

# ANNUAL REPORT

20  
19



## MISSION

Our mission is to reach out in Christian love, by providing quality programmes and services to all children, youths, parents and their families, of all language, race and religion, and nurturing each family member in body, mind and spirit.



## OBJECTIVES

The objectives of the organisation are to help children, youths and parents of all language, race and religion, especially from dysfunctional, disadvantaged and needy families, to:

- Develop to their fullest potential;
- Enjoy a balanced family life;
- Become responsible and caring family members; and,
- Become useful members of society.



## VISION

Strong Families, Resilient Living, Beautiful Minds



## ABOUT US

Epworth Community Services is the former MCYC Community Services Society. We are a Social Service Agency (SSA) which helps at-risk children and youths in their educational, social, emotional and moral development. This Annual Report captures the organisation's milestone developments and progress for the financial year from 1 Aug 2018 to 31 Jul 2019.

Registered with the Registry of Societies on 6 Jun 2008, we are a full member of the National Council of Social Service (NCSS) and also an Institution of Public Character (IPC) since 1 Oct 2008.

The organisation is affiliated with Barker Road Methodist Church (BRMC). The church strongly supports our work in the community, benefitting the disadvantaged and those in need.

Apart from BRMC, the organisation is funded mainly by direct donations from individual donors, government grants and programme fees. As an IPC, all local donations to Epworth Community Services qualify for tax exemption benefits.

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# Chairman's Message

Dear Friends,

The organisation officially launched its new name, Epworth Community Services, at a Family Day event at Singapore Zoological Gardens on 17 Nov 2018. We were honoured to have the Minister of State, Ministry of Foreign Affairs & Ministry of Social and Family Development, Mr Sam Tan to grace the occasion!

At the Board Retreat on 23 Mar 2019, a new vision was adopted for Epworth Community Services: **"Strong Families, Resilient Living, Beautiful Minds"**. Our focus is on the mental well-being of children and youths. It is important to note that mental well-being is not about the absence of mental illnesses. It is the presence of positive characteristics; how we think, feel and act as we cope with our lives. These positive characteristics determine how we handle stress, relate to others and make choices. Hence, the new vision consolidates existing programmes and services; and gives a clear direction for new ones.

Our efforts will mainly be on preventive work and early intervention: building strong families and providing coping abilities for children and youths so that they will grow up with good mental well-being, or "beautiful minds". We will also seek to identify and build on strengths of our clients – children, youths and parents.

The Board also agreed that Epworth Community Services supports the Methodist Primary Schools with student care services. Apart from the current student care centre at Anglo-Chinese School (Primary), we are happy to note that from 2020, we will also be operating a new student care centre at Anglo-Chinese School (Junior). Over time, the student care services can be extended to other Methodist Primary Schools as well.

We are also happy to inform that Epworth Literacy will be operating from a new centre at Blks 471 and 472 Jurong West Street 41 from Oct 2019. The new centre will reach out to more children with learning challenges and difficulties, especially from the Jurong West area.

In Jan 2019, a review was done and revisions were made to salaries of staff to ensure that the remuneration offered by Epworth Community Services are in line with National Council of Social Services (NCSS) salary guideline and remains competitive in the sector.

As Epworth Community Services grows, we will continue to improve our internal processes. Hence, the Board appointed RSM Risk Advisory Pte Ltd to carry out internal audit for the organisation over a three-year period, commencing from 2019. At the same time, we have established a new whistle blowing process. To maintain transparency and objectivity, the whistle blowing process will also be managed by RSM Risk Advisory Pte Ltd, which reports directly to the Audit Committee.

Epworth Community Services has successfully applied for the Tote Board Non-Profit Sector Transformation Initiative – Organisation Development Programme under the auspices of NCSS. This programme aims to strengthen the organisation's capability, to transform it into a more effective one, and be better placed to achieve its mission towards service users. Epworth Community Services will begin this journey from Mar 2020.

Despite the challenging economic climate, we are thankful that Epworth Community Services was able to close the last financial year without deficit. This was due to better than expected donations and prudent management of resources by the management staff.

I would like to express my sincere thanks to all donors, partners, volunteers, Barker Road Methodist Church, Board and Committee Members, and staff for making this organisation viable and sustainable. We thank God for His faithfulness and pray that He will continue to guide and bless us as we reach out in Christian love to the community-at-large. Do continue to support us in prayer as well.

Robert Lim Hui Beng  
Chairman

# Executive Director's Message

Dear Friends,

Generally, Epworth Community Services' operations in the last financial year was "business as usual", with no extraordinary events.

We followed through with our rebranding exercise, holding an internal launch with our staff on 31 Aug 2018. The official launch was held on 17 Nov 2018 at a Family Day event at Singapore Zoological Gardens.

We followed through with the consolidation of our existing programmes and services, aligning them with the new vision: "**Strong Families, Resilient Living, Beautiful Minds**". With our focus on mental well-being of children and youths, we have started working internally on how this vision can be realised in more concrete ways. We sent our staff to relevant training courses as well as worked on plans for new programmes and services to make the organisation a key player in mental well-being in the social service sector.

Epworth Community Services is grateful that our new programme to help youths at-risk, Project Dawn, is funded by President's Challenge. Since Jul 2019, we have been working with 36 youths from Anglo-Chinese School (Barker Road). These youths face various challenges, like irregular attendance in school; behavioural problems; poor relationship with parents; and, various juvenile problems. The aim of this diversionary programme is to reduce the potential of such youths entering the juvenile system under Beyond Parental Control.

In Dec 2018, Epworth Foster Care embarked on another area of foster care work. Our staff now manage cases under kinship care. There were three kinship care cases at the end of the financial year. However, this number is expected to grow in the months ahead.

Construction of the new premises for Epworth Literacy at Blks 471 and 472 Jurong West Street 41 began in Jun 2019. Completion is expected by Sep 2019 and services there will commence in Oct 2019.

We were unable to continue our operations of the student care centre at Bukit View Primary School (BVPS) in 2019. For renewal of student care services in schools, service providers have to go through the open bidding system periodically. The main reason for not being able to renew our services at that school was because of very competitive bids by other service providers. As a result of this, 10 staff were affected. We were able to redeploy three student care staff to other parts of Epworth Community Services. The remaining seven were able to find alternative employment very quickly.

However, we are also happy to report that we have successfully made a bid to provide student care services at Anglo-Chinese School (Junior) from 2020.

As part of our plan to use more volunteers in future, we have revised and updated our Volunteer Handbook. In addition, we have also developed an on-boarding video. This will help reduce the need for face-to-face briefings by volunteer management staff.

As part of our ongoing efforts to leverage on technology, we started using QR Code for donations since Nov 2018. We also started fee collection using QR code at Epworth Student Care and Epworth Literacy from Jul 2019. We hope to increase our use of more fin-tech platforms in future. We will also explore other technological applications that will be relevant for our use.

To serve our clients better and to improve our programmes and services to the community-at-large, we will be engaging partners, stakeholders, service-users as well as other professionals. We hope that through consultations and learning from various touch points we will be able to serve our clients better. Hence, we seek your support and your prayers as we press on with our work for our beneficiaries.

Tan Khye Suan  
Executive Director

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# Organisational Structure

The Board and Executive Director are responsible for the administration and operations of the Society. They are supported by a number of Committees and a management team of senior staff members.

## Audit Committee

Mr Chiang Chie Foo, Chairman  
Ms Chuang Sheue Ling  
Mr Lee Soo Chye

## Finance Committee

Mrs Poon Hoh Kam, Chairman  
Mr Low Tze Hwa Melvyn  
(Vacant Position To Be Filled)

## Human Resources Committee

Mr Ang Hock Kheng, Chairman  
Ms Lian Ying Ying  
(Vacant Position To Be Filled)

## Nominations Committee

Mr Chow Kok Kin Christopher, Chairman (23 Oct 2019)  
Mr Robert Lim Hui Beng (23 Oct 2019)  
Mr Tan Gee Shan (23 Oct 2019)

## Epworth HomeSweetHome Committee

Mr Hardev Singh Sidhu, Chairman  
Mr Pang Tit Keong, Vice-Chairman  
Ms Yarni Loi, Secretary (Until 30 Jun 2019)  
Prof Loy Wee Loon (From 24 Jul 2019)  
Mr Low Tze Hwa Melvyn, Treasurer  
Ms Era Cheong, Member

## Epworth Foster Care Committee

Mr Lee Soo Chye, Chairman (Until 31 Oct 2018)  
Ms Angeline Tan Wei Ling, Treasurer (Until 30 Sep 2018)  
Mr Bek Wei Da Edmund, Chairman (23 Oct 2019)  
Mr Aaron Chong, Secretary (23 Oct 2019)  
Mr Chee Weng Yan Mike, Treasurer (22 Oct 2019)  
Mr Zhennan Low (From 24 Jul 2019)  
Ms Lin Huiying (From 24 Jul 2019)

## Professional Staff in Epworth

Roles	Full time	Part-time
Administrative & Support Staff	16	-
Counselors / Case Workers	11	-
Social Workers	14	-
Psychologists	2	-
Teaching Staff	14	2
Programme Support Staff	7	-
Residential Care Workers	11	-
Total	75	2

