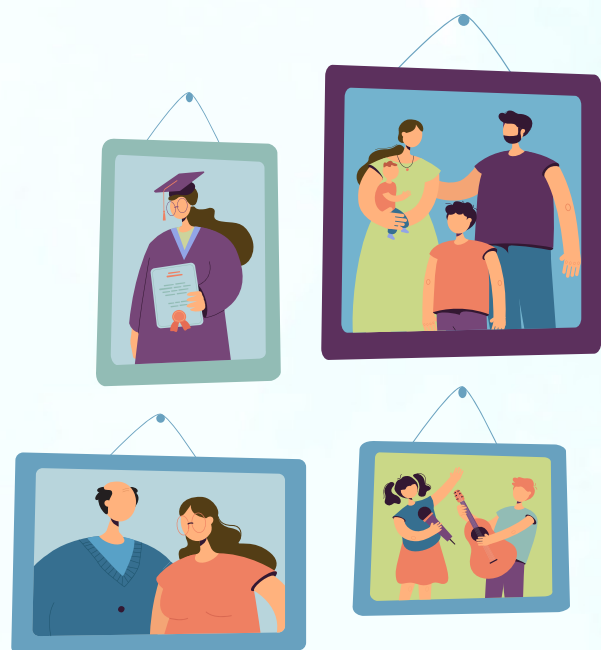


20 **BUILDING RESILIENCE** 21

ANNUAL REPORT 2021

Enabling Families, Empowering Children, and Building Communities Towards A Resilient Future.



Epworth Community Services is a Social Service Agency (SSA) that helps at-risk children and youths from needy and disadvantaged families. We want to create a better world for them so that they can develop their potential. Our work focuses on promoting the mental well-being of children and youths by building strong families and imparting skills for resilient living.

The organisation is affiliated with Barker Road Methodist Church (BRMC). The church strongly backs Epworth's work in the community of supporting the disadvantaged and those in need.

OUR VISION

STRONG FAMILIES

RESILIENT LIVING

BEAUTIFUL MINDS



OUR MISSION

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. To nurture each family member in body, mind and spirit.

OBJECTIVE

To help children, youths and parents, especially those from dysfunctional and disadvantaged families to:



Develop to their fullest potential.



Become responsible and caring family members.



Become contributive members of society.



Enjoy a balanced family life.

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CHAIRMAN'S MESSAGE

ADAPTING & OVERCOMING

The past year had been a challenging year for Epworth Community Services. After more than a year, the Covid-19 pandemic is still with us and the “new normal” which we hoped would bring stability to our lives still evolves on a regular basis. Sustained investments in time, resources and effort have become the norm as we continually seek to stay ahead of the curve.

In spite of these challenges, we are very proud of all our team members. Led by our Executive Director, Mr Tan Khye Suan, their passion for the community has enabled us to see through this difficult year.

The need for home-based learning resulted in our Literacy team developing various creative and dynamic solutions, allowing us to continue serving our clients in

impactful ways. The demands on our team members serving at Epworth Student Care, Family Welfare, Foster Care, HomeSweetHome, and the Administrative Team were no less. Much effort was required on their part as established systems had to be modified or even discarded so that new solutions could be implemented to meet the requirements of the new operating environment.

The financial impact of the pandemic on Epworth has also been significant. Revenue has been affected by disruptions to our programmes, while fundraising has proved to be challenging with donations falling by half. The uncertain economic environment also led to difficult decisions that had to be made by the Board.

Despite the challenges, we are very thankful that our team members remained resolute in their work at Epworth. Although Epworth's income was significantly impacted, the Board decided against raising the fees for our programmes and services. We stand in solidarity with our clients who have also been impacted by the pandemic.

The last year also saw two of our Board Members stepping down as part of our continued efforts in leadership renewal. We would like to thank Ms Chuang Sheue Ling and Mr David Phua for their contributions to the organisation through their many years of service. At the same time, we welcomed new Board Members: Dr Benjamin Tan, Ms Ting Yi Ting and Mr Xavier Chng.



Despite the challenges ahead, we are thankful that our team members and management remain undeterred and are willing to press on to new areas of work spelt out in our vision.

The Board will continue to support Epworth's efforts in becoming a Centre of Excellence for Trauma Care. Through the development of the Centre for Positive Recovery (CPR), Epworth will bring its expertise in trauma care to the community. Despite the challenges ahead, we are thankful that our team members and management remain undeterred and are willing to press on to new areas of work spelt out in our vision.

We are grateful to the Government for their continued support through initiatives such as the Job Support Scheme (JSS) and the funding support provided to us as we continue our digitalisation journey.

Beyond the pandemic, we aim to have Epworth emerge as a more efficient and effective organisation through

digitalisation so that we are better able to serve our clients.

The coming year will be an interesting and challenging one. But we will go forth knowing that God will be with us as we continue to serve the community during this difficult period.

To all our team members, donors, volunteers, partners and supporters, we thank you for partnering with us in this journey. We ask for your continued support and prayers as we move into the new financial year in faith.

Christopher Chow
Chairman



EXECUTIVE DIRECTOR'S MESSAGE

SCALING *new* HEIGHTS

The Covid-19 pandemic continued to impact on the work of Epworth Community Services. Managing the operations whilst being aligned with government guidelines was challenging. The Safe Management Measures vacillated from relaxed guidelines when the infection rate subsided to stringent guidelines when infection rate escalated.

Generally, as part of our business continuity plan, staff members were divided into two teams to ensure that there would not be any disruption in our operations, ensuring that our clients continued to be served. Except for departments that needed to operate on-site, many staff members had to work from home. We had been able to do this as they had been equipped with laptops.

Like other Singaporeans who were affected by cabin fatigue, we have arranged for counselling services should staff members need help. We are glad that, thus far, staff members have been coping well. We are also grateful to our staff members who continued to persevere despite these challenges.

Whilst the pandemic restricted physical interaction, Epworth took the opportunity to digitalise and upgrade existing operating systems as much as possible. The direction to digitalise is also part of the Organisation Development Transformation (ODT) process. In the last financial year, we have adopted, or are in the process of adopting the following:

- A new HR system and a new service provider. The new HR

system includes modules for online performance appraisal, tracking of staff training records as well as time sheet management for staff members working on shifts.

- Digitalising parts of the departmental operations of Epworth Student Care and Epworth Literacy.
- Migrating our email to cloud-based storage.
- Adopting digital applications so that the Literacy Intervention Programme (LIP) can be taught online.
- Creatively re-designing and digitalising parts of the LIP to achieve better productivity for the programme to be delivered online.



“Moving forward, Epworth will seek to grow in strength, knowledge and skills to better serve the community-at-large.”

In the coming months, we are also exploring the possibility of implementing the following:

- An Enterprise Resource Planning (ERP) system to tie up various operating systems with the financial processes.
- Data to be stored in cloud-based storage.

For the last financial year, we have increased engagements with our staff. We commenced the bi-annual Town Hall as well as the Quarterly Learning Practice meetings. This is to have better inter-department interactions and exchanges; and, potentially, for career development through inter-department transfers and job expansion. We have also encouraged middle managers to meet up with staff

members in informal settings to have fun together.

As part of the process of becoming a Centre of Excellence for Trauma Care, we started laying the groundwork for the launch of the new Centre for Positive Recovery (CPR). Our Therapeutic Group Home, Epworth HomeSweetHome, is well-versed in Trauma Systems Therapy. To better meet the needs of community clients, the staff of CPR are being trained in Dyadic Development Therapy and Trauma-Focused Cognitive Behavioural Therapy. The CPR will be launched in Jan 2022.

We will continue to be guided by our vision: “Strong Families, Resilient Living, Beautiful Minds”. Hence, we will move to strongly focus our

work on meaningful programmes and services that support the mental well-being of children, youths and their families in Singapore; in particular, trauma care. We are also guided by our mission: “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”. This means that moving forward, Epworth will seek to grow in strength, knowledge and skills to better serve the community-at-large.

To God be the glory!

Tan Khye Suan
Executive Director

BOARD STRUCTURE

The Board comprises individuals who share Epworth's vision and mission. Epworth's Board Members are passionate about, and have a deep interest in the mental well-being and development of children, youths and families.

