare		6,571	-
Security guard services		61,000	58,600
Skills development levy		477	497
Staff welfare		1,446	234
Telecommunication expenses		3,090	754
Training and development		3,728	1,621
Transport		3,245	2,440
International meeting		3,322	3,155
Utilities		13,263	13,263
		521,351	513,445
Surplus for the year		255,599	50,384

The accompanying notes form an integral part of these financial statements.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

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Statement of Comprehensive Income
for the year ended 31 January 2017 (continued)

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
		\$	\$
<u>Other Comprehensive Income</u>			
(Payment from)/net receipts for Rebuild Programme Fund		(<u>982</u>)	<u>670</u>
Other comprehensive income, net of tax		(<u>982</u>)	<u>670</u>
Total comprehensive income for the year		<u>254,617</u>	<u>51,054</u>

The accompanying notes form an integral part of these financial statements.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

Statement of Financial Position as at 31 January 2017

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
		\$	\$
<u>ASSETS</u>			
<u>Non-Current Asset</u>			
Property, plant and equipment	3	<u>57,350</u>	<u>36,355</u>
		<u>57,350</u>	<u>36,355</u>
<u>Current Assets</u>			
Receivables	6	56,515	22,664
Fixed deposits with financial institutions	7	407,571	502,892
Cash and bank balances		<u>925,984</u>	<u>589,539</u>
		<u>1,390,070</u>	<u>1,115,095</u>
Total Assets		<u>1,447,420</u>	<u>1,151,450</u>
<u>FUNDS AND LIABILITIES</u>			
<u>Restricted Funds</u>			
Star Shelter General Fund		1,325,144	1,094,545
Rebuild Programme Fund	8	<u>65,667</u>	<u>41,649</u>
Total Funds		<u>1,390,811</u>	<u>1,136,194</u>
<u>Current Liabilities</u>			
Deferred grant	9	2,376	-
Payables	10	<u>54,233</u>	<u>15,256</u>
Total Liabilities		<u>56,609</u>	<u>15,256</u>
Total Funds and Liabilities		<u>1,447,420</u>	<u>1,151,450</u>

The accompanying notes form an integral part of these financial statements.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

Statement of Changes in Funds
for the year ended 31 January 2017

	<u>Restricted Funds</u>		
	Star Shelter General <u>Fund</u>	Rebuild Programme <u>Fund</u>	Total <u>Funds</u>
	\$	\$	\$
Balance as at 1 February 2015	1,044,161	40,979	1,085,140
Surplus for the year	50,384	-	50,384
Other comprehensive income	-	670	670
Total comprehensive income for the year	50,384	670	51,054
Balance as at 31 January 2016	1,094,545	41,649	1,136,194
Transfer of fund (note 8)	(25,000)	25,000	-
Surplus for the year	255,599	-	255,599
Other comprehensive income	-	(982)	(982)
Total comprehensive income for the year	255,599	(982)	254,617
Balance as at 31 January 2017	1,325,144	65,667	1,390,811

The accompanying notes form an integral part of these financial statements.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

NOTES TO THE FINANCIAL STATEMENTS - 31 January 2017

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

1. GENERAL INFORMATION

- (a) The Star Shelter is a charity registered under the Charities Act Cap. 37 and an Institution of a Public Character. It is an integral part of the Singapore Council of Women's Organisations (SCWO), an association registered under the Societies Act, Cap. 311. Its registered office is located at 96 Waterloo Street Singapore 187967.
- (b) The Star Shelter provides temporary refuge for victims of family violence and others in need of protection, regardless of race, language, creed or religion.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The Association presents its financial statements in Singapore dollars, which is also its functional currency.

These financial statements are prepared in accordance with the historical cost convention except as disclosed in the accounting policies below, and comply with Singapore Financial Reporting Standards (FRS), including related Interpretations promulgated by the Accounting Standards Council.

As these financial statements are in respect of The Star Shelter only, the statement of cash flows in accordance with FRS 7 Statement of Cash Flows has not been prepared. Separately, the Association has prepared combined financial statements incorporating the results of all operating segments of SCWO, including The Star Shelter, which presents a statement of cash flows of the Association as a whole.