## CORPORATE INFORMATION

Unique Entity Number  
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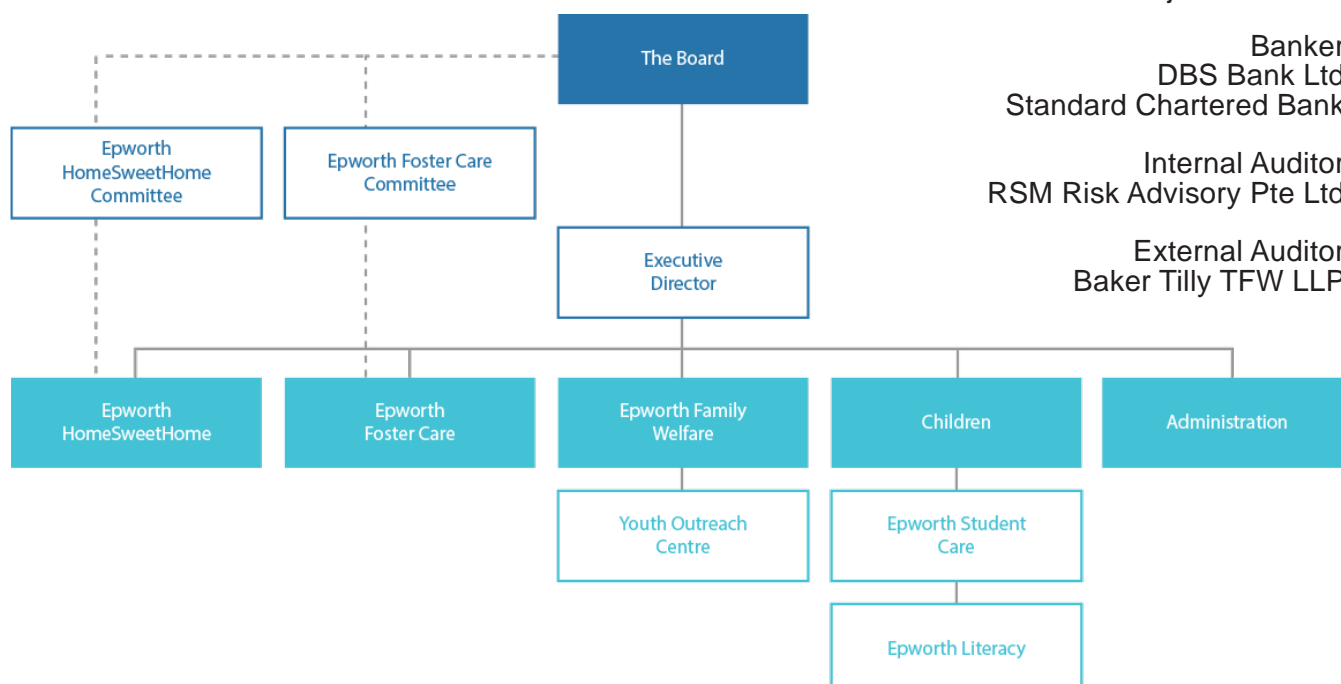
Registered Address  
Blk 106 Bukit Batok Central #01-217  
Singapore 650106

Trustees  
Dr Edwin Tan  
Mr Benjamin BC Tan

Banker  
DBS Bank Ltd  
Standard Chartered Bank

Internal Auditor  
RSM Risk Advisory Pte Ltd

External Auditor  
Baker Tilly TFW LLP





# The Board



## MR ROBERT LIM HUI BENG CHAIRMAN

Mr Robert Lim is Director of Operations at NSL OilChem Waste Management Pte Ltd, a subsidiary of NSL Ltd., a Singapore listed company with core businesses in Environmental Services and Precast concrete.

Robert has worked for over 25 years in the waste management industry covering business development, sales and marketing, operations, ISO Management Systems, safety and enterprise risk management. He is currently responsible for operations at NSL OilChem's Tanjong Kling waste management plant.



## MR TAN GEE SHAN VICE-CHAIRMAN

Mr Tan Gee Shan is a veteran commercial banker for over 30 years. He spent most of his career in Standard Chartered Bank and has held numerous positions in operations, sales and risk functions. They include Chief Risk Officer in Standard Chartered Bank Thailand and Group Head of Medium Enterprise Risk based in Singapore. Gee Shan is currently Chief Risk Officer in the Singapore branch of Emirates NBD world bank, which has a wholesale banking licence.



## MR ANG HOCK KHENG SECRETARY

Mr Ang Hock Kheng runs an executive search company as well as provides human resource consultancy and training services to corporate clients. He has more than 20 years of human resource experience in the aviation, IT, accounting and finance, property development and hospitality industries, as well as the public sector, at IDA and HSA.

Companies that he has worked for include Singapore Airlines Ltd, United Overseas Land Ltd, Pacific Internet Ltd and Ernst & Young LLP. He has also served as a member of the Staff Committee at YMCA Singapore, and is currently serving as a member of the Committee of Human Resource Management at the Methodist Church in Singapore.



## MRS POON HOH KAM TREASURER

Mrs Poon Hoh Kam is a member of the Institute of Chartered Accountants in Australia as well as the Institute of Singapore Chartered Accountants. She has more than 40 years of Corporate Accounting and Financial experience working in professional accounting firms and MNCs. Prior to volunteering her service as the Treasurer of MCYC, Kam was the Head of Finance and Regional Financial Controller (Asia Pacific) for MAN Diesel & Turbo Singapore Pte Ltd, a subsidiary of MAN AG, Germany.



### Ms SAM PEI PEI VICE-TREASURER

Ms Sam Pei Pei is currently a Director in the Finance Department at Nanyang Technological University. She is also a Chartered Accountant with the Institute of Singapore Chartered Accountants and holds a Master in Business Administration. She started her career with an accounting firm as an auditor and also has experience working with MNCs in the IT industry.



### MR CHIANG CHIE FOO MEMBER

Mr Chiang Chie Foo joined the Management Committee in September 2017. He is currently holding non-executive positions in the Central Provident Fund Board, PUB - Singapore's National Water Agency, Ascendas Property Fund Trustee Pte Ltd, AETOS Holdings Pte Ltd, ComfortDelGro Corporation Limited, Valencia Football Club, Lee Kuan Yew Exchange Fellowship and APB Foundation. He is also the Senior Advisor in the Ministry of Defence.

Chie Foo retired from the Civil Service in 2013. Positions held during his 32 years in the Civil Service included Permanent Secretary in the Ministry of Education, Defence and Prime Minister's Office.



### MR CHOW KOK KIN CHRISTOPHER MEMBER

Mr Christopher Chow has a strong passion for youth work and community service. He has served with the Boys' Brigade as a volunteer officer as well as Chairman for its BB CARES community service programme. In 2008, he initiated the Green Shoots life skills programme with the Singapore Armed Forces (SAF) Detention Barracks which saw volunteers from all walks of life come forward to equip detainees with the skills they need to reintegrate back into society.

He is currently heading the International Trading Institute@SMU, the first trading institute in the world to be set up within a university and Singapore's premier industry platform for thought leadership and talent development in the arena of international trading.



### MR GAN ENG KHOON MEMBER

Mr Gan Eng Khoon presently holds the position of Deputy Director at the National University of Singapore, and has previously worked at the Ministry of Defence and Ministry of Transport in policy development and operations.





## Ms CHUANG SHEUE LING

### MEMBER

Ms Chuang Sheue Ling is a Chartered Accountant and holds a Bachelor of Accountancy degree from the National University of Singapore.

She has over 30 year of experience with corporate secretarial services and is currently Consultant at BSL Corporate Services Pte Ltd.



## MR THAM TONG KONG EDDY

### MEMBER

Mr Eddy Tham is a District Judge in the State Courts.



## MR PANG TIT KEONG

### MEMBER

Mr Pang Tit Keong is a Deputy Director with the Health Products Regulation Group, Health Sciences Authority involved in regulatory policy development and implementation. He is a registered Pharmacist and holds a MBA with several years of experience in strategic development, sales, marketing and regulatory affairs in the pharmaceutical industry before joining HSA.



## MR DAVID PHUA PUAY HENG

### MEMBER

Mr David Phua is currently a Financial Consultant with Promiseland Independent Pte Ltd, one of the leading Independent Financial Adviser (IFA) companies in Singapore. David is a Chartered Accountant with an MBA from the University of Strathclyde (UK). David also holds the following designations:

FCA S'pore - Fellow member of The Institute of Singapore Chartered Accountants  
FCMA - Fellow member of The Chartered Institute of Management Accountants (UK)  
CGMA - Chartered Global Management Accountant, a professional body jointly formed by CIMA (UK) and AICPA (USA).

He has over 40 years of regional financial management experience in various industries in MNCs & SMEs and co-Chaired a sub-group in fine-tuning the Code of Governance for Charities while acting as sector administrator with People's Association.



## MR HARDEV SINGH SIDHU

### MEMBER

Mr Hardev Singh is a teacher in the Singapore Teaching Service. He has been teaching for 19 years in a secondary school and is currently serving as a Head of Department. Hardev has been a member of the Epworth HomeSweetHome since its inception in Jul 2013.



## MR LEE SOO CHYE

### MEMBER

Mr Lee Soo Chye is a senior partner at Wee Swee Teow LLP. He has been in practice since 1990. He serves on the boards of various non-profit organisations.



## MS SABRINA WEE KIM HONG (until 31 Mar 2019)

### MEMBER

Ms Sabrina Wee joined the Management Committee in Mar 2017. Sabrina is trained as a qualified accountant (ACCA) and holds an honours degree in Accounting and Finance. Sabrina started her career as an auditor and held a number of portfolios in the manufacturing and consultancy sector and now works in finance in the charities sector.



## MR TAN KHYE SUAN

### EXECUTIVE DIRECTOR

Mr Tan Khye Suan has been Executive Director of MCYC since 2002.

Khye Suan was a Town Planner with the Housing Development Board for 15 years before embarking on a three-year stint in the real estate and construction industries.

# **PROGRAMMES & SERVICES**

# Literacy Centre

Epworth Literacy is an aggregation of intervention programmes and services to help children overcome their learning difficulties so that they can cope with formal education. These include: the Literacy Intervention Programme; the STAR Programme; and Psychological Services.



## Literacy

The Literacy Intervention Programme helps students cope and remain in mainstream schools, and reduces the risk of juvenile delinquency in their later years. The literacy intervention teachers, who are trained in the Orton-Gillingham approach, help bridge the gaps in literacy skills of mainstream school students with learning needs. The age range of enrolled students during the financial year was four to 12 years. These students attended social character building programmes in Nov 2016 and May 2017. Their parents also attended talks to help them better relate to their children, and encourage positive social character development.

## STAR

The STAR behavioural modification intervention programme aims to help four to 12-year-old children with challenging behaviours. This specialist intervention programme seeks to help children cope with their challenging behaviours, inattention, impulsive issues, social and emotional difficulties. It also strives to equip parents with positive parenting skills in managing their children's challenging behaviours at home and in other settings.

## Psychological Services

Our team of psychologists provide screening, psycho-educational assessment and intervention programmes for children with developmental and behavioural issues. Early detection and intervention help children improve their functioning, especially in schools, as well as reduce the possibility of them being marginalised. These children, aged between four and 16 years, are typically referred to our organisation by their schools, hospitals, other SSAs or the community.

Psychological assessments are conducted for children and youths in the areas of cognitive assessment, achievements assessments and Attention Deficit Hyperactivity Disorder (ADHD). For children who do not have a psychological report or are not in need of a full psychological assessment, screening is done prior to enrolling them into appropriate intervention programmes.

The students' progress in reading, spelling at single word level as well as their receptive vocabulary knowledge is measured every six months.



## EPWORTH LITERACY IN NUMBERS:

10 Children and youths assessed and screened by our psychologists and therapists this financial year.



250 Students screened over 127 hours by psychologists using standardised normed tests to monitor Literacy Intervention progress.