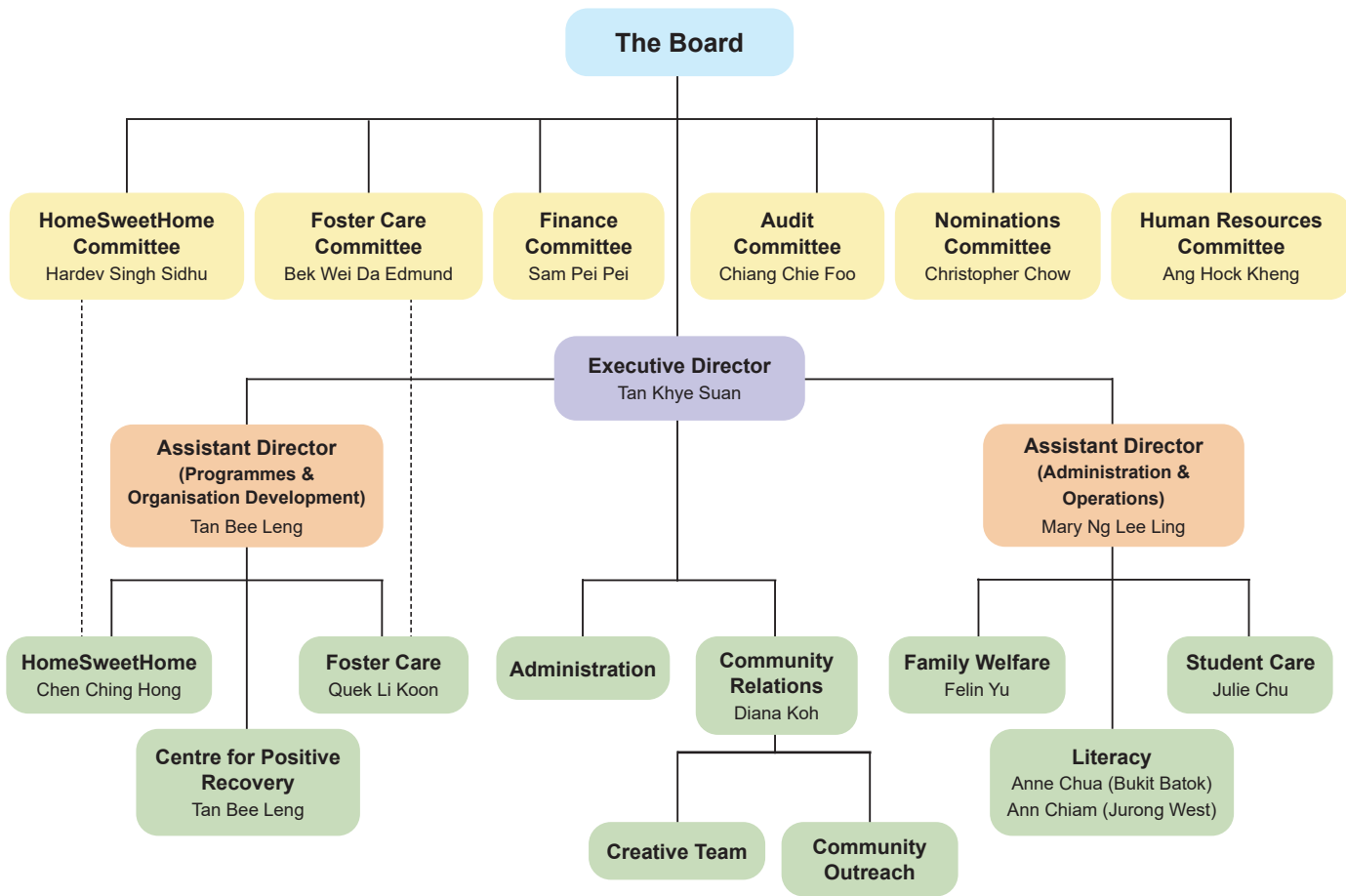
Name	Board Appointment	Date of Appointment	Occupation
Chow Kok Kin Christopher	Chairman	28 Nov 2015	Pillar Head, SMU Academy
Tan Gee Shan	Vice-Chairman	19 Nov 2011	Chief Risk Officer, Emirates NBD Singapore
Ang Hock Kheng	Secretary	28 Nov 2015	Managing Director, HR Business Partners International Pte. Ltd.
Sam Pei Pei	Treasurer	28 Nov 2015	Director of Financial Planning & Analysis, NTU
Robert Lim Hui Beng	Vice-Treasurer	28 Nov 2013	Semi-retired; Working Part-time with NSL OilChem Waste Management Pte. Ltd.
Gan Eng Khoon	Board Member	24 Nov 2012	Vice President of Talent Development, Sentient.io Pte. Ltd.
Lee Soo Chye	Board Member	19 Nov 2016	Senior Partner, Wee Swee Teow LLP
Chiang Chie Foo	Board Member	26 Jul 2017	Senior Advisor, Ministry of Defence
Hardev Singh Sidhu	Board Member	1 Aug 2018	Head of Department, Ministry of Education
Huck Poc Poh	Board Member	21 Nov 2019	Senior Business Advisor, Independent Consultant
Christina Cheng Shuet Wei	Board Member	21 Nov 2019	Director, Theory of Change for Education
Bek Wei Da Edmund	Board Member	21 Nov 2019	Senior Client Services Manager, Morgan Stanley Bank Asia Limited
Tan Thong Kwan Benjamin	Board Member	18 Sept 2020	Specialist in Periodontics, Poon & Phay Dental Surgeons Pte. Ltd.
Chng Qun Ming Xavier	Board Member	18 Nov 2020	Director, Burnt Cones Pte. Ltd.
Ting Yi Ting	Board Member	18 Nov 2020	Pastoral Team Staff, Barker Road Methodist Church

* Information as at 31 Jul 2021.

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.

Board Committee	Committee Chairman	Committee Members
Audit	Chiang Chie Foo	Lee Soo Chye Tan Thong Kwan Benjamin
Finance	Sam Pei Pei	Chee Weng Yan Mike Boon Chia Pei
Human Resources	Ang Hock Kheng	Lian Ying Ying Aaron Chong
Nominations	Chow Kok Kin Christopher	Robert Lim Hui Beng Tan Gee Shan
Epworth HomeSweetHome	Hardev Singh Sidhu	Pang Tit Keong Loy Wee Loon Boon Chia Pei
Epworth Foster Care	Bek Wei Da Edmund	Aaron Chong Chee Weng Yan Mike Zhennan Low Lin Huiying

ORGANISATION STRUCTURE



LEADERSHIP TEAM

Name	Designation	Date of Appointment
Tan Khye Suan	Executive Director	15 Apr 2002
Mary Ng	Assistant Director, Administration & Operations	15 May 2017
Tan Bee Leng	Assistant Director, Programmes & Organisation Development	3 Feb 2020
Sharon Heng	Finance Manager	9 Jul 2018

* Information as at 31 Jul 2021.

CORPORATE GOVERNANCE

Board's Conduct of its Affairs

The Board's conduct of its affairs is set out in the Board Policy.

The Board (including Committees) works in close partnership with the management of Epworth. The main role of the Board is to guide the organisation at the strategic and policy level. The Board's responsibilities include providing oversight for fulfilment of the organisation's vision and mission; and, the fundamental responsibility of governance. The Board shall delegate the day-to-day management and operations of Epworth to the Executive Director and his management team, and shall support and not infringe on the day-to-day matters of the Epworth's management team; other than to monitor that their performances are in line with the organisation's vision, mission, strategic and policy directions.

All Board members are to act independently of the management of Epworth and shall not be paid employees of the organisation.

The Board meets at least four times per year. Committees meet two to four times per year, depending on necessity. Meetings may be held in person, or by conference call or online platforms. Any member of the Board absenting himself from three meetings consecutively without satisfactory explanations shall be deemed to have withdrawn from the Board. A successor will be co-opted by the Board to serve the remaining term of the withdrawn member.

Decisions at Board meetings shall be decided by majority vote of all Board members present, with the Chairman having the casting vote.

Board Meeting Attendance

The number of meetings attended by the Board during the year in review is as follows:

Name	Attendance
Christopher Chow Kok Kin	5 / 6
Tan Gee Shan	6 / 6
Ang Hock Kheng	6 / 6
Sam Pei Pei	5 / 6
Robert Lim Hui Beng	6 / 6
Gan Eng Khoon	5 / 6
Lee Soo Chye	6 / 6
Chiang Chie Foo	6 / 6
Hardev Singh Sidhu	5 / 6
Poh Poc Huck	6 / 6
Christina Shuet Wei Cheng	6 / 6
Bek Wei Da Edmund	5 / 6
Tan Thong Kwan Benjamin	6 / 6
Xavier Chng Qun Ming	4 / 6
Ting Yi Ting	4 / 6
David Phua Puay Heng **	1 / 6

** Stepped down on 17 Nov 2020.

Board Composition

The Board consists of professionals who are experienced and have excelled in diverse fields that are important to the efficient and effective functioning of the organisation. They bring with them their unique perspectives, expertise and experience to provide oversight of the organisation, driving the strategic development and growth of Epworth.

Board Membership and Term of Office

The Board actively renews itself by recruiting new members whilst phasing out longer-serving members. No member of the Board shall serve more than ten years on the Board. This process of refreshing the Board is planned, progressive and regulated. This will enable the Board to draw on the experience of longer-serving members, at the same time, tap on new perspectives and insights from the newer members. By having the stability of experience as well as new inputs on the ever-changing and dynamic operating environment, the long-term sustainability of Epworth can be maintained.

The term of office of the Board is two years. All Board Members shall be elected to the Board for not more than five consecutive terms (10 years) of office.

The Treasurer may be elected to serve for not more than two consecutive terms of office, after which there should be a lapse of one term of office, before the member may be re-elected for the position of Treasurer.

Any Board member may be removed from the Board if he fails to abide by the Constitution, Board policies or any statutory legislation.

Board Training and Self-Assessment

A Board member is expected to attend specific training as part of further skills development to improve Board governance. On a regular basis, the Board will undergo activities to improve board governance and to evaluate the Board as a whole; and, as individual members. In addition, the Board will make every effort to recruit qualified new members.

As a condition of the Ministry of Social and Family Development (MSF) funding requirements for Epworth Foster Care and Epworth HomeSweetHome, at least 40 percent of Committee members from the Foster Care Committee and HomeSweetHome Committee, are required to attend a training course in each calendar year. If a course certificate is issued by the training provider, the Committee member should forward a copy of their course certificate to Epworth Management.

On an annual basis, the Board shall complete a Board Self-Assessment questionnaire to evaluate the effectiveness and engagement of the Board as a whole, and as individual members.

Transparency and Disclosure

There is one staff member related to a Board member whose total remuneration was \$62,595.

Annual remuneration of the three highest paid staff fall within the range of \$100,001 to \$200,000.