During the financial year, the Association adopted all the applicable new/revised FRSs which are effective on or before 1 February 2016.

The adoption of these new/revised FRSs did not have any material effect on the Association's financial statements and did not result in substantial changes to the Association's accounting policies.

(b) Significant Accounting Estimates and Judgments

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Association's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Significant Accounting Estimates and Judgments (continued)

(A) *Key sources of estimation uncertainty*

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Depreciation on property, plant and equipment

The costs of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management's estimates of the useful lives of these property, plant and equipment are disclosed in note 2(h). Changes in the expected usage and technological developments could impact the economic useful lives and the residual values of these assets. Therefore, future depreciation charges could be revised. The carrying amount of property, plant and equipment and the depreciation charge for the year are disclosed in note 3 to the financial statements.

(B) *Critical judgments made in applying accounting policies*

In the process of applying the Association's accounting policies, the management has made certain judgments, apart from those involving estimations, which have significant effect on the amounts recognised in the financial statements.

Impairment of non-financial assets

The carrying amounts of the Association's non-financial assets subject to impairment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated based on the higher of the value in use and the asset's fair value less cost of disposal. Estimating the value in use requires the Association to make an estimate of the expected future cash flows from the continuing use of the assets and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

(c) FRS and INT FRS not yet effective

The Association has not applied any new FRS or INT FRS (Interpretations of Financial Reporting Standards) that has been issued as at the balance sheet date but is not yet effective. The SCWO Board does not anticipate the adoption of the new FRS and INT FRS in future financial periods to have any material impact on the Association's financial statements in the period of initial application.

(d) Revenue Recognition

Interest income is recorded on a time-proportion basis, using the effective interest method, unless collectability is in doubt.

Government grants are recognised as income when there is reasonable assurance that the conditions attached to the grants will be complied and the grants will be received.

Income from thriftshop is recognised upon the transfer of rewards of ownership of the goods to the customer, which generally coincides with the delivery and acceptance of the goods sold.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Revenue Recognition (continued)

Donations and contributions are recognised in profit or loss upon receipt. Donations and contributions received in connection with events held are matched against the respective event expenditure.

(e) Fund Accounting

Monies received for specific purposes are credited directly to the respective fund accounts. Income and expenditure relating to specific funds are accounted for directly in the funds to which they relate. Assets and liabilities of the specific funds are pooled in the balance sheet.

(f) Employee Benefits

Defined Contribution Plans

The Association makes contributions to the state provident fund (Central Provident Fund). Such contributions are recognised as compensation expense in the same period as the employment that gives rise to the contributions.

(g) Income Taxes

As a registered charity under the Charities Act, Cap. 37, the income of The Star Shelter is exempt from tax under Section 13(1)(zm) of the Income Tax Act, Cap. 134.

(h) Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Any estimated costs of dismantling and removing the property, plant and equipment and reinstating the site to its original condition (reinstatement costs) are capitalised as part of the cost of the property, plant and equipment.

Depreciation is calculated on the straight line basis so as to write off the cost, less the residual value, of the assets over their estimated useful lives. The annual rates of depreciation are as follows:

Office equipment, furniture & fittings	10 years
Office renovations	3 years
Computers	3 years
Air-conditioners	3 years

Fully depreciated assets are retained in the financial statements until they are no longer in use.

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed and adjusted as appropriate, at each financial year-end.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, and shall be included in profit or loss when the item is derecognised.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Impairment of Non-Financial Assets

The carrying amounts of the Association's assets subject to impairment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposal and its value in use. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

An impairment loss on a non-revalued asset is recognised in profit or loss. An impairment loss on a revalued asset is recognised in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

(j) Receivables

Financial assets are recognised when the Association becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the rights to receive cash flows for the assets have ceased or expired.

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. Receivables with a short duration are not discounted.

When there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables, an impairment loss is recognised. The amount of the impairment loss is measured as the difference between the carrying value of the receivable and the present value of the estimated future cash flows discounted at the original effective interest rate. The carrying amount of the receivable is reduced directly or through the use of an allowance account. The amount of the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed either directly or by adjusting an allowance account. The amount of the reversal shall be recognised in profit or loss.