146

Students taught by our teaching staff under our Literacy Intervention Programme.



27

Graduates from our Literacy Intervention Programme this financial year.

125

Students engaged in our Literacy Intervention Programme as at 31Jul 2019.

Enrolment expected to increase next financial year.

42

Children and families helped by our STAR programme this financial year.



15

Children still enrolled in the STAR programme.



601

Number of participants who attended Kids Club and KidsREAD

315

Volunteers in KidsREAD and Kids Club. Volunteers help in individual or corporate capacities.





## KIDS CLUB & KIDSREAD

Kids Club is a subsidiary outreach programme by Epworth Literacy to give children in the community more opportunities to use the English language in communication, learn good moral values and strengthen social and emotional skills. In the reporting period, 846 man hours were put into this outreach programme.

KidsREAD is a weekly one-hour reading and storytelling session conducted by volunteers. During the sessions, the children are guided by the volunteers to delve into different storybooks. They also engage in activities that build on moral values and lesson learned at the end of each story.



*Keppel Superhero Sports Day (Jun 2019)*



*'Healing with Rhythm & Blues' Dance Workshop by Blues Dancing Singapore (Oct 2018)*



*Gel Printing Art Workshop: My Enchanting Forest (Mar 2019)*





*Children's Day Celebration (Oct 2018)*



*Kindness Carnival@Beauty World (Jan 2019)*



*Educational Games Day by Ngee Ann Poly  
(Sep 2018)*



*Science Experiment Workshop by NTU  
(Aug 2018)*



*Christmas Day Celebration jointly organised w/ ACJC (Nov 2018)*



*Epworth Community Services Official Brand Launch (Nov 2018)*



Our 5-year contract for both student cares at Anglo-Chinese School (Primary) [ACS (P)] and BVPS came to an end in Dec 2018. In Aug 2018, we had to re-bid to provide the services in these schools. We were able to renew our contract with ACS (P). However, we were unable to continue our operations of the student care centre at BVPS. For renewal of student care services in schools, service providers have to go through the open bidding system periodically. The main reason for not being able to renew our services at BVPS was because of very competitive bids by other service providers.

For 2018, we served a total of 380 students and assisted 75 students to successfully apply for Student Care Financial Assistance (SCFA) provided by MSF.





# Services



*Outing to Gardens by the Bay*



*Decorating Father's Day gift*



*National Day Celebration*



*Miniature waterfall*

Hence, for 2019, we operated at ACS(P) only. As at 31 Jul 2019, there are 109 students; with three students receiving the SCFA.

One hundred and forty three volunteers assisted at our Student Care programmes. These volunteers helped in our daily programmes or conducted Values-In-Action projects.





# Family Welfare

With a focus on strengthening families, Epworth Family Welfare works with children and young persons with at-risk behaviours or trauma issues through a range of programmes and services. We believe that families are the building blocks of society, and strong families create resilient individuals with robust mental well-being.



## Programmes and Services In Partnership with MSF

Epworth Family Welfare works in partnership with MSF in the following projects:

### Beyond Parental Control (BPC)

Young persons brought to the Youth Court for Beyond Parental Control complaints are those below 16 years old and display behavioural problems in school and/or at home. As a last resort, the parents apply to the Youth Court for assistance in managing them. Epworth Family Welfare conducts the investigations and makes recommendations to the Youth Court.

### Functional Family Therapy

Functional Family Therapy (FFT) is a short-term intensive counselling service provided for the probationers and their family. Developed in the United States, it is an empirically supported and highly successful family intervention for youths referred for behavioural and emotional problems by the juvenile justice, mental health, and child welfare systems.

### Supervised Access

This service allows children who are not living with their natural families to maintain contact with them in a safe environment. It also helps to build attachment and facilitate positive interaction between the children and their families, with the hope of them eventually returning to their family.



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# Epworth Family Welfare

## in numbers (FY2018/2019)



66

Beyond Parental Control (BPC) investigations were conducted for the Youth Court.



17

Families were served through Family Functional Therapy.



51

Families were provided supervised access services to maintain contact with their natural families in a safe environment.



745

Sessions of supervised access to help build attachment and facilitate positive interaction between the children and their families.

### Therapeutic and Parenting Unit

#### **Trauma-Focused Cognitive Behavioural Therapy (TF-CBT)**

- Identified and provided trauma-focused therapy for children and young persons experiencing emotional and psychological difficulties arising from trauma
- A joint intervention with children and young persons and their caregivers
- Epworth Family Welfare had served three foster families.



#### **Trauma-Informed Practices**

- Provided trauma-informed care to children and young persons and their caregivers in order to effectively minimise the effects of trauma without causing more trauma. Epworth Family Welfare had served 10 foster families.



#### **Parenting Programmes**

- Conducted skills training using positive parenting programme for staff of student care services at ACS (P)

# Foster Care

Epworth Foster Care (formerly known as Foster Connections@MCCYC) was set up as a Fostering Agency on 1 Sep 2015 to work in partnership with MSF. At our agency, we recruit foster parents, support foster children and foster parents, while providing programmes and services for foster families.

157

Foster children under Epworth  
Foster Care

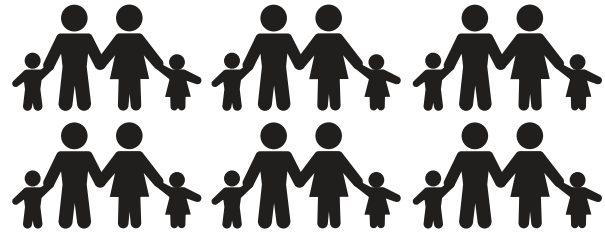


Under the care of:

96 + 3

Foster families

Kinship Care



## RECRUITMENT EFFORTS

3

Roadshows

&

7

Tea Sessions

&

5

Sharing Booths

&

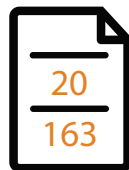
2

Church  
Outreach

&

3

Information  
Sharing Sessions



Applicants interested in becoming foster parents

Applicants interested in becoming foster volunteers

Recruitment efforts were also stepped up on social media such as Facebook to reach out to more people in the community.



## Programmes

Various programmes and activities were organised for the foster children and their foster families throughout the year:



On 3 Sep 2018, Ms Quek Li Koon, Manager of Epworth Foster Care, conducted a foster parenting workshop on “Helping Foster Child to Manage Feelings and Build Self-esteem” for 29 adults, while the 27 children who came, played at the Kidz Amaze at Safra Jurong with supervision from staff and volunteers.



From Jan to Mar 2019, NUS College of Alice and Peter Tan collaborated with Epworth Foster Care to conduct Project Kindle+. It was a group-level engagement programme aimed at developing thinking skills and resilience in our foster youths. Through the activities, the nine foster youths who attended the programme were helped to explore and think critically about the different issues relating to friendship, studies and life.



On 22 Mar 2019, the Building and Construction Authority (BCA) collaborated with Epworth Foster Care by sponsoring movie tickets to the animated show “Wonder Park” at Nex Shaw Theatre. Thereafter, a plant-potting family bonding activity was conducted by the BCA staff at the BCA Academy. A total of 67 participants attended this event and had a fun and meaningful time of family bonding.





On 30 Mar 2019, the NUS Student's Union Committee for Information Technology (NUSSUcommIT) extended their invitation to Epworth Foster Care as one of the beneficiaries for their annual computer programming event CharITech 2019. The foster children who attended were introduced to the interactive SCRATCH platform and had a fun time learning with the help of the NUS volunteers.



The Amazing Trail@Botanic Gardens with Google Singapore was conducted on 28 Jun 2019, 9 am to 12 pm. It was an event organised and sponsored by staff from Google Singapore during the Jun school holidays. There was a treasure hunt organised to conclude the trail. Altogether, 36 participants came for the event.



On 27 Jul 2019, an afternoon tea session and foster parent training were held concurrently at "Come And Say Hello" Studio. While the participants at the tea session got to know more about fostering and hear the sharing by one of our foster parents, the foster parents who attended the workshop learned more about the topic on "Discovering and Building Strengths in Foster Children". The children who came along were engaged as well with interesting stories and activities by the volunteers from Paperback Bridges.



## Professional Development for Staff

During the financial year, staff attended different trainings to equip themselves with different skills to work with our clients. For our social workers who had previously gone through the Trauma Informed Practices (Fostering Edition) Training by Clinical and Forensic Psychology Service MSF, they received coaching from appointed coaches to work with some of the cases. They were also trained by MSF at the Social Service Institute (SSI) to be equipped with knowledge and skills for Kinship Care cases. Additionally, four staff were sent overseas for conferences and learning trips.

## Testimony from our client

When we were first told that we would come under the care of Epworth, we were a bit apprehensive. Months later, we are happy to say that working with Epworth has been a smooth and trusting relationship. Miss Sarah who is our Foster Care Officer, has always made herself available for us, whenever we or our foster kids needed her.

Epworth has shown us that they take interest in the welfare and care of us as foster parents as well as our foster children. The officers are willing to go the extra mile to provide us with whatever support we and the foster children need, even after office hours.

Working with Ms Sarah and Epworth, we are assured that we as foster parents and our foster children are in good hands and that we can always count on Epworth.

Foster parent:  
**Mdm Susanna Daniels**



# HomeSweetHome



Epworth HomeSweetHome is a Therapeutic Group Home (TGH) located at Sembawang. The TGH was started in Jul 2013 and has a maximum capacity of 15 boys. The Home uses Trauma Systems Therapy (TST) as its treatment model and help boys between the ages of seven to 12 years old to recover from complex trauma, work on attachment issues and manage severe behavioural problems.

The goal of the Home is to help the boys to recover and eventually reintegrate to their families and with society. To achieve this goal, the Home works with the boys individually and with a whole range of people in their eco-system, like their parents, alternative caregivers, school teachers, social service professionals and doctors. With support from various people, many of the boys progressed well in their treatment.

To date, 24 boys have completed their TST treatment and were discharged from the Home. They are either returning to their families, or moving on to alternative care arrangements where their care and needs are properly met and taken care of. Presently, there are seven boys undergoing treatment at the Home.

In the past year, the Home received numerous donations-in-kind and contributions from volunteers. As of Jul 2019, 24 volunteers have helped at our Home.

On 20 Nov 2018, our long-term corporate volunteer, Michelin Asia Pacific Pte. Ltd, brought our boys for a fun-filled outing. They went to HomeTeam NS Bukit Batok for a bowling game, followed by a Hippo Ride Tour at Orchard Road. This is Michelin's third year partnering with our Home.