Audit Committee

The Audit Committee holds at least two meetings in a year. Meetings are typically held prior to the commencement of the annual external audit, and after the completion of the annual external audit prior to the Board's approval of the final results.

The Audit Committee assists the Board to oversee the financial reporting and disclosure process, and monitor the choice of accounting policies and principles.

The Audit Committee reviews the audit plans and reports of the external auditors, and considers the effectiveness of the actions taken by management on the auditors' recommendations;

The Audit Committee reviews the audit plans and reports of the internal auditors, and checks on key processes to ensure compliance with the established procedures, and report to the Board on the findings and recommendations for improvements;

The Audit Committee has put in place a whistleblowing policy, and oversees regulatory compliance. The Committee will report to the Board of any financial irregularities and concerns.



SUPPORTING, UPLIFTING AND IMPACTING LIVES.

**FY2020/2021
At A Glance**



6,797

**programmes and
sessions were
conducted to support**

908 & 532
children & families.



1,552

**volunteers of all
ages joined us in
supporting our cause.**

200.9K

**people reached
through Facebook
and Instagram.**

**We engaged our supporters through
various platforms. In the year under
review, we had**

2,337 300 2,496

**followers on
Facebook,**

**followers on
Instagram*,**

**email
subscribers.**



A SILVER LINING



Epworth Literacy runs an aggregate of intervention programmes and services to help children with learning challenges so that they can cope with formal education. In this way, children will not be left behind in their education, and enjoy better mental well-being in their growing years.

Digital Transformation

It has been a year since Epworth Literacy first rolled out online literacy intervention lessons. With remote learning becoming part of the new normal, continual improvement to the quality of online sessions becomes paramount.

A silver lining that has developed includes the opportunity to work more closely with parents; allowing teachers to catch glimpse of the students' interactions with parents in their home environment, and for parents to have a better understanding of how Epworth Literacy intervention classes are being conducted.

The obstacles that accompanied online intervention sessions challenged our teachers to be creative and adaptable in new ways. Fun and interactive elements such as game-based learning resources, the use of the student's favourite cartoon, and animated PowerPoint slides are just a few instances in which our teachers engaged the students online. Autonomy was also encouraged among students, allowing them to choose the order in which they would like to play the given activities.



A student attending his online literacy session.



Students attending an in-house Zoom workshop.



Interactive learning through games.



Students using the SMART panel for expressive writing.

As part of Epworth Literacy's digitalisation efforts, the teachers received a Samsung tablet under the NCSS' Invictus Fund. The tablets were useful in ensuring a smoother transition from in-person to online learning. The teachers explored different applications to facilitate and supplement teaching in letter recognition, spelling, vocabulary, comprehension, and executive functioning skills. Its accompanying smartpen also enabled teachers to conduct spelling and writing activities on the tablet. The use of technology well-complemented the intervention programme's multi-sensory approach.

The versatility of the tablet allowed the students to play language games, participate in online quizzes, and watch educational videos. The tablet also served as a new avenue for the teachers to create and access digital resources such as vocabulary flashcards and reading games.

In June 2021, a SMART Learning Suite was procured under the NCSS Invictus Fund to help teachers increase engagement during physical and virtual lessons. Not only was it easy to use, but it also fostered active interactions among the students.

The SMART panel offered several innovative functions. For example, the graphic organiser template was very helpful in teaching comprehension and story-writing skills to primary school students, and argumentative essay structure to secondary school students. The SMART panel also made the inclusion of media into lessons seamless – videos and pictures could be incorporated alongside annotations and concepts on a single platform. Zoom lessons could even be conducted on the SMART panel to facilitate hybrid learning.

The use of technology has provided an additional dimension of lesson engagement in the classroom. It allowed our teachers to execute lessons in new and innovative ways, advancing Epworth Literacy's programmes towards a blended learning approach.

Reasons to Smile

On 15 December 2020, Epworth Literacy Jurong West, together with 31 volunteers from NTU Hall 14, organised a mini-Christmas Carnival for the students. Held over two separate sessions, a total of 32 students participated in the carnival. Although the sessions were held indoors with several restrictions in place, the enthusiasm from the group of volunteers was infectious. The students' laughter reverberated through the centre's corridors as they moved in small groups, from one station to another.

The essence of Christmas – love, joy, and peace – was strongly felt throughout the carnival.



The students' faces lit up with glee as they posed with Christmas-themed props to have their polaroid pictures taken.



Epworth Literacy seeks to cultivate the value of appreciation among students. To appreciate all mothers during Mother's Day, our Teachers collaborated with Flower Matters to decorate the Literacy centre. Flower Matters generously sponsored the decoration of the centre, transforming it into a floral wonderland.

On the week approaching Mother's Day, Flower Matters kindly donated pink carnations so that the students could gift them to their mothers. The students' eyes sparkled with delight at the sight of the beautiful pink carnations. Our teachers were heartened to see the students presenting the carnations to their

mothers with gratitude. All these would not have been possible without the help and support of Flower Matters.

Earlier in 2021, Epworth Literacy held its first volunteer-led workshop – a pebble painting workshop. Our volunteer, Tiffany, curated an interactive pebble painting session that centred on the students' favourite online game, "Among Us".

Filled with curiosity and wonder, the students were quick to open up to Tiffany as she guided them in creating different shades and blends of colours.

Placing emphasis on the importance of creative self-expression, Tiffany taught the students to let go of their inhibitions and create art as they envisioned for themselves. By the end of the workshop, each student was given a specially made certificate to commemorate their venture into artistic expressions.



Blending different paint colours together.



Presenting Teekay Sponsorship Certificates to the awarded students.

Epworth Literacy is incredibly grateful for the generous sponsorship from Teekay Marine (Singapore) Pte Ltd. Their sponsorship had financially supported five students from low-income families for six months.

764



children have been helped under the Literacy Intervention Programme (LIP).

240

Students taught by our Teachers under LIP.

54

Students helped by our STAR Behavioural Modification programme.

16

Graduates from LIP.

177

Students joined us for a time of fun in Kids Club and KidsREAD.

11

Children and youths assessed and screened by our psychologists and therapists.



Megan did not have the basic literacy skills even though she was already 6 years old. When she started attending Epworth's Literacy Intervention Programme, I witnessed the vast improvements that she made. She used to be anxious for spelling, but is now confident for them. She even enjoys reading! I will never forget the joy I felt when I heard Megan utter her first syllable independently.

I am grateful for the solid foundation that Epworth Literacy had laid for her. The Literacy Teachers were nurturing, yet professional. I hope that all children who need literacy support can experience what Megan experienced.

Mother of Megan Looi



GROWING THROUGH TRIALS

Our Student Care Centres (SCCs) operate in schools. We provide a caring, safe and conducive environment for children whose parents are unable to look after them during the day because of work commitments. Creating a stable home-away-from-home environment at each centre is important so that students can spend their time meaningfully and be positively nurtured in their mental well-being.



Adopting The Growth Mindset

Epworth ensures that all teachers at Epworth Student Care are well-equipped to guide and lead the students under our care. The teachers ensure that students are taken care of mentally, physically, and intellectually. Under the Positive Parenting Programme, teachers are equipped with techniques to promote the students' psychological, social and emotional competence.

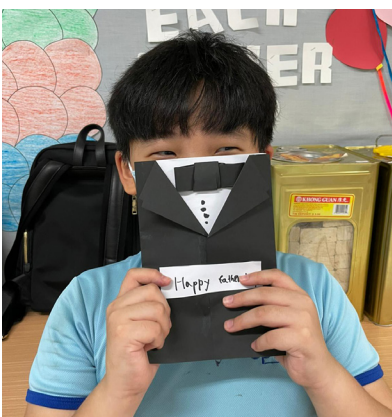
In 2021, Growth Mindset conducted a captivating programme for our teachers. The programme shed insights into ways of developing a child. Epworth Student Care will be partnering with Growth Mindset to curate a new curriculum based on the Growth Mindset Methodology, as well as the 21st century's competencies.

Exercising Resilience

It has been an eventful year for the teachers and students alike. Although there were several challenges along the way, the teachers pressed on to develop the students to become the best that they can be. The organised programmes encouraged teamwork, enhanced critical thinking, and sparked creativity. The smiles on the students' faces as they participated in the programmes made all the efforts worthwhile.



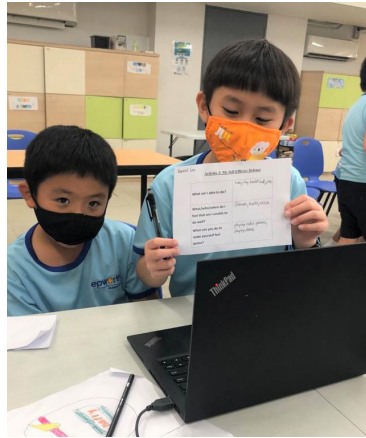
Students decorating their own bag for Christmas.



Making of Father's Day Cards.



Celebrating and learning about Mid-Autumn Festival.



Attending a virtual mental health workshop led by a group of volunteers.



Making Dalgona Chocolate Drink over the June school holidays.

A Healthy Growth

By the grace of God, the enrolment of students continued to increase in both of the SCCs at Anglo-Chinese School Primary and Junior (ACSP and ACSJ).

119
students



2019

207
students



2020

226
students



2021

NURTURING FAMILIES

Epworth Family Welfare (EFW) works in partnership with the Ministry of Social and Family Development (MSF) in an effort to promote the mental well-being of children and youths.