(k) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and cash at bank which are subject to insignificant risks of changes in value. Cash equivalents are stated at amounts at which they are convertible into cash.

(l) Payables

Financial liabilities are recognised on the balance sheet when the Association becomes a party to the contractual provisions of the financial instrument.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Payables (continued)

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Payables with a short duration are not discounted.

A financial liability is derecognised when the obligation under the liability is extinguished. For financial liabilities other than derivatives, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

(m) Provisions

Provisions are recognised when the Association has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

3. PROPERTY, PLANT AND EQUIPMENT

<u>Cost</u>	Office equipment, furniture and fittings	Office renovations	Computers	Air- conditioners	<u>Total</u>
	\$	\$	\$	\$	\$
At 1 February 2015	31,884	15,675	4,851	3,548	55,958
Additions	2,398	24,770	-	1,905	29,073
At 31 January 2016 and 1 February 2016	34,282	40,445	4,851	5,453	85,031
Additions	3,137	42,150	-	4,280	49,567
Written off	(640)	(3,483)	(2,855)	-	(6,978)
At 31 January 2017	<u>36,779</u>	<u>79,112</u>	<u>1,996</u>	<u>9,733</u>	<u>127,620</u>
<u>Accumulated depreciation</u>					
At 1 February 2015	12,615	10,450	4,185	3,548	30,798
Charge for the year	3,428	13,482	333	635	17,878
At 31 January 2016 and 1 February 2016	16,043	23,932	4,518	4,183	48,676
Charge for the year	3,742	22,307	333	2,062	28,444
Written off	(512)	(3,483)	(2,855)	-	(6,850)
At 31 January 2017	<u>19,273</u>	<u>42,756</u>	<u>1,996</u>	<u>6,245</u>	<u>70,270</u>
<u>Carrying amount</u>					
At 31 January 2017	<u>17,506</u>	<u>36,356</u>	<u>-</u>	<u>3,488</u>	<u>57,350</u>
At 31 January 2016	<u>18,239</u>	<u>16,513</u>	<u>333</u>	<u>1,270</u>	<u>36,355</u>

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

4. EMPLOYEE BENEFITS EXPENSE

	<u>2017</u>	<u>2016</u>
	\$	\$
Salaries and related costs	197,510	207,757
Employer's contributions to Central Provident Fund	<u>29,915</u>	<u>30,413</u>
	<u>227,425</u>	<u>238,170</u>

Employee benefits expense includes benefits paid to key management personnel employed by the Association as follows:-

	<u>2017</u>	<u>2016</u>
	\$	\$
Short-term employee benefits:		
Salaries and related costs	78,421	71,500
Employer's contributions to Central Provident Fund	<u>13,331</u>	<u>11,951</u>
	<u>91,752</u>	<u>83,451</u>

None of the three highest paid staff received more than \$100,000 in annual remuneration.

5. RENTAL OF PREMISES

This relates to the imputed cost for the space occupied by The Star Shelter at SCWO premises located at 96 Waterloo Street allocated based on comparable rental rate within the vicinity.

6. RECEIVABLES

	<u>2017</u>	<u>2016</u>
	\$	\$
Grant receivable from Ministry of Social and Family Development (MSF)	55,692	22,365
Prepayments	<u>823</u>	<u>299</u>
	<u>56,515</u>	<u>22,664</u>

The above receivables are unsecured, non-interest bearing and expected to be received within 6 months.

7. FIXED DEPOSITS WITH FINANCIAL INSTITUTIONS

All fixed deposits mature within one year and bear interest at rates ranging from 0.20% to 0.35% (2016: 0.15% to 0.35%) per annum.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

8. REBUILD PROGRAMME FUND

	<u>2017</u>	<u>2016</u>
	\$	\$
Balance at beginning of financial year	41,649	40,979
Fund transferred from Star Shelter general fund	25,000	-
Funds received	-	720
Less: Transportation allowance	(<u>982</u>)	(<u>50</u>)
Balance at end of financial year	<u>65,667</u>	<u>41,649</u>

The Rebuild Programme Fund is set up to help The Star Shelter residents rebuild their homes by giving them rebuild home loans, room rental and transport allowance assistance.