Besides the fun outing trip, they sponsored new shoes and a new set of carrom board for the boys. Epworth HomeSweetHome would like to express our gratitude towards Michelin for the outing and donations.

On 14 Dec 2018, Epworth HomeSweetHome celebrated its 5th anniversary by hosting an appreciation dinner for several guests, including relevant MSF staff, school liaison officers, volunteers and donors. The evening was filled with fun and excitement. Our boys treated the guests to a dance performance which they rehearsed for weeks prior to the event. The guests were delighted with the boys' performance as they performed a well-choreographed dance routine. Our boys were happy to receive applause from the guests and they felt very proud of themselves. We have discovered our very own 'Backstreet Boys' in Singapore!

In Nov and Dec 2018, Epworth HomeSweetHome tied up with Equal-Ark Singapore. They conducted eight sessions for our boys using therapy horses. The primary goal was to strengthen emotional resilience in the boys. The structured and guided programme allowed the boys to experience activities from observing horses; reading their body language, and, learning about the history of horses and human civilisation. The boys also had opportunities to feed, shower, groom, manage and ride on the horses. In the last session, the boys graduated from the programme when they successfully rode on a horse themselves; and, when they were able to lead the horse that their peers were riding on through an obstacle course. Through the sessions, the boys explored themes like effective communication, attentiveness and self-awareness. Our boys truly enjoyed themselves and certainly missed the bond built with the horses.

During the Mar and Jun School Holidays 2019, our boys were encouraged to each create an artwork based on two animals that best describe their personality. They first drew their artwork on a piece of drawing paper. When it was done, they transferred their artwork onto a big piece of cardboard. Finally, they experimented with different art mediums to complete their artwork. Our residents enjoyed their time working on the artwork. The months of hard work ended with a mini-exhibition where they showcased their artwork to their peers and the staff. The artworks are currently hung up (with pride) at different parts of the Home.

During the Jun 2019 school holidays, the boys worked with the staff to re-design the walls in the Calm Room. Our art-therapist cum social worker taught the boys to draw soothing images like the sun, emoji faces and cartoon figures. These imageries were derived from the 'Emotion Regulation Drills' which the boys learnt as part of their treatment in the Home. The drawings served as personal visual reminders for the boys to practise regulating their emotions whenever they are challenged by negative situations.

Another key highlight of 2019 was Epworth HomeSweetHome being selected by NTUC FairPrice Co-operative Ltd to be part of their 'Shop & Donate' programme. 'Shop & Donate' is an online giving platform hosted on the FairPrice website. Kind-hearted donors were able to donate items to our Home based on the groceries wish list that was published on the website. We are grateful to FairPrice Co-operative Ltd for having supported our Home in practical ways.

We would also like to mention a silent heroine, Ms Annie, a long-term volunteer who comes to the Home to give haircuts to the boys on a regular basis. Ms Annie joined Epworth HomeSweetHome as a volunteer since Sep 2018. She created hairstyles that suited each boy. Ms Annie always wears a warm smile and shows her concern when she talks with the boys while she cuts their hair. Despite Ms Annie's busy schedule, she always sets aside time for the boys. Epworth HomeSweetHome sincerely thanks Ms Annie for her commitment and compassion.

Throughout the years, Epworth HomeSweetHome also had the help of a number of several kind-hearted and faithful drivers. They helped to fetch our boys to and from their schools. Despite the peak hours and inconvenient destinations, our drivers showed commitment in providing their services at an affordable rate. Mr Lawrence Teo and Ms Susan Lim rendered their services since 2015. We also welcome two new drivers, Mr Martin Yong and Mr Joesph Wong, to our family of "transporters".

Epworth HomeSweetHome has been blessed by donors and volunteers. We welcome more volunteers who can help us engage our boys in various activities. No contribution is too small. When we can engage and interact with the boys in positive ways, we are helping our boys on their journey towards recovery.



# Royal Rangers

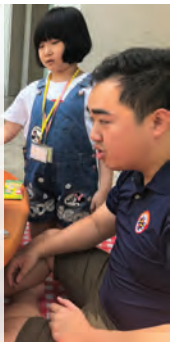


Royal Rangers by Epworth Community Services is an outreach initiative for the children in our community.

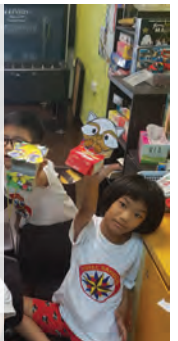
Geared towards engaging them both experientially and educationally, we run this Christian-based programme predominantly through fun and play to equip the children with practical skills and knowledge that is useful for everyday living.



Ever since our launch about a year ago, we have carried out skill merits like cooking, sign language, fingerprinting and wildlife. Our recent ice-skating programme was an absolute hit amongst the children. For about half of them, it was their first time ever stepping into an ice-skating rink. To be able to see them through their initial fear of falling to the eventual confidence was a delight!



Another significant component of this programme emphasises on creating an environment where positive character and leadership values can be cultivated and imparted. Together with our group of volunteers, we focus on how we can play an active role in providing positive mentorship to these young ones. Parents are also regularly involved in the programme, with the purpose of promoting family bonding and at the same time, recognising them as an integral part of their child's developmental journey.

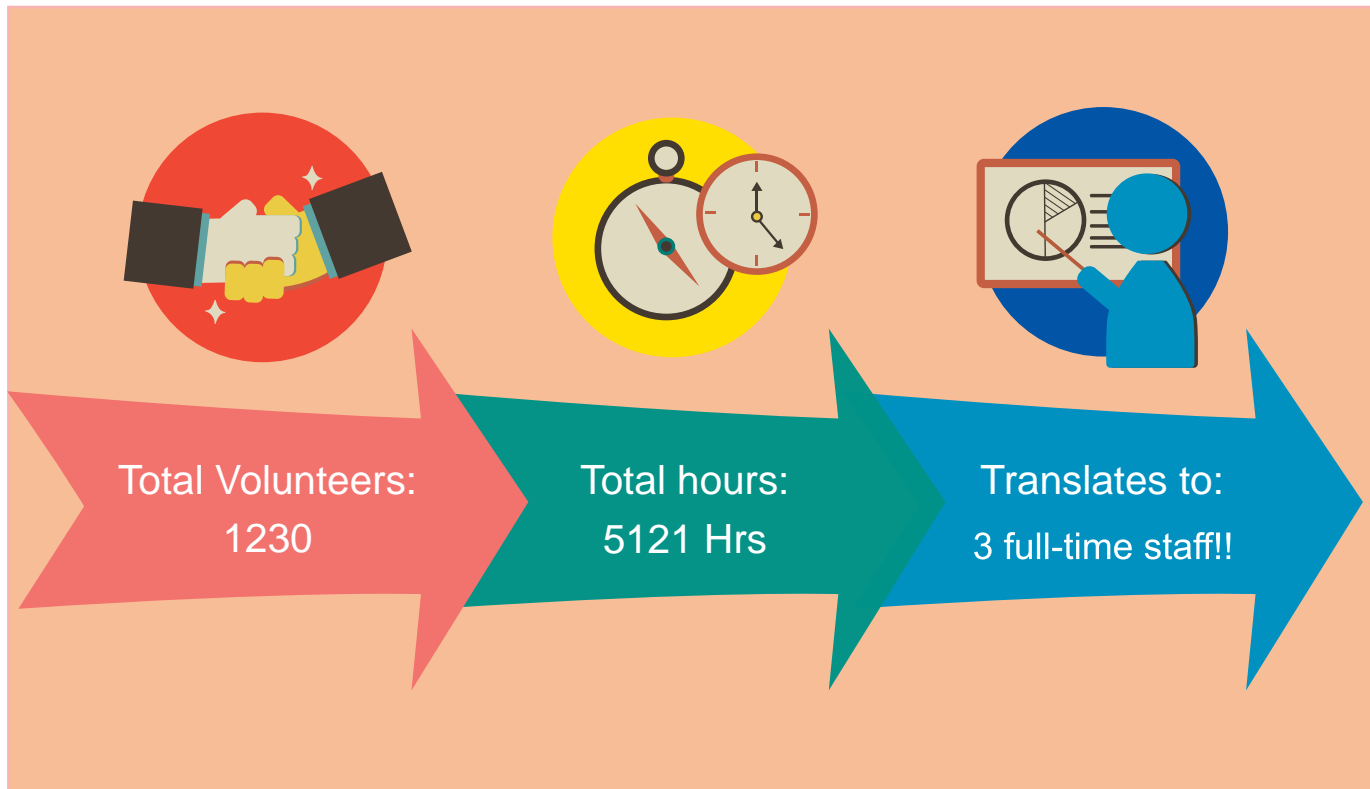


What makes this programme truly unique and enjoyable is the friendships that have been established both amongst the volunteers as well as the children. Seeing how our current participants more than doubled the initial number is a motivation to spur and encourage us in our outreach efforts. It is certainly a privilege to be able to value-add and enrich the lives of the children who come into our programme.

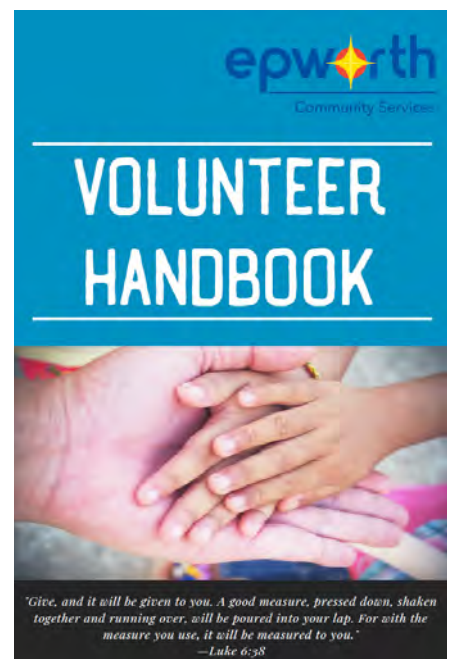


# Volunteers

At Epworth, we believe our volunteers, provide extended support to the children, youth and families whom we care for. We believe they have individual gifts that can enrich our beneficiaries and help them achieve their potential in a safe environment. They play a significant role in helping our beneficiaries integrate into society. We commit to working collaboratively with them and providing opportunities for them to grow in their role.



Volunteer Orientation Video



Volunteer Handbook



# ADMINISTRATION

# Administration

## Board Composition

As at the end of the financial year, our Board comprises 14 members who are independent members not paid by the organisation. The Board will be refreshed progressively over time which enables the Board to draw upon the experience of longer-serving members while at the same time tap into new perspectives and insights from more recent appointees. The independence of every Board member ensures greater transparency and accountability in overseeing the operations, financial performance and long-term goals of the organisation.