Pre-Family Guidance Order (FGO) Services

Beyond Parental Control (BPC) was replaced with Family Guidance Order (FGO) from 1 Jul 2020. An FGO is issued by the Youth Court for children and young persons below the age of 16 with serious behavioural challenges. Parents who are interested in applying for an FGO must first undergo a Pre-FGO Screening. They and their children may subsequently be referred to a mandatory Pre-FGO Programme before an FGO can be applied for in the Youth Court.

Epworth Community Services is one of the two organisations that had been appointed to deliver Pre-FGO services

in Singapore. In the year under review, **screening for 76 families** were conducted. There were **10 families who completed 72 sessions of Pre-FGO Programme**, and another **14 families who are currently in the programme**. They have attended a total of 137 sessions during this period.

FGO Social Investigation

Parents may apply for an FGO through the appointed agencies if the issues between parents and children remain unresolved despite the Pre-FGO Programme. Epworth Family Welfare (EFW) conducts social investigations and makes recommendations to the Youth Court. In the reporting period, EFW has conducted a total of **15 FGO Social Investigations**.

Supervised Access

EFW provided **supervised access services to 27 families totalling 506 sessions for 781 hours** during the reporting period. 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 children and their families, with the hope of them eventually returning to their family.

Project Dawn

Project Dawn is a programme that supports students with challenging behaviours. The programme served **5 families over 28 sessions**.

"We may not be able to prepare the future for our children, but we can at least prepare our children for the future."

- Franklin D. Roosevelt.



* This photo was taken before the onset of COVID-19.

FOSTERING A *Loving* HOME



At Epworth Foster Care, our mission is to provide quality care and support to foster parents; connecting them to a wider network of resources. While the reintegration of foster children with their natural families are in progress, foster families are equipped with resources to ensure the well-being and holistic development of all foster children in a safe, nurturing and caring family environment.



Run The Race

Due to the pandemic, Epworth Foster Care was unable to hold its Annual Foster Care Celebration physically. Despite the restrictions, we managed to hold a virtual celebration via Zoom, with the theme being "Run the Race". We thanked our foster families for their dedication towards the foster children. They have invested great amounts of time and effort to help the foster children grow physically, mentally and emotionally during this trying period.

Creative Outreach

During online tea sessions, parents often expressed concerns over whether their biological children would be able to accept a new member into the family. Every member of the family plays a part when it comes to fostering; this includes the children of foster parents. To address this concern, Epworth Foster Care created a video showcasing three pairs of siblings who shared about their experience on having a foster sibling.



Two brothers sharing their experience on having a foster sibling.

" I won't even call him my foster brother. He's my brother. "

Epworth Foster Care also launched a storybook, *Home Away From Home*, to help young children understand more about foster care in Singapore. The book is featured at multiple bookstores, of which includes the National Library Board. More than 500 copies have been printed and distributed to various participating bookstores. The e-storybook can also be viewed for free on our website at www.epworth.sg.

A radio station, CNA 938 reached out to Epworth Foster Care for a Father's Day special. An interview was conducted with Ms Quek Li Koon, Manager of Epworth Foster Care, and one of our foster fathers, Mr Too Teh Hsin. The interview was broadcasted live on the radio station. Mr Too shared about his experience of being a foster father, whose story touched many.

135 children were fostered under the care of

87 foster families & 11 kinship families.



Over **7 tea sessions**, a total of

7 persons applied to become a foster parent.

21 persons indicated that they were interested to find out more about fostering.

45 persons were interested in becoming a volunteer for foster care.

MAKING A MARK



The goal of the Home is to help the boys to recover and eventually reintegrate with their families and back into society.

Epworth Community Services had been running HomeSweetHome (HSH) in partnership with the Ministry of Social and Family Development (MSF) since Jul 2013. The Home uses Trauma Systems Therapy (TST) as its treatment model to help boys between the ages of 7 to 12 years old to recover from complex trauma, attachment issues and severe behavioural issues.

The Home works with various stakeholders in the boys' eco-system: parents, alternative caregivers, school teachers, social service professionals and doctors. With the support from various people, many of the boys progressed well in their treatment.

To date,

32 boys have completed their TST treatment and were discharged from the Home.

6 boys are currently undergoing treatment at the Home.

27 volunteers have helped at the Home.

Despite the dark cloud of the pandemic, the boys coped well under the professional care of HSH. They remained resilient and continued to progress well in their treatment. With the several changes due to the pandemic situation,

HSH's staff paid careful attention to the boys so as to remain attuned to their emotional and psychological needs.

During the 2020 year-end school holidays, the staff brought the boys on a tour around Singapore. They went island-hopping to St John's Island, Lazarus Island and Sister Island. They also explored various parks; from heartlands such as Jurong Lake Gardens, to iconic sites such as The Southern Ridges. It was a memorable experience for the boys as they broke away from the regular routine of indoor activities with the lax of safe management measures at that time.

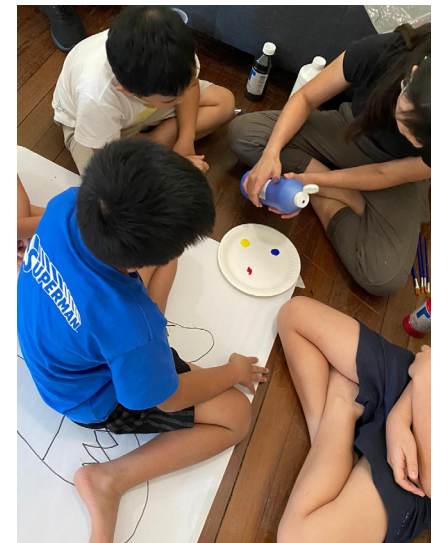
A corporate sponsor, Wildlife Reserves Singapore, generously gifted the boys with a trip to River Safari. The boys were thrilled at the thought of getting to interact with the animals, especially for those who have not been to the attraction before. The flora and fauna at River Safari were eye-opening to the boys. It was truly an unforgettable experience for many.

Epworth HSH collaborated with Extraordinary People to hold a new art-based social skills programme for the boys. Extraordinary People is a multidisciplinary team that specialises in a range of therapies. These include art, music, speech and language, occupational and educational therapy.

The group art therapy helped the boys to build a positive sense of self and resilience while learning social skills. The weekly participatory programme also exposed them to different forms of art media and increased their repertoire of art expression. The staff and the boys

enjoyed the programme and look forward to more of such partnerships in the future.

Despite the bout of challenges brought about by the pandemic, HSH's staff remained resilient and maintained a positive outset. The well-being of the boys remains as the Home's top priority, with the staff constantly striving to provide the best they can to facilitate their recovery.



Group art therapy by Extraordinary People.

"Think of the power we wield and the impact we can make if we become more intentional about encouraging our children. Our words are often the very things that help create future dreams. And sometimes those dreams are to be just like us."

- Compassion International



STAYING CONNECTED

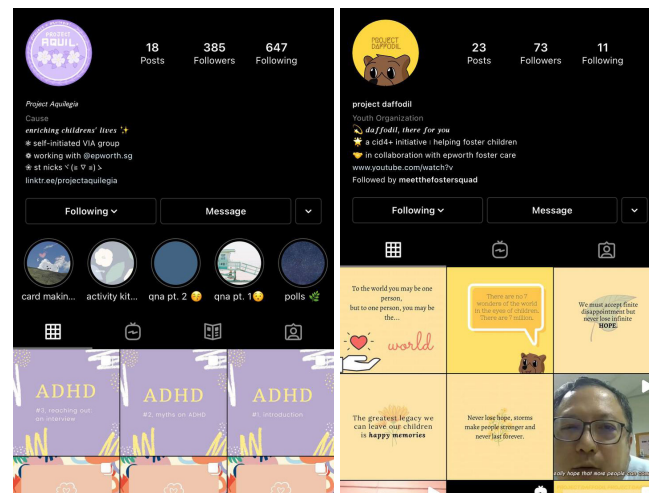
Reaching Out Online

Epworth believes in engaging the community through regular updates on social media and partnerships. Snippets of our programmes and services, as well as resources on parenting, mental wellness, and fostering are showcased on various social media platforms such as Facebook, Instagram and YouTube. The use of social media had also created more opportunities for us to engage the community actively, and to raise awareness on matters such as mental health, foster care and learning challenges.

Epworth collaborated with a group of students from C.H.I.J St Nicholas Girls' School, named as Project Aquilegia, to raise awareness on the various learning challenges. We also collaborated with a group of students from River Valley High School, named as Project Daffodil, to increase public awareness about fostering. Another group of students, Project Daisy, posted fun activities on learning challenges to engage the community about learning differences in children.

Fundraising Efforts

Instead of an annual fundraising gala dinner, we held a "Give and Feast" fundraiser where donors could enjoy a sumptuous Peranakan meal from the comfort of their own home. Various Peranakan dishes were prepared and delivered by our Executive Director, Mr Tan Khye Suan, in appreciation for the donors' generous giving. The fundraising team were able to raise a total of about \$125,000.



Instagram Pages about learning challenges and fostering by student groups.



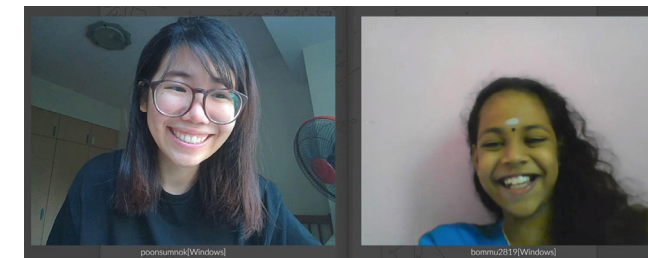
Preparing the ingredients before cooking.

