

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

Unique Entity Number T00CC1406K

REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2012

LO HOCK LING & CO

Certified Public Accountants

盧鶴齡會計公司



Independent member of

leading **edge** alliance

www.lohocklingco.com.sg

Table Of Contents

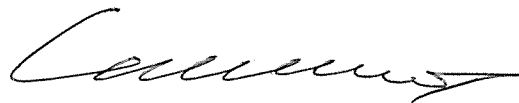
Statement by the SCWO Board	3
Independent Auditors' Report	4
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Funds	8
Notes to the Financial Statements	9

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

STATEMENT BY THE SCWO BOARD

In our opinion, the accompanying financial statements which comprise the balance sheet (statement of financial position) as at 31 January 2012, 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 drawn up so as to give a true and fair view of the state of affairs of The Star Shelter as at 31 January 2012 and the results and changes in funds for the year ended on that date.



Mrs Laura Hwang Cheng Lin
President



Mrs Lim Aye Ling
Honorary Treasurer

Singapore, 9 April 2012

INDEPENDENT AUDITORS' REPORT

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

Report on the Financial Statements

We have audited the accompanying financial statements of The Star Shelter, an integral part of SCWO (the Association), set out on pages 6 to 16. These financial statements comprise the balance sheet (statement of financial position) as at 31 January 2012, 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 information.

The accompanying financial statements reflect only transactions arising from the activities undertaken by The Star Shelter, which is an operating segment of SCWO.

Management's Responsibility for the Financial Statements

The management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Charities Act, Cap. 37 and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial statements that give a true and fair view 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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

(continued)

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Charities Act 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 2012 and the results and changes in funds of The Star Shelter for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the regulations enacted under the Charities Act (Cap. 37) - Charities (Institutions of a Public Character) Regulations 2007 and its amendments in Charities (Institutions of a Public Character) (Amendment) Regulations 2008 to be kept by the Association have been properly kept.



LO HOCK LING & CO.
PUBLIC ACCOUNTANTS AND
CERTIFIED PUBLIC ACCOUNTANTS

Singapore, 9 April 2012

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

Statement of Comprehensive Income for the year ended 31 January 2012

	Note	2012	2011
		\$	\$
<u>INCOME</u>			
Bank interest		2,384	1,431
Contributions from dormitory residents		6,250	2,575
Donations			
- non tax deductible		17,445	2,720
- tax deductible		43,015	26,872
MCYS grants		130,560	111,030
NCSS subsidy		51,398	70,972
Thriftshop		49,143	28,355
		300,195	243,955
<u>EXPENSES</u>			
Advertisement		100	-
Auditors' remuneration		2,889	2,675
Bank charges		128	93
Cleaning services		4,007	7,868
Contract services		2,800	2,350
Depreciation on property, plant and equipment	3	3,999	3,383
Employee benefits expense	4	82,934	55,387
Foreign workers' levy		2,301	3,030
General expenses		3,636	3,069
Groceries		8,182	6,975
Insurance		1,065	719
IT website expense		-	1,666
Medical expenses		1,076	1,006
Office transport		1,452	1,300
Printing and stationery		1,956	389
Professional fees		360	-
Refreshments		585	382
Repairs and maintenance		17,045	8,623
Security guard services		32,424	31,800
Skills development levy		207	152
Telecommunication expenses		684	897
Training and development		1,084	219
Utilities		20,359	10,919
		189,273	142,902
Surplus for the year		110,922	101,053
<u>Other Comprehensive Income</u>			
Deficit from Rebuild Programme Fund		-	(1,620)
Contributions to SCWO operating fund		(72,000)	(72,000)
Other comprehensive income, net of tax		(72,000)	(73,620)
Total comprehensive income for the year		38,922	27,433

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 2012

	<u>Notes</u>	<u>2012</u>	<u>2011</u>
		\$	\$
<u>ASSETS</u>			
<u>Non-Current Assets</u>			
Property, plant and equipment	3	<u>18,526</u>	<u>104,976</u>
Total Non-Current Assets		<u>18,526</u>	<u>104,976</u>
<u>Current Assets</u>			
Receivables	5	41,833	46,154
Fixed deposits with financial institutions	6	497,920	495,592
Cash and bank balances		<u>119,009</u>	<u>29,728</u>
Total Current Assets		<u>658,762</u>	<u>571,474</u>
Total Assets		<u>677,288</u>	<u>676,450</u>
<u>FUNDS AND LIABILITIES</u>			
Star Shelter General Fund		584,762	545,840
Rebuild Programme Fund	7	<u>39,730</u>	<u>39,730</u>
Total Funds		<u>624,492</u>	<u>585,570</u>
<u>Current Liabilities</u>			
Payables	8	<u>52,796</u>	<u>90,880</u>
Total Current Liabilities		<u>52,796</u>	<u>90,880</u>
Total Funds and Liabilities		<u>677,288</u>	<u>676,450</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 2012