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## Management of Conflict of Interest

There are documented policies and procedures for Board members to address conflict of interest issues to ensure that Epworth's financial and operational integrity are governed by transparency and equity in the best traditions of a well-run social service agency.

Board members are required to declare any conflict of interest upon appointment and thereafter annually at the start of each calendar year.

They are also required to immediately declare, if such situation arises, any conflict of interest in relation to any matter and recuse themselves from participating in any discussion or decision where there is a conflict of interest. They are expected to take necessary mitigating steps to avoid any conflict of interest with their roles as independent Board members.

There is one staff member related to a Board member whose total remuneration was \$61,000 in the financial year.

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## Whistle Blowing Policy

Our "Whistle Blowing Policy" details procedures on reporting possible improprieties, irregularities or acts of fraud, as well as the independent investigation of such matters, and follow-up actions to be taken. Complaints or suspicions of impropriety can be made by employees, clients/beneficiaries, suppliers or other persons in the form of emails, letters, phone calls or written/verbal reports.

A dedicated email address and hotline is maintained by an external service provider to receive such complaints or reports.

Email: epworth@rsmsingapore.sg  
Phone: 6705 7189

Anonymous complaints may be considered, taking into account factors such as the clarity of information provided, and the likelihood of confirming the allegation during investigation. The external service provider will review all complaints received and report this to the Audit Committee who will delegate investigation of such complaints to any person designated by the Audit Committee Chairman. Should there be any complaint concerning the Audit Committee, this will be escalated to the Board Chairman for further action. All information or concerns raised will be treated with the strictest confidence, and persons who raise such concerns will be protected from punishment or unfair treatment for disclosing information in good faith.

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# Human Resources

## Investing in our People

Epworth Community Services has come a long way since its inception.

Behind the milestones and successes we have achieved over the years, is a team of dedicated staff committed to our mission and vision of reaching out to the community, and making a positive difference in the lives of children and youth at risk.



## Learning & Development

Our employees are our greatest assets and we place our people first, investing in learning and development opportunities that allow them to grow with the organisation. We currently have two employees on the Professional Conversion Programme for Social Work, and another two employees on continuing education sponsorship under the NCSS Professional Capability Grant.

Epworth employees attend conferences, workshops and various specialised courses which build their skills and competencies and enhance their professional development. Our investment in training and emphasis on a spirit of continuous learning, enable us to harness the potential of our people and strengthen our organisational capabilities as we expand our services to the community.

## Rewards & Recognition

Our employees and the commitment and unique qualities they bring to their roles, are the reason we are able to achieve our mission and build the community around us. Ensuring that we recruit, motivate and retain our best talents through competitive remuneration is a key part of our investment in people. In the first quarter of 2019, we reviewed compensation across all levels in the organisation and adjusted staff salaries in line with NCSS compensation guidelines for the social service sector.

We believe that an engaged workforce which is well-trained with the necessary competencies and a mindset that is adaptable to change, is key to achieving our vision of empowering our community, and enabling *Strong Families, Resilient Living and Beautiful Minds*.

## Leadership & Talent Capabilities

Following our participation in an employee opinion survey in early 2018 as part of Phase I of the People Practices Consultancy (PPCI) - an initiative sponsored by NCSS to improve people practices in the social service sector - we progressed to Phase II (PPCII) of the project. We have strengthened our career planning and development processes as part of measures to engage our employees and grow our leadership and key talent capabilities for the future.

# Leveraging on Technology

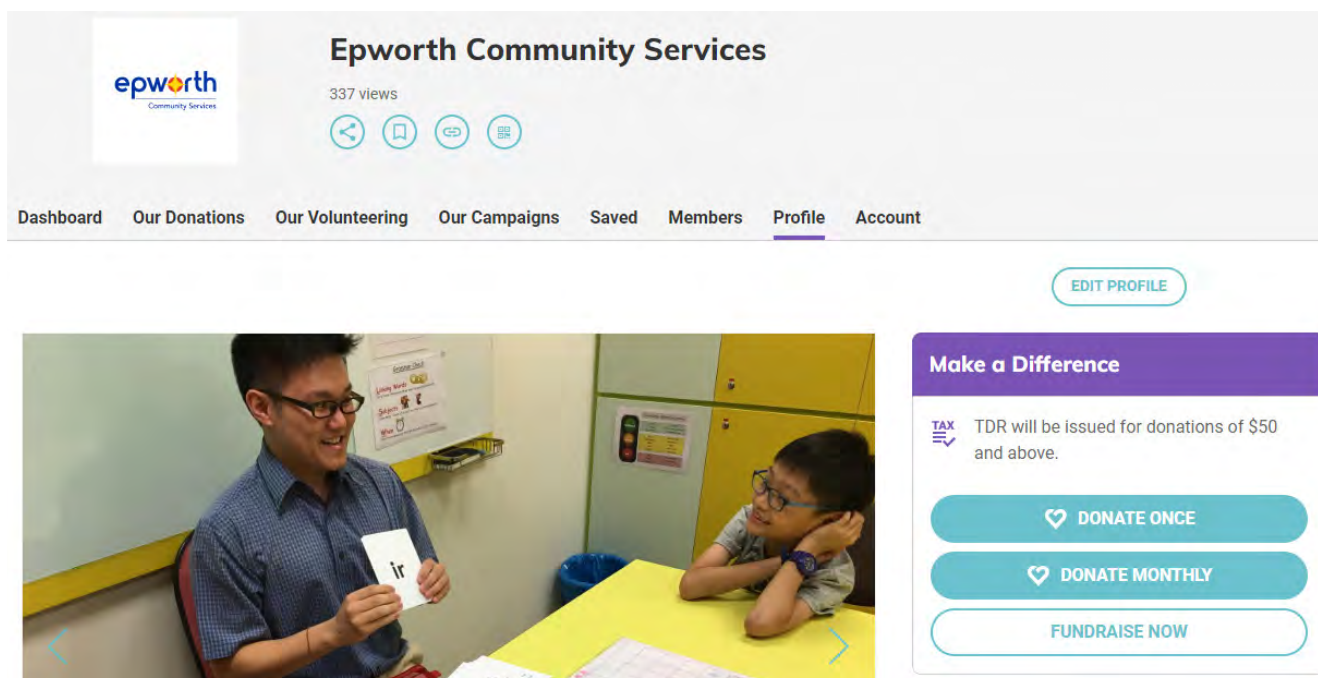
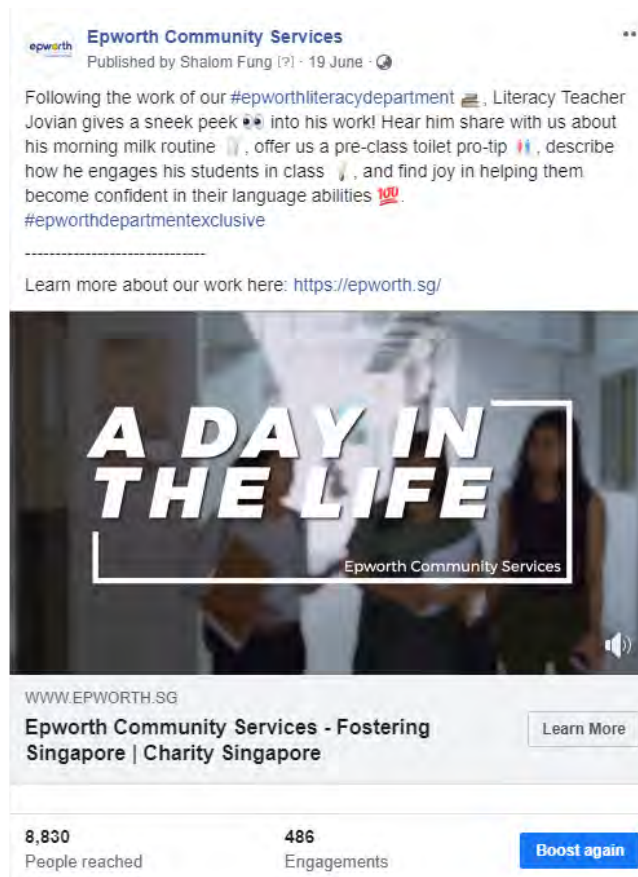
Epworth Community Services is actively using digital marketing efforts in its work to build brand affinity with our donors, volunteers, clients and the community-at-large. In the reporting year, our organisation has employed various methods to become more tech-savvy in line with the vastly expanding digital landscape.

## Building our Digital Presence

Building on what we have achieved last year, we continued establishing our presence in the digital landscape.

On the social media front, we currently have more than 2000 followers on our Official Epworth Community Services Facebook page, and have engaged over 30,000 people with our posts. All these data are made available to us through Facebook Insights, which we are actively monitoring to create effective and efficient contents which will resonate with our followers. Since Jun 2019, we have started a campaign designed to introduce the work of Epworth Community Services and the various departments. In addition, we have active campaigns and volunteering opportunities on Giving.sg, which have created awareness for us and supplied us with a steady flow of volunteers and donations.

Since the launch of the Official Epworth Website in 2018, the website has undergone a number of refinements and customisations to better suit our users' needs. With the help of search engine optimisation and data analytics, we have been creating more traffic flow to our webpage.







## QR Codes

As smart phones become more technologically advanced, QR codes now operate as a real life 'short-cut'. We are able to connect our content directly to the user as long as they open up their smart phone's camera to scan the QR code. There are QR Codes on our collaterals which lead users to our website or donation page in the blink of an eye. We have also implemented it in our fee collection system for the ease of our clients.

## Volunteer OPtimiser (VOOP)

Since Sep 2018, Epworth has been tapping on the VOOP as our volunteer management system. The system has enabled us to better manage and optimise our volunteer resource. By digitising and simplifying the volunteer administrative workflow, it has helped our volunteer management team to collaborate more efficiently and effectively with our volunteers. Some examples include an online registration portal where new volunteers can directly input their particulars in the database, the use of an incorporated email system to communicate directly with our volunteers in the database, and an attendance-taking kiosk that staff or volunteers themselves can use to update the attendance records.

# Finance

Total income and total expenditure for the financial period amounted to \$6,379,596 and \$6,185,821 respectively, resulting in a surplus of \$193,775.

The accumulated fund stands at \$3,158,599. The accumulated fund also includes the restricted funds from Epworth Foster Care amounting to \$106,773; Epworth Home Sweet Home amounting to \$97,914; Epworth Literacy with a deficit of \$229,264; and, Epworth STAR with a deficit of \$116,479. The general fund includes a Reserved Policy Fund of \$1,500,000.