Our donor and his family enjoying the Peranakan meal.

Epworth's fundraising efforts were also pivoted online. We held our first E-Flag Day between Mar to Jun 2021. Staff, volunteers and partners joined us in our efforts to share the message of giving with their friends and family. There was even a group of students from River Valley High School who drew caricatures as an appreciation for donors. Together, Epworth has raised more than \$7,000.

Project Lightbulb

Project Lightbulb is a tuition-befriending programme that has been ongoing since Jul 2019. This programme is held by volunteer befrienders. Primary school students from disadvantaged families are provided with academic and socio-emotional support through regular engagements. In June 2021, 3 volunteer training sessions were conducted to equip volunteers with the skills to better coach and engage their students online.



Our volunteer conducting a Project Lightbulb session with a student.

Community Engagement

Various activities were conducted during the school holidays while ensuring that safe management measures were strictly adhered to. Some of these activities included a two-day storytelling and dance workshop conducted by a group of volunteers from NUS Indian Dance, and a public speaking workshop organised by Erudite Enrichment Centre.

All these enriching and meaningful activities and programmes would not have been possible without the unwavering support of our volunteers. We held an appreciation dinner for our volunteers in December 2020. We took this opportunity to thank all of them for their hard work and dedication.

The pandemic has resulted in families spending more time at home. To keep the children gainfully occupied, the Fun-at-Home Activity Kit was conceived. Between August 2020 and July 2021, Epworth worked with volunteer teams from Paya Lebar Methodist Girls' School, St. Nicholas Girls' School, River Valley High School, Anglo Chinese School (Independent), National Junior College and Nanyang Junior College.



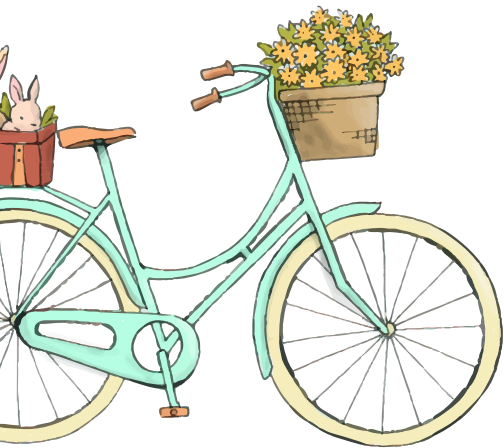
30 children served
with the help of
24 dedicated
volunteers.



Volunteers teaching our students some moves from Indian dance.
* The safe management measures then were strictly adhered to in this activity.

More than
1000
activity kits were made and
distributed to the community children.

DEVELOP & GROW



Learning & Growing

Epworth's career planning and development processes remain a key part of measures to engage our employees and grow our leadership and key talent capabilities for the future.

During the year in review, we held two virtual "learning practice" sessions that were conducted by staff from different departments. This was part of the cross-department learning opportunities. Two virtual town hall meetings were also held to keep staff informed of the ongoing plans and direction of the organisation.

As we expand, we actively support our people as they develop new skills

and capabilities. Learning is one of the most valuable investments that we can make, whether as individuals or as an organisation. We currently have employees on continuing education sponsorship under the NCSS Professional Capability Grant.

Employees are sent for conferences, workshops and various specialised courses to build up their skills and competencies, and enhance their professional development. Epworth's investment in development opportunities and emphasis on a spirit of continuous learning enables us to harness the potential of our people and strengthen our organisational capabilities as we grow our services in the community.

Leveraging Technology

The Covid-19 pandemic situation has tested the strength of our people and work processes. Emphasis was placed on the need to accelerate

digital transformation so that the organisation can emerge stronger and more resilient. Epworth invested in a new HR information system and ventured into the automation of HR processes to improve efficiency in work processes. Epworth also leveraged on technology to achieve productivity gains and operational efficiency in other areas of the organisation, such as in our Literacy and Student Care centres. These investments in digitalisation will position the organisation to better meet the needs of the clients in a new post-pandemic normal while ensuring for long-term sustainability.

Transforming for the Future

As part of our vision to support the mental well-being of children and youths through preventive and intervention programmes, we are strengthening our domain skills with the setting up of a specialised



Epworth Town Hall Session, "From Good to Great" in March 2021.

centre, the Centre for Positive Recovery (CPR). This centre will focus on trauma issues and trauma-informed practice. This also includes cultivating an organisational culture where employees, both frontend and backend, take on a trauma-informed perspective.

The new centre will tap on the skills and experience of our people, especially those in Foster Care and HomeSweetHome, to enhance capabilities and capacity in the area of advocacy and training for trauma care. As part of Epworth's Organisation Development Transformation journey to deliver impactful and sustainable solutions, we are committed to investing in transformation. This would better position the organisation to make a difference and help build a sustainable future for at-risk children and youth in the community.

Resilience in Action

In the face of continuing uncertainties and challenges arising from the evolving Covid-19 situation this past year, our employees demonstrated resilience and fortitude in ensuring the business continuity of our essential services to the community. We salute our employees, whose adaptability, agility and perseverance, enabled the continued provision of services to our beneficiaries in a time of unprecedented crisis.

Looking Ahead

As we move forward into a post-pandemic future, we appreciate the dedication of our employees and their commitment to Epworth's vision. Our greatest satisfaction lies in knowing that what we do leaves a lasting positive impact in the lives of individuals and the families we work with.

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

WE TAKE PRIDE IN WHAT WE DO.

Professionalism

We endeavour to apply the highest professional standards in our respective roles across the organisation, and we do this with competence, compassion and commitment.

Responsibility

We are responsible for the safeguarding and proper use of assets and resources, including the protection of all confidential information in our respective areas of work.

Integrity

We hold ourselves to the highest standards of integrity in our respective roles and in partnership with our key stakeholders, and avoid situations which may influence impartiality or compromise our professional judgement at work.

Discipline

We ensure that we are trained and qualified, performing our work responsibly and ethically, in compliance with all applicable laws and regulatory requirements.

Excellence

We strive for excellence in all that we do, upholding the trust placed in us, and making work decisions in the best interest of the organisation and not for personal benefit. Underpinning our quest for professional and organisational excellence is our belief in fairness, honesty and accountability to our stakeholders; and, becoming a Centre of Excellence for Trauma Care.

FACTS & FIGURES

Programme Statistics

Programmes & Services	No. of Clients	No. of Volunteers
Epworth Literacy	294	29
Epworth Student Care	226	15
Epworth Family Welfare	147	-
Epworth Foster Care	135	70
Epworth HomeSweetHome	6	27
Community Outreach	100	1,400
TOTAL	908	1,552

Staff Count

The distinctive strength of our success lies in our people – a team of dedicated employees who bring their heart and passion to their respective roles every day. As of July 2021, 113 staff, interns and trainees supported our various programmes and services in the community. Their profile comprises:

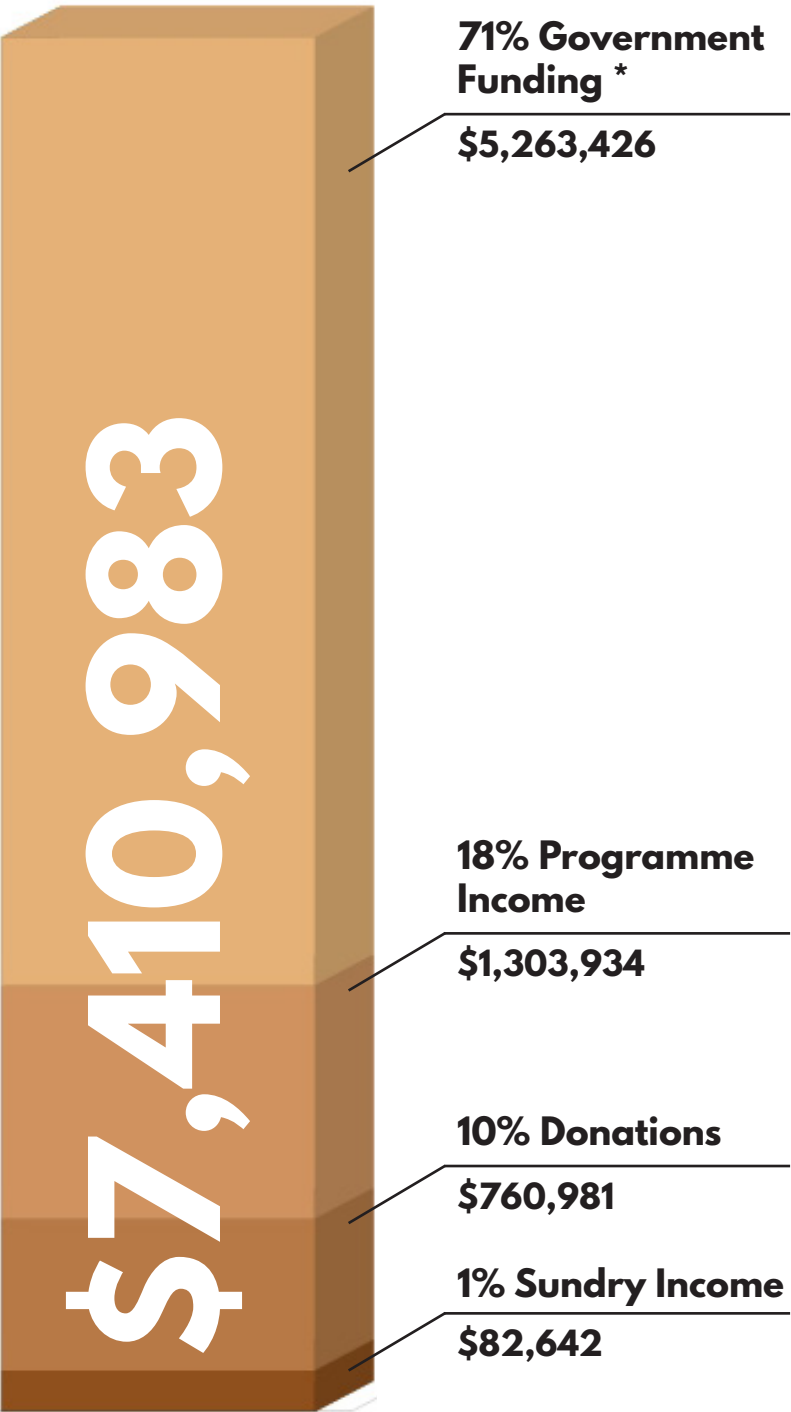
Roles	Full-time and Part-time Staff	Temporary Staff (including Interns & Trainees)
Administrative & Support Staff	24	1
Counsellors / Case Workers	10	-
Social Workers	19	-
Psychologists	4	-
Teaching Staff	21	-
Programme Support Staff	14	7
Residential Care Workers	13	-
TOTAL	105	8

Total income and total expenditure for the financial period amounted to \$7,410,983 and \$6,949,465 respectively, resulting in a surplus of \$461,518.