	Star Shelter General Fund	Rebuild Programme Fund	Total Funds
	\$	\$	\$
Balance as at 1 February 2010	516,787	41,350	558,137
Surplus for the year	101,053	-	101,053
Other comprehensive income	(72,000)	(1,620)	(73,620)
Total comprehensive income for the year	29,053	(1,620)	27,433
Balance as at 31 January 2011	545,840	39,730	585,570
Surplus for the year	110,922	-	110,922
Other comprehensive income	(72,000)	-	(72,000)
Total comprehensive income for the year	38,922	-	38,922
Balance as at 31 January 2012	584,762	39,730	624,492

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 2012

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

1. GENERAL INFORMATION

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.

The Star Shelter provides a 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 2011.

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*

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(g). 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 net selling price. 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 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) Receivables

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.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Receivables (continued)

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.

(e) Payables

Payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

(f) 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 association will comply with the conditions attaching to the grants and that the grants will be received.

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

(g) 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:

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

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

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Property, Plant and Equipment (continued)

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. Any gain or loss arising on derecognition of the assets is recognised in profit or loss in the year the asset is derecognised.

(h) 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.

(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 net selling price 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) 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.

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

3. PROPERTY, PLANT AND EQUIPMENT

<u>Cost</u>	\$	Leasehold property improvement	Office equipment, furniture and fittings	Computers	Air- conditioners	Renovation work-in- progress	Total
At 1 February 2010	-	-	8,334	1,758	-	-	10,092
Additions	-	10,008	1,097	3,548	86,291	-	100,944
At 31 January 2011 and 1 February 2011	-	18,342	2,855	3,548	86,291	-	111,036
Additions	37,209	2,843	997	-	-	-	41,049
Reclassification	86,291	-	-	-	(86,291)	-	-
Transfer to SCWO operation	(123,500)	-	-	-	-	-	(123,500)
At 31 January 2012	-	21,185	3,852	3,548	-	-	28,585
<u>Accumulated depreciation</u>							
At 1 February 2010	-	919	1,758	-	-	-	2,677
Charge for the year	-	1,834	366	1,183	-	-	3,383
At 31 January 2011 and 1 February 2011	-	2,753	2,124	1,183	-	-	6,060
Charge for the year	-	2,118	698	1,183	-	-	3,999
At 31 January 2012	-	4,871	2,822	2,366	-	-	10,059
<u>Carrying amount</u>							
At 31 January 2012	-	16,314	1,030	1,182	-	-	18,526
At 31 January 2011	-	15,589	731	2,365	86,291	-	104,976

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

4. <u>EMPLOYEE BENEFITS EXPENSE</u>	<u>2012</u>	<u>2011</u>
	\$	\$
Salaries and related costs	73,124	49,020
Employer's contributions to Central Provident Fund	<u>9,810</u>	<u>6,367</u>
	<u>82,934</u>	<u>55,387</u>

5. <u>RECEIVABLES</u>	<u>2012</u>	<u>2011</u>
	\$	\$
Grant receivable from MCYS	41,492	45,684
Prepayments	<u>341</u>	<u>470</u>
	<u>41,833</u>	<u>46,154</u>

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

6. FIXED DEPOSITS WITH FINANCIAL INSTITUTIONS

All fixed deposits mature within one year and bear interest at rates ranging from 0.05% to 0.45% (2011: 0.25% to 0.85%) per annum.

7. REBUILD PROGRAMME FUND

	<u>2012</u>	<u>2011</u>
	\$	\$
Balance at beginning of financial year	39,730	41,350
Net disbursements	<u>-</u>	<u>(1,620)</u>
Balance at end of financial year	<u>39,730</u>	<u>39,730</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.

8. <u>PAYABLES</u>	<u>2012</u>	<u>2011</u>
	\$	\$
Due to SCWO operating fund	47,525	86,291
Accruals	<u>5,271</u>	<u>4,589</u>
	<u>52,796</u>	<u>90,880</u>

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

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

9. 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. 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 6 to the financial statements.

10. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

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

SINGAPORE COUNCIL OF WOMEN'S ORGANISATIONS (SCWO)

THE STAR SHELTER

11. 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 Rebuild Programme Fund and Star Shelter General Fund are designated funds to be used only for specified purposes, as described in note 7 and note 1 respectively.

The association is not subject to externally imposed reserve requirements.

There were no changes to the association's approach to reserves management during the year.

12. AUTHORISATION OF THE FINANCIAL STATEMENTS

These financial statements were authorised for issue by the SCWO Board on 9 April 2012.