The audited financial statements for the financial year ended 31 Jul 2019 are available in the Annexe.

## Reserve Policy Fund

In Nov 2013, the Society established a Reserve Policy Fund, the purpose of which is to accumulate over a ten-year period excess funds equivalent to six months operating expenditure so as to provide for unexpected future working capital requirements. As at 31 Jul 2019, this Reserve Fund is represented by the fixed deposits of \$1,500,000.

# Programme Statistics

S/N	Programme	Reached out to	Graduated	Hours	No. of sessions / programmes	Volunteer Participations
1	Epworth Literacy	879	27	Ongoing	Ongoing	267
2	Epworth Student Care	323	-	Ongoing	Ongoing	290
3	Epworth Family Welfare	81 families 66 children	-	1335	745	-
4	Epworth Foster Care	461	-	-	19	221
5	Epworth HomeSweetHome	10	3	Ongoing	Ongoing	24
6	Community Events & Others	-	-	-	-	428
TOTAL		1820	30	1335	764	1230



**ANNEXE**



# Board Attendance

Board Members		Minutes of Board Meeting on 26/09/2018	Minutes of Board Meeting on 23/01/2019	Minutes of Board Meeting on 23/03/2019	Minutes of Board Meeting on 22/05/2019	Minutes of Board Meeting on 24/07/2019
Mr Robert Lim Hui Beng	Chairman	P	P	P	P	P
Mr Tan Gee Shan	Vice-Chairman	P	P	P	A	P
Mr Ang Hock Kheng	Secretary	P	P	P	P	P
Ms Poon Hoh Kam	Treasurer	P	P	A	A	P
Ms Sam Pei Pei	Asst Treasurer	A	A	A	P	A
Mr Chiang Chie Foo	Member	P	P	P	A	P
Mr Chow Kok Kin Christopher	Member	A	P	P	P	P
Ms Chuang Sheue Ling	Member	A	P	P	P	P
Mr Gan Eng Khoon	Member	P	A	P	P	P
Mr Lee Soo Chye	Member	P	P	P	P	A
Mr Pang Tit Keong	Member	P	P	P	P	P
Mr David Phua Puay Heng	Member	A	P	P	P	P
Mr Tham Tong Kong Eddy	Member	A	P	P	A	A
Mr Hardev Singh Sidhu	Member	A	P	A	P	P

Legend  
P - Present  
A - Absent

## Governance Evaluation Checklist

### BOARD GOVERNANCE

Are there any Board members holding staff appointments?	No
There is a maximum term limit of four consecutive years for the Treasurer position (or equivalent, e.g. Finance Committee Chairman).	Complied
There are Board committees (or designated Board members) with documented terms of reference.	Complied
The Board meets regularly with a quorum of at least one-third or at least three members, whichever is greater (or as required by the governing instrument).	Complied

### CONFLICT OF INTEREST

There are documented procedures for Board members and staff to declare actual or potential conflicts of interest to the Board.	Complied
Board members do not vote or participate in decision-making on matters where they have a conflict of interest.	Complied

### STRATEGIC PLANNING

The Board reviews and approves the vision and mission of the charity. They are documented and communicated to its members and the public.	Complied
The Board approves and reviews a strategic plan for the charity to ensure that the activities are in line with its objectives.	Complied

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## HUMAN RESOURCE MANAGEMENT

The Board approves documented human resource policies for staff. Complied

There are systems for regular supervision, appraisal and professional development of staff. Complied

## FINANCIAL MANAGEMENT AND CONTROLS

The Board ensures internal control systems for financial matters are in place with documented procedures. Complied

The Board ensures reviews on the charity's controls, processes, key programmes and events. Complied

The Board approves an annual budget for the charity's plans and regularly monitors its expenditure. Complied

The charity discloses its reserves policy in the annual report. Complied

Does the charity invest its reserves? Yes. Only in Fixed Deposit.

The charity invests its reserves in accordance with an investment policy approved by the Board. It obtains advice from qualified professional advisors, if deemed necessary by the Board. Complied

## FUNDRAISING PRACTICES

Donations collected are properly recorded and promptly deposited by the charity. Complied

## DISCLOSURE AND TRANSPARENCY

The charity makes available to its stakeholders an annual report that includes information on its programmes, activities, audited financial statements, Board members and executive management. Complied

Are Board members remunerated for their Board services? No

Does the charity employ paid staff? Yes

No staff is involved in the setting his or her own remuneration. Complied

The charity discloses in its annual report the annual remuneration of its three highest paid staff who each receives remuneration exceeding \$100,000, in bands of \$100,000. If none of its top three highest paid staff receives more than \$100,000 in annual remuneration each, the charity discloses this fact. Complied

## PUBLIC IMAGE

The charity accurately portrays its image to its members, donors and the public. Complied

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**EPWORTH COMMUNITY SERVICES**  
**FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**31 JULY 2019**

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Balance Sheet	6
Statement of Changes in Funds	7
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Notes to the Financial Statements	9

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## **EPWORTH COMMUNITY SERVICES**

### **STATEMENT BY THE BOARD**

On behalf of the Board, we, Lim Hui Beng Robert and Poon Hoh Kam, being the Chairman and Treasurer of Epworth Community Services (the "Society") respectively, do hereby state that in our opinion, the financial statements set out on pages 5 to 22 are properly drawn up in accordance with the Societies Act, Chapter 311, the Charities Act, Chapter 37 and other relevant regulations and Financial Reporting Standards in Singapore so as to present fairly, in all material respects the financial position of the Society as at 31 July 2019 and of its financial performance, changes in funds and cash flows of the Society for the financial year ended on that date.



Lim Hui Beng Robert  
Chairman

23 October 2019



Poon Hoh Kam  
Treasurer

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
EPWORTH COMMUNITY SERVICES****Report on the Audit of the Financial Statements*****Opinion***

We have audited the accompanying financial statements of Epworth Community Services (the "Society") as set out on pages 5 to 22, which comprise the balance sheet as at 31 July 2019, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the financial 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 Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the financial position of the Society as at 31 July 2019 and of the financial performance, changes in funds and cash flows of the Society for the financial 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***

The Board is responsible for the other information. The other information obtained at the date of this auditor's report is the Statement by the Board as 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 on the other information 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 AUDITOR'S REPORT TO THE MEMBERS OF EPWORTH COMMUNITY SERVICES**

### **Report on the Audit of the Financial Statements (cont'd)**

#### ***Responsibilities of the Board and Those Charged with Governance for the Financial Statements***

The Board is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act, Charities Act and Regulations and FRSs, and for such internal control as the Board 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, the 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 the Board either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EPWORTH COMMUNITY SERVICES**

### **Report on the Audit of the Financial Statements (cont'd)**

#### ***Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)***

- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

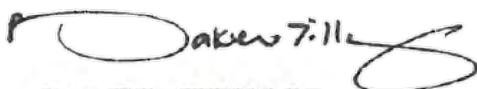
### **Report on Other Legal and Regulatory Requirements**

In our opinion,

- (i) 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
- (ii) the fund raising appeal held during the financial year ended 31 July 2019 has 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 financial year:

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



Baker Tilly TFW LLP  
Public Accountants and  
Chartered Accountants  
Singapore

23 October 2019

## EPWORTH COMMUNITY SERVICES

### STATEMENT OF COMPREHENSIVE INCOME For the financial year ended 31 July 2019

	Note	2019 \$	2018 \$
<b>Income</b>			
Donations	3	1,259,864	1,686,162
Government grants	4	3,273,882	3,425,470
Programme income		1,387,422	1,484,755
Sundry income		219,664	297,527
Amortisation of capital grants	10	238,764	302,231
<b>Total income</b>		<b>6,379,596</b>	<b>7,196,145</b>
<b>Less expenditure</b>			
Staff costs	5	4,789,495	4,797,876
Depreciation	7	289,671	337,728
Rent of building, equipment and others		169,926	185,668
Other operating expenses	6	936,729	1,015,624
		<b>6,185,821</b>	<b>6,336,896</b>
<b>Net surplus and total comprehensive income for the financial year</b>		<b>193,775</b>	<b>859,249</b>

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



## EPWORTH COMMUNITY SERVICES

### BALANCE SHEET

At 31 July 2019

	Note	2019 \$	2018 \$
<b>Non-current asset</b>			
Property, plant and equipment	7	635,170	513,309
<b>Current assets</b>			
Other receivables	8	742,397	552,196
Fixed deposits	9	2,070,948	2,040,835
Cash and bank balances		1,819,835	2,351,537
		4,633,180	4,944,568
<b>Total assets</b>		5,268,350	5,457,877
<b>Non-current liabilities</b>			
Capital grants	10	286,943	496,067
Other payables	11	190,000	80,000
		476,943	576,067
<b>Current liability</b>			
Other payables	11	1,632,808	1,916,986
<b>Total liabilities</b>		2,109,751	2,493,053
<b>Net assets</b>		3,158,599	2,964,824
<b>Fund</b>			
Accumulated funds	12	3,158,599	2,964,824

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

## EPWORTH COMMUNITY SERVICES

### STATEMENT OF CHANGES IN FUNDS

For the financial year ended 31 July 2019

	Accumulated funds \$
Balance at 1 July 2017	2,105,575
Surplus and total comprehensive income for the financial year	<u>859,249</u>
Balance at 31 July 2018 (Note 12)	2,964,824
Surplus and total comprehensive income for the financial year	<u>193,775</u>
Balance at 31 July 2019 (Note 12)	<u><u>3,158,599</u></u>

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

# EPWORTH COMMUNITY SERVICES

## STATEMENT OF CASH FLOWS

For the financial year ended 31 July 2019

	Note	2019 \$	2018 \$
<b>Cash flows from operating activities</b>			
Surplus for the financial year		193,775	859,249
Adjustments for:			
Depreciation		289,671	337,728
Interest income		(26,488)	(19,600)
Amortisation of capital grants		(238,764)	(302,231)
Operating cash flows before working capital changes		218,194	875,146
Receivables		(150,848)	(31,096)
Payables		(9,992)	141,205
Grants		(284,643)	250,984
<b>Net cash (used in)/from operating activities</b>		<b>(227,289)</b>	<b>1,236,239</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment	A	(305,409)	(183,779)
Interest received		31,109	8,587
<b>Net cash used in investing activities</b>		<b>(274,300)</b>	<b>(175,192)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(501,589)</b>	<b>1,061,047</b>
Cash and cash equivalents at beginning of financial year		4,392,372	3,331,325
<b>Cash and cash equivalents at end of financial year</b>		<b>3,890,783</b>	<b>4,392,372</b>
<b>Cash and cash equivalents comprise:</b>			
Cash and bank balances		1,819,835	2,351,537
Fixed deposits		2,070,948	2,040,835
		<b>3,890,783</b>	<b>4,392,372</b>
<u>Note A</u>			
Property, plant and equipment during the year	7	(411,532)	(81,875)
Provision for reinstatement made during the year	11	110,000	—
Other payables as at 1 August	11	(6,520)	(108,424)
Other payables as at 31 July	11	2,643	6,520
		<b>(305,409)</b>	<b>(183,779)</b>

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



## **EPWORTH COMMUNITY SERVICES**

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

**For the financial year ended 31 July 2019**

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

#### **1 General information**

Epworth Community Services (the “Society”) is registered in Singapore under the Singapore Societies Act.