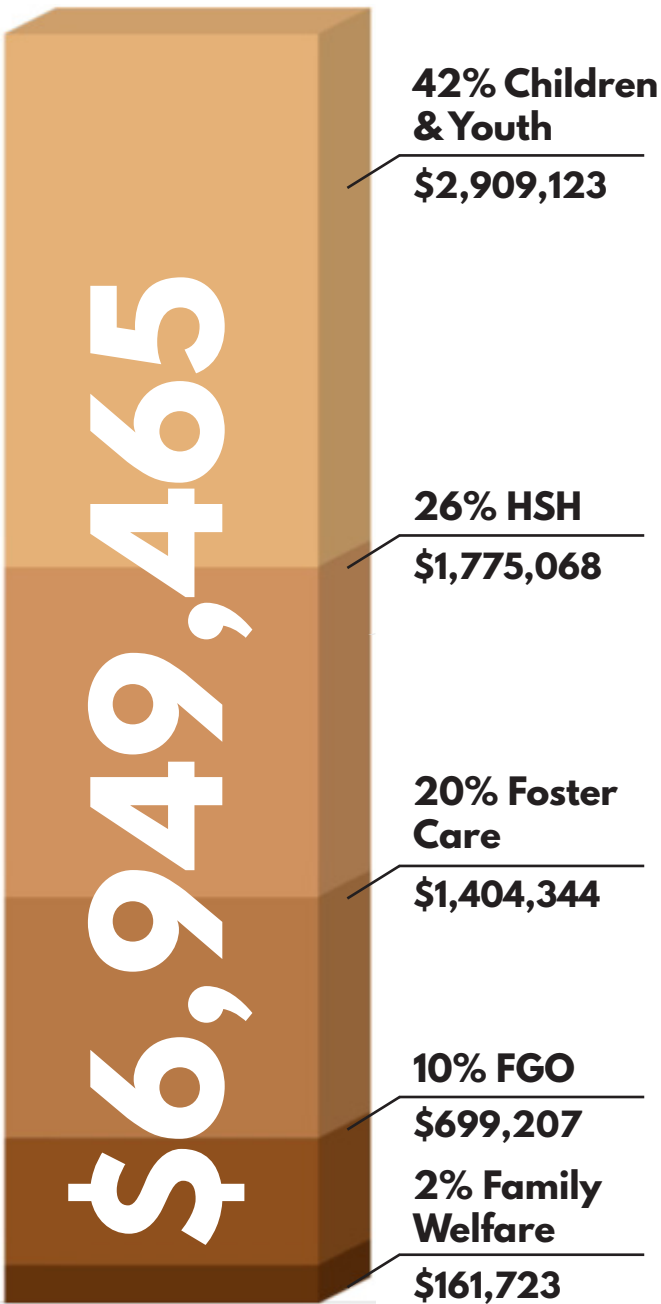
The accumulated fund stands at \$3,602,738. Also included the restricted funds from Epworth Foster Care for amount \$350,969, Epworth HomeSweetHome for amount \$408,368, Epworth Pre-FGO Services for amount \$245,490. For Epworth Literacy and STAR, the deficit of (\$608,900) and (\$227,048) in restricted funds, respectively, are covered by donations and other Government funds from Epworth. Included in the general funds is a Reserved Policy Fund of \$1,500,000.

The audited financial statements for the financial year ended 31 July 2021 are available in the Annexe.

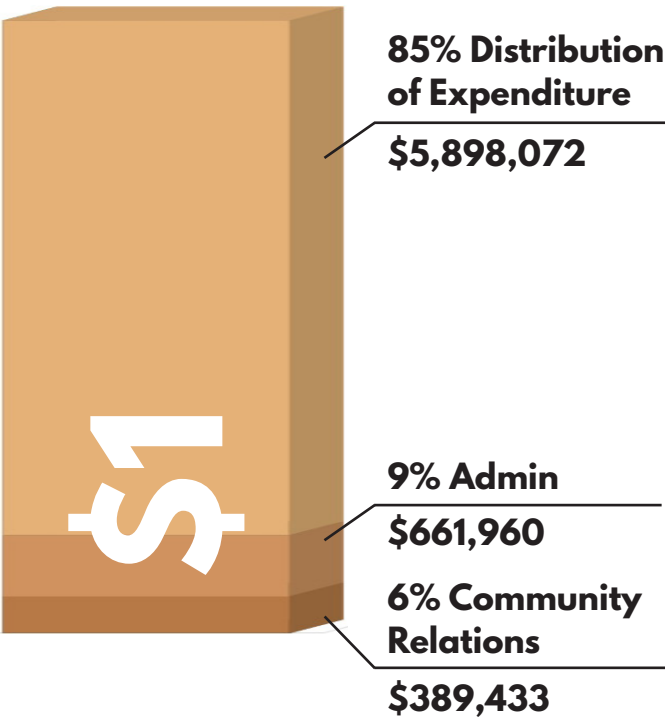
2021 SOURCES OF INCOME



2021 DISTRIBUTION OF EXPENDITURE



BREAKDOWN OF CHARITY DOLLAR



* Inclusive of the Job Support Scheme (JSS).

POLICY STATEMENTS & PRACTICES

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 July 2021 this Reserve Fund is represented by the fixed deposits of \$1,500,000.

Conflict of Interest

Epworth had put in place its Conflict of Interest Policy (COI) so as 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. The policy mandates that no Board Member should have his own personal or business interests that directly or indirectly conflict, or appear to conflict, with the interests of Epworth.

A Board Member must immediately declare any conflict of interest, or potential conflict, in relation to any matter, and recuse himself from participating in any discussion and/or decision on the matter.

All Board Member shall be given the COI declaration form at the earliest opportunity possible.

Fiscal Oversight

Every month, the Board reviews actual income and expenditure compared to the operating budget, based on financial reports prepared by Epworth management. On an annual basis, the Board shall review the proposed annual operating budget with due consideration for adjustments or amendments, and shall approve it prior to the start of the new financial year.

Whistleblowing Policy

Epworth is committed to a high standard of compliance with accounting, financial reporting, corporate governance and any legislation relating to these areas. In line with this commitment, any person who comes across any actual or suspected impropriety, irregularity, or illegal activity within Epworth Community Services, may make a report of their concerns.

All information provided, as well as its source, shall be treated with the strictest confidence. Whistleblowers will be protected from discrimination, retaliation or harassment of any kind for disclosing concerns in good faith.

Privacy Policy

Epworth recognises the importance of data protection and we are committed to safeguarding your personal data by complying with the Personal Data Protection Act 2012.

Epworth maintains a high level of confidentiality for all beneficiaries, clients, donors and volunteers' information. The photographs, names, and/or any other personal data will not be published on any corporate collaterals or publications unless consent is given.

Volunteer Management Policies and Processes

The Epworth Volunteer Handbook details Epworth's expectations on volunteers' conduct; the organisation's promise to safeguard volunteers' confidentiality; emergency procedures; grievances; conflict management processes, and termination policies.

Complaints or suspicions of impropriety can be made by employees, clients/beneficiaries, community partners or other persons in the form of emails, letters, phone calls or written/verbal reports. Anonymous complaints may be considered. However, this is dependent on the clarity of information provided, and the likelihood of confirming the allegation during investigation. Follow-up actions and independent investigations will be carried out for all valid reports.

Any complaint that involves a Police report will be escalated to the Executive Director 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 unfair treatment for the disclosure of information in good faith.

TERMS OF REFERENCE

Audit Committee

The Audit Committee is to assist the Board in ensuring the integrity of the organisation's system of accounting and financial reporting and in maintaining a high standard of transparency and reliability in its corporate disclosures. The Committee provides a channel of communication between the Board, Management, the internal auditors and the external auditors on matters arising out of the internal and external audits.

Finance Committee

The Finance Committee is to assist the Board in fulfilling the financial oversight responsibilities of the Board and in overseeing management's administration of Epworth on the following matters:

- Financial sustainability;
- Business planning, including operating and capital budgets;
- Unaudited financial reports;
- Banking, borrowing and investments;
- Contracts and agreements; and,
- Financial risk management oversight.