Rebuild home loans disbursed from the Rebuild Programme Fund are non-interest bearing and have no fixed repayment terms. All loans extended to residents are recorded as funds disbursed, while any loan repayments are recorded as funds received.

9. DEFERRED GRANT

This pertains to the Professional Capability Grant received from the Ministry of Social and Family Development ("MSF") VWOs - Capability Fund ("VCF"). The grant is administered by National Council of Social Service.

The grant is disbursed by MSF VCF specifically to fund the Clinical Supervision Consultancy Project ("project") undertaken by the Association for The Star Shelter during the financial year. MSF VCF will bear 80% of the project cost, capped at a maximum of \$7,776, whichever is lower, and subject to the terms and conditions of the grant agreement.

Details of the grant movements during the financial year are as follows:

	<u>2017</u>	<u>2016</u>
	\$	\$
Balance at beginning of the year	-	-
Grant received during the year	2,592	-
Grant recognised as income during the year	(<u>216</u>)	-
Balance as deferred grant at 31 January	<u>2,376</u>	<u>-</u>

10. PAYABLES

	<u>2017</u>	<u>2016</u>
	\$	\$
Amount due to SCWO operating fund	32,784	-
Accruals	<u>21,449</u>	<u>15,256</u>
	<u>54,233</u>	<u>15,256</u>

The above payables are unsecured, non-interest bearing and are normally settled within 90 days or on demand.

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11. FINANCIAL RISKS MANAGEMENT

The Association is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks are credit risk, liquidity risk and interest rate risk. The board reviews and agrees on policies for managing each of these risks and they are summarised below:

(i) Credit risk

Credit risk is the potential risk of financial loss resulting from the failure of customers or other counterparties to settle their financial and contractual obligations to the Association as and when they fall due.

The Association's main financial assets consist of cash and cash equivalents and fixed deposits with financial institution. Cash and bank deposits are placed with financial institutions which are regulated.

At the balance sheet date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

There are no financial assets that are past due or impaired as at the balance sheet date.

(ii) Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting financial obligations due to shortage of funds.

The Association monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate to finance the Association's operations and to mitigate the effects of fluctuations in cash flows.

All financial liabilities of the Association are repayable on demand or mature within one year.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the Association's financial instruments will fluctuate because of changes in market interest rates.

The Association does not have any interest-bearing financial liabilities. Its only exposure to changes in interest rates relates to interest-earning bank deposits. The Association monitors movements in interest rates to ensure deposits are placed with financial institutions offering optimal rates of return.

The interest rates and terms of maturity of financial assets of the Association are disclosed in note 7 to the financial statements.

12. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of cash and cash equivalents, fixed deposits with financial institutions, receivables and payables approximate their fair values due to their short term nature.

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12. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

Financial Instruments by Category

The aggregate carrying amounts of financial instruments classified as loans and receivables and financial liabilities at amortised cost are as follows:

	<u>2017</u>	<u>2016</u>
	\$	\$
Loans and receivables	1,389,247	1,114,796
Financial liabilities at amortised cost	54,233	15,256

13. RESERVES MANAGEMENT

The Association's reserves management objective is to safeguard the Association's ability to continue as a going concern and to maintain an optimal reserve in order to support its operations and principal activities.

The Association aims to maintain its reserves at a level equivalent to at least 3 times the current annual operating expenses. The Association regularly monitors its cash flows and manages its funds to ensure that they are adequate to fulfil continuing obligations.

The Rebuild Programme Fund (note 8) and Star Shelter General Fund are restricted for the operations of this programme as stated in note 1(b).

The Association is not subject to externally imposed reserve requirements.

There were no changes to the Association's approach to reserves management since the previous financial year.

14. FUND-RAISING APPEAL

During the financial year, the Association did not conduct any fund-raising appeal which requires disclosure in accordance with Regulation 7 of the Charities (Fund-raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012.

15. AUTHORISATION OF THE FINANCIAL STATEMENTS

These financial statements were authorised for issue by the SCWO Board on

24 MAY 2017