The Society offers programmes and services to help children, youth and their families in the local communities. Services include Epworth Literacy, Epworth Student Care, Epworth Family Welfare, Epworth Foster Care and Epworth HomeSweetHome.

The headquarters is located at Blk 106 Bukit Batok Central #01-217, Singapore 650106.

The principal services of the Society are as follows:

##### ***Epworth Literacy***

Epworth Literacy is an aggregation of intervention programmes and services to help children overcome learning challenges and disabilities so that they can cope with formal education.

##### ***Epworth Student Care***

Epworth Student Care provides after-school care for students whose parents are unable to be at home to look after them in the day. The main objectives of Epworth Student Care are: to provide students with general basic care; provide wholesome activities to engage them; and, help them in their studies.

##### ***Epworth Family Welfare***

Epworth Family Welfare helps at-risk Children and Young Persons (CYPs) with a range programmes and services; at the same time, engaging their family to be part of the intervention process. There is also a Youth Outreach Centre in Bukit Batok to engage youths in the community.

##### ***Epworth Foster Care***

Epworth Community Services was appointed by the Ministry of Social & Family Development (MSF) in September 2015 to set up the first Fostering Agency in Singapore. The main objectives of Epworth Foster Care are: to raise awareness of the need for fostering; broaden outreach to recruit more foster parents and foster volunteers; and, manage cases of foster children under the care of foster parents.

##### ***Epworth HomeSweetHome***

Epworth Community Services was appointed by the Ministry of Social & Family Development (MSF) in July 2013 to set up the first Therapeutic Group Home in Singapore. The home, Epworth HomeSweetHome, uses Trauma Systems Therapy as a treatment model to help children who display severe behavioural problems, after having experienced complex trauma and attachment issues.

## 2 Significant accounting policies

### a) Basis of preparation

The financial statements, expressed in Singapore dollar (“\$”), which is the functional currency of the Society, have been prepared in accordance with the Societies Act, Chapter 311 (the “Societies Act”), Singapore Charities Act, Chapter 37 and other relevant regulations (the “Charities Act and Regulation”) and Financial Reporting Standards in Singapore (“FRSs”). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on the Board’s best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

#### *Use of estimates and judgements*

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no significant judgements made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

The carrying amounts of cash and cash equivalents, other current receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

#### *New and revised standards*

In the current financial year, the Society has adopted all the new and revised FRSs and Interpretations of FRSs (“INT FRSs”) that are relevant to its operations and effective for the current financial year. Changes to the Society’s accounting policy have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs. The adoption of these new and revised FRSs and INT FRSs does not have any material effect on the financial performance or position of the Society.

#### ***FRS 115 Revenue from Contracts with Customers***

FRS 115 replaces FRS 18 ‘Revenue’, FRS 11 ‘Construction contracts’ and other revenue-related interpretations. It applies to all contracts with customers, except for leases, financial instruments, insurance contracts and certain guarantee contracts and non-monetary exchange contracts. FRS 115 provides a single, principle-based model to be applied to all contracts with customers. An entity recognises revenue in accordance with the core principle in FRS 115 by applying a 5-step approach.

Under FRS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

## **2 Significant accounting policies (cont'd)**

### **a) Basis of preparation (cont'd)**

#### *New and revised standards (cont'd)*

#### ***FRS 115 Revenue from Contracts with Customers (cont'd)***

The Society adopted FRS 115 using the modified retrospective approach without restating prior periods' information and recognises any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening accumulated funds as at 1 August 2018.

At the date of initial application and 31 July 2019, the Society has assessed that the adoption of FRS 115 does not have any material impact to the financial position and results of the Society.

#### ***FRS 109 Financial Instruments***

FRS 109 replaces FRS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018. It includes guidance on (i) the classification and measurement of financial assets and financial liabilities; (ii) impairment requirements for financial assets; and (iii) general hedge accounting. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in FRS 109 are based on expected credit loss model and replace FRS 39 incurred loss model.

The Society applied FRS 109 using a modified retrospective approach, with date of initial application on 1 August 2018. The Society has not restated the comparative information, which continues to be reported under FRS 39.

The impact upon adoption of FRS 109 on 1 August 2018 was as follows:

#### *(i) Classification and measurement*

Under FRS 109, the Society classifies its financial assets based on the Society's model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The assessment of the Society's model was made as of the date of initial application on 1 August 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

Loans and receivables including other receivables (excluding prepayments and accrued income), fixed deposits and cash and bank balances as at 31 July 2018 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as debt instruments at amortised cost beginning 1 August 2018.

The Society has not designated any financial liabilities as at fair value through profit or loss. There are no changes in classification and measurement for the Society's financial liabilities.



## **2 Significant accounting policies (cont'd)**

### **a) Basis of preparation (cont'd)**

*New and revised standards (cont'd)*

#### ***FRS 109 Financial Instruments (cont'd)***

##### ***(ii) Impairment***

FRS 109 requires the Society to record expected credit losses on all of its financial assets at amortised cost, either on a 12-month or lifetime basis. Upon adoption of FRS 109, the Society did not recognise additional impairment on the Society's financial assets at amortised cost.

At the date of initial application and 31 July 2019, the Society has assessed that the adoption of FRS 109 does not have any material impact to the financial position and results of the Society.

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 July 2019 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Society except as disclosed below:

#### ***FRS 116 Leases***

FRS 116 replaces the existing FRS 17: *Leases*. It reforms lessee accounting by introducing a single lessee accounting model. Lessees are required to recognise all leases on their balance sheets to reflect their rights to use leased assets (a "right-of-use" asset) and the associated obligations for lease payments (a lease liability), with limited exemptions for short term leases (less than 12 months) and leases of low value items. In addition, the nature of expenses related to those leases will change as FRS 116 replaces the straight-line operating lease expense with depreciation charge of right-of-use asset and interest expense on lease liability. The accounting for lessors will not change significantly.

The Society plans to adopt the new standard on the required effective date using the modified retrospective approach and recognises any differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of FRS 116 at the date of initial application in the opening accumulated fund as at 1 August 2019. Right-of-use assets are recognised at an amount equal to the lease liability (adjusted for any prepaid or accrued lease payments) on adoption.

The standard is effective for annual periods beginning on or after 1 January 2019. The standard will affect primarily the accounting for the Society's operating leases. At the balance sheet date, the Society has non-cancellable operating lease commitments of \$299,228 (2018: \$150,242) (Note 14(b)). The Society will perform an assessment of the impact and adjustments on its financial statements on the application of FRS 116.

## 2 Significant accounting policies (cont'd)

### b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment loss. Depreciation is charged on a straight-line method so as to allocate the depreciable amount of assets over their estimated useful lives as follows:

	<b>Years</b>
Computers	3
Furniture and fittings	5
Office equipment	3
Renovation	3 - 5

On disposal of a property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to statement of comprehensive income.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in statement of comprehensive income when the changes arise.

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

No depreciation is provided on renovation in progress. Depreciation of renovation in progress, on the same basis as other property assets, commences when the assets are ready for their intended use.

### c) Income recognition

#### *Programme income*

Programme income are recognised over the period of provision of services to clients.

#### *Interest income*

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the interest rate applicable.

#### *Donation income*

Donation income is recognised when received.

### d) Government grants

Government grants are recognised at their fair value where 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 income on the balance sheet and transferred to capital grant on the balance sheet when the grant is utilised. The capital grant is amortised to statement of comprehensive income over the expected useful life of the relevant asset by equal annual instalments.

When the grant relates to an expense item, it is recognised in statement of comprehensive income over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

## 2 Significant accounting policies (cont'd)

### e) Defined contribution plans

The Society contributes to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Singapore Government. The Society's contributions to CPF are charged to the income and expenditure in the year in which the contributions relate.

### f) Financial assets

*The accounting policies for financial assets before 1 August 2018 are as follows:*

The Society's financial assets are loans and receivables which comprise other receivables (excluding prepayments and accrued income), fixed deposits and cash and bank balances.

Loans and receivables are measured at initial recognition at fair value plus transaction cost and are subsequently measured at amortised cost using the effective interest method, less impairment. The Society assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. When such evidence exists, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in statement of comprehensive income. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited in statement of comprehensive income.

*The accounting policies for financial assets from 1 August 2018 onwards are as follows:*

#### ***Recognition and derecognition***

Regular purchases and sales of financial assets are recognised on trade date - the date on which the Society commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Society has transferred substantially all risks and rewards of ownership.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in statement of comprehensive income.

#### ***Classification and measurement***

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Society classifies its financial assets at amortised cost. The classification is based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Society reclassifies financial assets when and only when its business model for managing those assets changes.



## **2 Significant accounting policies (cont'd)**

### **f) Financial assets (cont'd)**

#### ***Subsequent measurement***

The Society's financial assets at amortised cost include other receivables (excluding prepayments and accrued income), fixed deposits and cash and bank balances. The Society measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in statement of comprehensive income when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

#### ***Impairment***

The Society recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. 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 impairment methodology applied depends on whether there has been a significant increase in credit risk. 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 required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

If the Society has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Society measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Society recognises an impairment gain or loss in statement of comprehensive income for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

### **g) Financial liabilities**

Financial liabilities which comprise other payables (excluding GST payable, advance receipts, deferred income, provision for reinstatement and provision for unutilised leave) are initially measured at fair value plus directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised and through the amortisation process.

## 2 Significant accounting policies (cont'd)

### h) Impairment of non-financial assets

Non-financial assets are reviewed for impairment at each balance sheet date or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in statement of comprehensive income.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recorded in income. However, the increased carrying amount of an asset due to a reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for that asset in prior years.

### i) Income tax

The Society is exempt from income tax under the Income Tax Act. As such, no provision for income tax has been made in the financial statements of the Society.