Human Resource (HR) Committee

The Human Resource Committee is to assist the Board in ensuring that the organisation is able to attract, recruit, motivate and retain the best talents through competitive remuneration and progressive HR policies; so as to achieve the organisation's goals, and provide good stewardship and, thereby, sustainability. As a committee of the Board, the Committee provides a channel of communication between

the Board, Management and external consultants on HR matters.

Nominations Committee

The Nomination Committee is to review the composition of the Board and the committees of Epworth Community Services; and, ensure that the Board and its committees comprise members who as a group provide core competencies in various areas that are required for the Board and its committees to be effective.

HomeSweetHome Committee

The Ministry of Social and Family Development (MSF) requires the Social Work Agency (SSA) appointed to run a Therapeutic Group Home (TGH) to set up a Committee to oversee the operations of the TGH and to ensure that the TGH's mission and objectives are met. The FA's mission and objectives are spelt out in the contract with MSF; and, may be modified or updated when the contract is renewed. The Committee reports to the Board.

Foster Care Committee

The Ministry of Social and Family Development (MSF) requires Epworth, as a Social Work Agency (SSA) appointed to run a Foster Agency (FA), to set up a Committee to oversee the operations of the FA and to ensure that the FA's mission and objectives are met. The FA's mission and objectives are spelt out in the contract with MSF; and, may be modified or updated when the contract is renewed. The Committee reports to the Board.

CORPORATE INFORMATION

Unique Entity Number

T08SS0123D

External Auditor

Baker Tilly TFW LLP

Registered Address

Blk 106 Bukit Batok
Central #01-217
Singapore 650106

Internal Auditor

RSM Risk Advisory Pte Ltd

Banker

DBS Bank Ltd
Standard Chartered Bank

Trustees

Dr Edwin Tan
Mr Benjamin BC Tan

BOARD ATTENDANCE

Name	22 Oct 2020	21 Nov 2020	20 Jan 2020	24 Mar 2021	19 May 2021	21 Jul 2021
Christopher Chow Kok Kin	P	P	P	A	P	P
Tan Gee Shan	P	P	P	P	P	P
Ang Hock Kheng	P	P	P	P	P	P
Sam Pei Pei	P	P	P	A	P	P
Robert Lim Hui Beng	P	P	P	P	P	P
Gan Eng Khoon	P	P	P	P	P	A
Lee Soo Chye	P	P	P	P	P	P
Chiang Chie Foo	P	P	P	P	P	P
Hardev Singh Sidhu	P	P	A	P	P	P
Poh Poc Huck	P	P	P	P	P	P
Christina Shuet Wei Cheng	P	P	P	P	P	P
Bek Wei Da Edmund	A	P	P	P	P	P
Tan Thong Kwan Benjamin	P	P	P	P	P	P
Xavier Chng Qun Ming	-	P	P	P	A	P
Ting Yi Ting	-	P	P	P	A	P
David Phua Puay Heng *	P	-	-	-	-	-

* Stepped down on 17 Nov 2020.

The Annual General Meeting was held on 21 November 2020, with all Board Members present at the meeting.

GOVERNANCE EVALUATION CHECKLIST

BOARD GOVERNANCE

Induction and orientation are provided to incoming governing board members upon joining the Board.	Complied
Are there governing board members holding staff* appointments?	No
The Treasurer of the charity (or any person holding an equivalent position in the charity, e.g. Finance Committee Chairman or a governing board member responsible for overseeing the finances of the charity) can only serve a maximum of 4 consecutive years. If the charity has not appointed any governing board member to oversee its finances, it will be presumed that the Chairman oversees the finances of the charity.	Complied
All governing board members must submit themselves for re-nomination and re-appointment, at least once every 3 years.	Complied
The Board conducts self evaluation to assess its performance and effectiveness once during its term or every 3 years, whichever is shorter.	Complied
Is there any governing board member who has served for more than 10 consecutive years?	No
There are documented terms of reference for the Board and each of its committees.	Complied
	Terms of reference for the Audit committee and the Board are approved. Terms of reference for some committees are being drafted or re-drafted for Board approval.

CONFLICT OF INTEREST

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

STRATEGIC PLANNING

The Board periodically reviews and approves the strategic plan for the charity to ensure that the charity's activities are in line with the charity's objectives.	Complied
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GOVERNANCE EVALUATION CHECKLIST

HUMAN RESOURCE AND VOLUNTEER MANAGEMENT

The Board approves documented human resource policies for staff.	Complied
There is a documented Code of Conduct for governing board members, staff and volunteers (where applicable) which is approved by the Board.	Complied
There are processes for regular supervision, appraisal and professional development of staff.	Complied
Are there volunteers serving in the charity?	Yes
There are volunteer management policies in place for volunteers.	Complied

FINANCIAL MANAGEMENT AND INTERNAL CONTROLS

There is a documented policy to seek the Board's approval for any loans, donations, grants or financial assistance provided by the charity which are not part of the charity's core charitable programmes.	Complied
The Board ensures that internal controls for financial matters in key areas are in place with documented procedures.	Complied
The Board ensures that reviews on the charity's internal controls, processes, key programmes and events are regularly conducted.	Complied
The Board ensures that there is a process to identify, and regularly monitor and review the charity's key risks.	Complied
The Board approves an annual budget for the charity's plans and regularly monitors the charity's expenditure.	Complied
Does the charity invest its reserves (e.g. in fixed deposits)?	Yes
The charity has a documented investment policy approved by the Board.	Complied

FUNDRAISING PRACTICES

Did the charity receive cash donations (solicited or unsolicited) during the financial year?	Yes
All collections received (solicited or unsolicited) are properly accounted for and promptly deposited by the charity.	Complied
Did the charity receive donations in kind during the financial year?	No

DISCLOSURE AND TRANSPARENCY

The charity discloses in its annual report - (a) the number of Board meetings in the financial year; and (b) the attendance of every governing board member at those meetings.	Complied
Are governing board members remunerated for their services to the Board?	No
Does the charity employ paid staff?	Yes
No staff is involved in setting his own remuneration.	Complied
The charity discloses in its annual report - (a) the total annual remuneration for each of its 3 highest paid staff who each has received remuneration (including remuneration received from the charity's subsidiaries) exceeding \$100,000 during the financial year; and (b) whether any of the 3 highest paid staff also serves as a governing board member of the charity. The information relating to the remuneration of the staff must be presented in bands of \$100,000. OR The charity discloses that none of its paid staff receives more than \$100,000 each in annual remuneration.	Complied
The charity discloses the number of paid staff who satisfies all of the following criteria: (a) the staff is a close member of the family* belonging to the Executive Head* or a governing board member of the charity; (b) the staff has received remuneration exceeding \$50,000 during the financial year. The information relating to the remuneration of the staff must be presented in bands of \$100,000. OR The charity discloses that there is no paid staff, being a close member of the family* belonging to the Executive Head* or a governing board member of the charity, who has received remuneration exceeding \$50,000 during the financial year.	Complied

PUBLIC IMAGE

The charity has a documented communication policy on the release of information about the charity and its activities across all media platforms.	Complied
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Year ended 31 July 2021

ANNEXE

EPWORTH COMMUNITY SERVICES
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 JULY 2021

CONTENTS

Statement by the Board	1
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EPWORTH COMMUNITY SERVICES

STATEMENT BY THE BOARD

On behalf of the Board, we, Christopher Chow Kok Kin and Sam Pei Pei, 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 25 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 2021 and of its financial performance, changes in funds and cash flows of the Society for the financial year ended on that date.



Christopher Chow Kok Kin
Chairman

27 October 2021



Sam Pei Pei
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 25, which comprise the balance sheet as at 31 July 2021, 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 2021 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 and the Annual Report for the financial year ended 31 July 2021, but does not include the financial statements and our auditor's report thereon.

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.

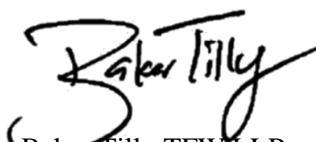
Report on Other Legal and Regulatory Requirements

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 2021 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

27 October 2021

EPWORTH COMMUNITY SERVICES**STATEMENT OF COMPREHENSIVE INCOME****For the financial year ended 31 July 2021**

	Note	2021 \$	2020 \$
Income			
Amortisation of capital grants	13	235,105	274,310
Donations	4	760,981	1,213,301
Government grants	5	5,028,321	3,932,620
Programme income		1,303,934	1,136,857
Sundry income	6	82,642	160,794
Total income		7,410,983	6,717,882
Less expenditure			
Depreciation - property, plant and equipment	9	224,169	212,467
Depreciation - right-of-use assets	10	271,176	300,967
Other operating expenses	8	977,154	828,905
Rent of building, equipment and others		38,363	34,378
Staff costs	7	5,438,603	5,358,544
		6,949,465	6,735,261
Net surplus/(deficit) and total comprehensive income/(loss) for the financial year		461,518	(17,379)

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

EPWORTH COMMUNITY SERVICES

BALANCE SHEET

At 31 July 2021

	Note	2021 \$	2020 \$
Non-current assets			
Property, plant and equipment	9	678,132	770,800
Right-of-use assets	10	335,387	494,246
		1,013,519	1,265,046
Current assets			
Other receivables	11	1,079,251	1,313,232
Fixed deposits	12	2,111,941	2,101,891
Cash and bank balances		2,675,039	1,843,599
		5,866,231	5,258,722
Total assets		6,879,750	6,523,768
Non-current liabilities			
Capital grants	13	621,480	746,493
Other payables	14	340,000	340,000
Lease liabilities	10	135,492	131,927
		1,096,972	1,218,420
Current liabilities			
Lease liabilities	10	90,877	124,883
Other payables	14	2,089,163	2,039,245
		2,180,040	2,164,128
Total liabilities		3,277,012	3,382,548
Net assets		3,602,738	3,141,220
Fund			
Accumulated funds	15	3,602,738	3,141,220