### j) Provisions

Provisions are recognised when the Society has a legal or constructive obligation as a result of past events and 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. Where the Society expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

### k) Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to statement of comprehensive income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

### l) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise fixed deposits and cash and bank balances.

## 3 Donations

	2019 \$	2018 \$
Tax exempted	441,870	961,525
Non-tax exempted	817,994	724,637
	<b>1,259,864</b>	<b>1,686,162</b>

Included in tax exempted donations are donations received from Golf Fund Raising of \$Nil (2018: \$584,993)

#### 4 Government grants

	2019 \$	2018 \$
MFS baseline funding	1,827,516	1,789,075
MFS per capita grant	380,523	405,609
NCSS grants	441,588	291,550
MSF reimbursements	306,348	300,033
Care and share grant	267,559	412,471
Others	50,348	226,732
	<b>3,273,882</b>	<b>3,425,470</b>

#### 5 Staff costs

	2019 \$	2018 \$
Salaries and related costs	3,959,870	3,989,749
Central Provident Fund	624,445	622,186
Others	205,180	185,941
	<b>4,789,495</b>	<b>4,797,876</b>

Included in staff costs are remuneration paid to key management personnel as follows:

	2019 \$	2018 \$
Salaries and related costs	322,545	342,070
CPF	40,531	46,753
	<b>363,076</b>	<b>388,823</b>

Key management personnel comprises Executive Director, Assistant Director and Head of Finance.

#### 6 Other operating expenses

	2019 \$	2018 \$
Food and refreshments	112,452	181,175
Transport and travelling	211,381	238,399
Professional fees	223,159	201,990

**7 Property, plant and equipment**

	Computers \$	Furniture and fittings \$	Office equipment \$	Renovation \$	Renovation in progress \$	Total \$
<b>2019</b>						
<b>Cost</b>						
At 1.8.2018	201,925	31,917	94,816	1,481,362	–	1,810,020
Additions	29,093	2,950	–	216,396	163,093	411,532
At 31.7.2019	<b>231,018</b>	<b>34,867</b>	<b>94,816</b>	<b>1,697,758</b>	<b>163,093</b>	<b>2,221,552</b>
<b>Accumulated depreciation</b>						
At 1.8.2018	152,811	30,295	66,299	1,047,306	–	1,296,711
Depreciation charge	35,598	1,120	24,897	228,056	–	289,671
At 31.7.2019	<b>188,409</b>	<b>31,415</b>	<b>91,196</b>	<b>1,275,362</b>	<b>–</b>	<b>1,586,382</b>
<b>Net carrying value</b>						
At 31.7.2019	<b>42,609</b>	<b>3,452</b>	<b>3,620</b>	<b>422,396</b>	<b>163,093</b>	<b>635,170</b>
<b>2018</b>						
<b>Cost</b>						
At 1.8.2017	176,878	31,917	89,846	1,429,504	–	1,728,145
Additions	25,047	–	4,970	51,858	–	81,875
At 31.7.2018	201,925	31,917	94,816	1,481,362	–	1,810,020
<b>Accumulated depreciation</b>						
At 1.8.2017	113,219	27,340	40,143	778,281	–	958,983
Depreciation charge	39,592	2,955	26,156	269,025	–	337,728
At 31.7.2018	152,811	30,295	66,299	1,047,306	–	1,296,711
<b>Net carrying value</b>						
At 31.7.2018	49,114	1,622	28,517	434,056	–	513,309

The Society received capital grants from Ministry of Social and Family Development Service and National Council of Social Service to finance purchase of computers, office equipment and renovation of the Society.

**8 Other receivables**

	<b>2019</b> \$	2018 \$
Accrued income	<b>449,086</b>	395,591
Sundry receivables	<b>157,883</b>	67,799
Sundry deposits	<b>71,356</b>	45,053
Prepayments	<b>64,072</b>	43,753
	<b>742,397</b>	552,196



**9 Fixed deposits**

	2019 \$	2018 \$
Fixed deposits - Reserve Policy Fund (Note 16)	1,500,000	1,500,000
Fixed deposits - General Fund	570,948	540,835
	<b>2,070,948</b>	<b>2,040,835</b>

Fixed deposits are short term in nature, mature less than 12 months (2018: 12 months) after balance sheet date and earn interests at the short-term fixed deposits rates ranging from 0.15% to 2.00% (2018: 0.15% to 1.30%) per annum.

**10 Capital grants**

	2019 \$	2018 \$
At beginning of the financial year	496,067	720,349
Grants utilisation	29,640	77,949
Amortisation	(238,764)	(302,231)
At end of the financial year	<b>286,943</b>	496,067
Accumulated amortisation comprises:		
At beginning of the financial year	1,016,162	713,931
Amortisation	238,764	302,231
At end of the financial year	<b>1,254,926</b>	1,016,162

The Society received capital grants from Ministry of Social and Family Development and National Council of Social Service for the purchase of computers, office equipment and renovation works and the related grants are amortised over the respective assets' useful life of 3 years, 3 years and 5 years.

**11 Other payables**

	2019 \$	2018 \$
Provision for reinstatement	190,000	80,000
Advance receipts	—	15,402
Sundry payables	48,790	73,264
Accrued operating expenses	846,254	760,990
Students' deposits	68,640	108,343
Deferred income	664,445	934,754
GST payable	4,679	24,233
	<b>1,822,808</b>	1,996,986
Non-current portion	<b>(190,000)</b>	(80,000)
	<b>1,632,808</b>	1,916,986

As at 31 July 2019, included in sundry payables is payable of \$2,643 (2018: \$6,520) for the addition of property, plant and equipment under renovation.

**12 Accumulated funds**

	2019 \$	2018 \$
<b>Restricted funds</b>		
Epworth Foster Care	106,773	30,014
Epworth HomeSweetHome	97,914	44,275
Epworth Literacy	(229,264)	(124,376)
Epworth Star	(116,479)	(28,518)
	<u>(141,056)</u>	<u>(78,605)</u>
<b>Unrestricted fund</b>	3,299,655	3,043,429
	<u>3,158,599</u>	<u>2,964,824</u>

Funds received by respective divisions specifically for the respective divisions are strictly not transferrable to other divisions and are restricted for the respective division's use only.

Included in the unrestricted fund is a Reserved Policy Fund of \$1,500,000 (2018: \$1,500,000) (Note 16) designated by the Board to provide for unexpected future working capital requirements.

**13 Affiliated party transactions**

	2019 \$	2018 \$
Donations received	<u>600,000</u>	600,000

Affiliated parties are Methodist organisations which are affiliated to one another.

**14 Commitments****(a) Capital commitments**

Capital commitments not provided for in the financial statements:

	2019 \$	2018 \$
Capital commitments in respect of property, plant and equipment	<u>456,927</u>	—

**(b) Operating lease commitments**

The Society leases premises and equipment under lease agreements that are non-cancellable. At balance sheet date, commitments in relation to non-cancellable operating leases contracted for lease of premises and equipment not recognised as liabilities are payable as follows:

	2019 \$	2018 \$
Within one year	140,557	85,186
Within two to five years	158,671	65,056
	<u>299,228</u>	<u>150,242</u>

## 15 Financial instruments

### a) Categories of financial instruments

Financial instruments at their carrying amounts at balance sheet date are as follows:

	2019 \$	2018 \$
<i>Financial assets</i>		
Loan and receivables	–	4,505,224
At amortised cost	<b>4,120,022</b>	–
	<b>4,120,022</b>	<b>4,505,224</b>
<i>Financial liabilities</i>		
At amortised cost	<b>888,878</b>	860,152

### (b) Financial risk management

The Society's activities expose it to minimal financial risks and overall risk management is determined and carried out by the Board.

#### *Foreign exchange risk*

The Society's exposure to foreign exchange risk is minimal as nearly all of its transactions are in Singapore dollar.

#### *Credit risk*

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Society. The Society's exposure to credit risk arises primarily from sundry receivables, sundry deposits and cash and cash equivalents.

The Society does not have any significant concentration of credit risk exposure. The maximum exposure to credit risk is represented by the carrying value of each class of financial assets recognised on the balance sheet. The credit risk exposure in relation to financial assets at amortised costs as at 31 July 2019 is insignificant, and accordingly no credit loss allowance is recognised as at 31 July 2019.

#### *Previous accounting policy for impairment of financial assets*

##### *Financial assets that are neither past due nor impaired*

Receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Society. Cash and bank balances and fixed deposits that are neither past due nor impaired are placed with reputable financial institutions with high credit ratings and no history of default.

## 15 Financial instruments (cont'd)

### (b) Financial risk management (cont'd)

#### *Credit risk (cont'd)*

##### Previous accounting policy for impairment of financial assets (cont'd)

##### *Financial assets that are either past due and/or impaired*

The Society has sundry receivables amounting to \$7,842 that are past due at the balance sheet date but not impaired. These receivables are unsecured and the analysis of their aging at balance sheet is as follows:

	2018 \$
Sundry receivables past due:	
Past due 1 to 30 days	2,906
Past due more than 30 days	4,936
	<hr/> 7,842 <hr/>

#### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Society's financial instruments will fluctuate because of changes in market interest rates. The Society's income and operating cash flows are substantially independent of changes in market interest rates as it does not have significant interest-bearing financial instruments.

#### *Liquidity and cash flow risk*

The Board exercises prudent liquidity and cash flow risk management policies and aims at maintaining a sufficient level of liquidity and cash flow at all times.

### c) Fair values

The carrying amounts of the financial assets and financial liabilities recorded in the financial statements of the Society approximate their fair values due to their short term nature.

## 16 Fund management

The Society's objective when managing its funds are to safeguard and to maintain adequate working capital to continue as going concern and to develop its principal activities over the longer term through programme income and significant support in the forms of donations.

The Society established a Reserve Policy Fund, the purpose of which is to accumulate over a ten-year period, excess funds equivalent to six months operating expenditure so as to provide for unexpected future working capital requirements. At 31 July 2019, this Reserve Policy Fund is represented by the fixed deposits of \$1,500,000 (2018: \$1,500,000) (Note 12).

There were no changes to the Society's objective, policy or process during the financial years ended 31 July 2018 and 31 July 2019.

## 17 Authorisation of financial statements

The financial statements of the Society for the financial year ended 31 July 2019 were authorised for issue in accordance with a resolution of the Board dated 23 October 2019.



# Notes





Epworth Community Services  
Block 106 Bukit Batok Central  
#01-217 Singapore 650106

[www.epworth.sg](http://www.epworth.sg)

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