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 2021

	Accumulated funds \$
Balance at 1 August 2019	3,158,599
Deficit and total comprehensive loss for the financial year	(17,379)
Balance at 31 July 2020 (Note 15)	3,141,220
Surplus and total comprehensive income for the financial year	461,518
Balance at 31 July 2021 (Note 15)	<u>3,602,738</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 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Surplus/(deficit) for the financial year		461,518	(17,379)
Adjustments for:			
Amortisation of capital grants		(235,105)	(274,310)
Depreciation - property, plant and equipment	9	224,169	212,467
Depreciation - right-of-use assets	10	271,176	300,967
Interest income		(8,793)	(35,404)
Interest expenses	10	10,360	12,346
Operating cash flows before working capital changes		723,325	198,687
Receivables		266,870	(269,441)
Payables		174,790	881,671
Grants		18,753	(113,724)
Net cash generated from operating activities		1,183,738	697,193
Cash flows from investing activities			
Purchases of property, plant and equipment	A	(199,553)	(542,409)
Interest received		10,423	45,908
Net cash used in investing activities		(189,130)	(496,501)
Cash flows from financing activities			
Repayment of lease liabilities	10	(142,758)	(133,639)
Interest paid		(10,360)	(12,346)
Net cash used in financing activities		(153,118)	(145,985)
Net increase in cash and cash equivalents		841,490	54,707
Cash and cash equivalents at beginning of financial year		3,945,490	3,890,783
Cash and cash equivalents at end of financial year		4,786,980	3,945,490
Cash and cash equivalents comprise:			
Cash and bank balances		2,675,039	1,843,599
Fixed deposits		2,111,941	2,101,891
		4,786,980	3,945,490

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

EPWORTH COMMUNITY SERVICES

STATEMENT OF CASH FLOWS (cont'd) For the financial year ended 31 July 2021

	Note	2021 \$	2020 \$
<u>Note A</u>			
Property, plant and equipment during the financial year	9	(139,101)	(602,861)
Other payables as at 1 August	14	(63,095)	(2,643)
Other payables as at 31 July	14	2,643	63,095
		<hr/>	
		(199,553)	(542,409)
		<hr/>	

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 2021

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 of 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.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3 to the financial statements.

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 that are adopted

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 policies 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 did not have any material effect on the financial performance or position of the Society.

New and revised standards not yet effective

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 2021 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.

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:

	Years
Computers	3
Furniture and fittings	5
Office equipment	3
Renovation	Over the remaining lease term

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

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.

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.

2 Significant accounting policies (cont'd)

f) Financial assets (cont'd)

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, provision for unutilised leave and lease liabilities) 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.

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 registered under the Charities Act and 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.

2 Significant accounting policies (cont'd)

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) 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.

l) Leases

The Society assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

When the Society is the lessee

The Society applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets (e.g. leases of tablet and personal computers, small items of office equipment and telephones). For these exempted leases, the Society recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Society uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Society and payments of penalties for terminating the lease, if the lease term reflects the Society exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liability is presented as a separate line in the balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

The Society remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2 Summary of significant accounting policies (cont'd)

1) Leases (cont'd)

When the Society is the lessee (cont'd)

Right-of-use assets

The Society recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

Whenever the Society incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset. If ownership of the leased asset transfers to the Society at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease.

The right-of-use is presented as a separate line in the balance sheet.

The Society applies FRS 36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(h).

3 Critical accounting judgements and key sources of estimation uncertainty

Critical judgement in applying the entity's accounting policies

In the process of applying the Society's accounting policies, which are described in Note 2, management has made the following judgement that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt in the preceding paragraph).

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended.

For leases of premises, the following factors are considered to be most relevant:

- If any leasehold improvements are expected to have a significant remaining value, the Society typically includes the extension option in lease liabilities;
- The Society considers other factors including its historical lease periods and the costs and business disruption required to replace the leased asset.

The assessment of reasonable certainty to exercise extension options is only revised if a significant change in circumstances occurs which affects this assessment, and that is within the control of the lessee.

3 Critical accounting judgements and key sources of estimation uncertainty (cont'd)

Key sources of estimation uncertainty

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

Estimating the incremental borrowing rate for leases

The Society uses the incremental borrowing rate to measure the lease liabilities because the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate therefore reflects what would the Society “would have to pay”, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Society estimates the incremental borrowing rate using observable inputs such as market interest rates, when available and is required to make certain estimates, such as the Society’s credit rating. Any change in estimation of incremental borrowing rate may have a significant impact to the determination of lease liabilities and right-of-use asset at the date of initial application of FRS 116 and commencement date of new leasing transactions. The carrying amount of lease liabilities and right-of-use assets are disclosed in Note 10.

4 Donations

	2021 \$	2020 \$
Tax exempted	273,474	515,348
Non-tax exempted	487,507	697,953
	760,981	1,213,301

5 Government grants

	2021 \$	2020 \$
MSF baseline funding	1,912,781	1,909,845
MSF functional family therapy and functional family therapy case management	765,946	—
MSF per capita grant	456,121	501,701
MSF pre-FGO screening & outreach	25,600	—
MSF life programme	24,840	—
NCSS grants	365,491	412,878
MSF reimbursements	247,746	258,061
Care and share grant	—	164,940
JSS grant	653,509	571,040
Bicentennial community fund	400,000	—
Others	176,287	114,155
	5,028,321	3,932,620

JSS grant of \$653,509 (2020: \$571,040) was recognised during the financial year. Under the JSS, the Singapore Government will co-fund gross monthly wages paid to each local employee through cash subsidies with the objective of helping employers retain local employees during the period of economic uncertainty. In determining the recognition of the JSS grant income, management has evaluated and concluded that the period of economic uncertainty commenced in April 2020 when the COVID-19 pandemic started affecting the Society’s operations.

6 Sundry income

	2021 \$	2020 \$
President Challenge Fund (Note 14)	—	34,081
Others	82,642	126,713
	82,642	160,794

7 Staff costs

	2021 \$	2020 \$
Salaries and related costs	4,516,299	4,496,425
Central Provident Fund	782,618	640,162
Others	139,686	221,957
	5,438,603	5,358,544

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

	2021 \$	2020 \$
Salaries and related costs	340,345	333,226
CPF	37,875	37,812
	378,220	371,038

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

8 Other operating expenses

	2021 \$	2020 \$
Food and refreshments	129,863	97,115
Transport and travelling	137,797	152,046
Professional fees	247,839	178,037

9 Property, plant and equipment

	Computers \$	Furniture and fittings \$	Office equipment \$	Renovation \$	Renovation- in- progress \$	Total \$
2021						
Cost						
At 1.8.2020	282,597	69,241	117,895	1,783,023	–	2,252,756
Additions	135,827	3,274	–	–	–	139,101
Written off	–	–	–	(7,600)	–	(7,600)
At 31.7.2021	418,424	72,515	117,895	1,775,423	–	2,384,257
Accumulated depreciation						
At 1.8.2020	223,469	35,745	99,466	1,123,276	–	1,481,956
Depreciation charge	51,314	8,103	9,074	155,678	–	224,169
At 31.7.2021	274,783	43,848	108,540	1,278,954	–	1,706,125
Net carrying value						
At 31.7.2021	143,641	28,667	9,355	496,469	–	678,132
2020						
Cost						
At 1.8.2019	231,018	34,867	94,816	1,697,758	163,093	2,221,552
Reclassified to right-of-use assets	–	–	–	(571,657)	–	(571,657)
At 1.8.2019, restated	231,018	34,867	94,816	1,126,101	163,093	1,649,895
Additions	51,579	34,374	23,079	493,829	–	602,861
Reclassification	–	–	–	163,093	(163,093)	–
At 31.7.2020	282,597	69,241	117,895	1,783,023	–	2,252,756
Accumulated depreciation						
At 1.8.2019	188,409	31,415	91,196	1,275,362	–	1,586,382
Reclassified to right-of-use assets	–	–	–	(316,893)	–	(316,893)
At 1.8.2019, restated	188,409	31,415	91,196	958,469	–	1,269,489
Depreciation charge	35,060	4,330	8,270	164,807	–	212,467
At 31.7.2020	223,469	35,745	99,466	1,123,276	–	1,481,956
Net carrying value						
At 31.7.2020	59,128	33,496	18,429	659,747	–	770,800

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.

10 Right-of-use assets and lease liabilities***The Society as a lessee******Nature of the Society's leasing activities***

The Society leases premises and office equipment from non-related parties under non-cancellable operating lease agreements. These leases have an average tenure of between one to three years, varying terms, escalation clauses and renewal options.

The maturity analysis of the lease liabilities is disclosed in Note 17(b).

Information about leases for which the Society is a lessee is presented below:

Carrying amount of right-of-use assets**Amounts recognised in balance sheet**

	2021	2020
	\$	\$
<u>Carrying amounts of right-of-use assets</u>		
Leasehold premises	187,638	204,715
Renovation	114,503	241,930
Office equipment	33,246	47,601
	335,387	494,246

Carrying amounts of lease liabilities

Current	90,877	124,883
Non-current	135,492	131,927
	226,369	256,810

Additions to right-of-use assets

112,317	278,965
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Amounts recognised in profit or loss

	2021	2020
	\$	\$
<u>Depreciation charged for the year</u>		
Leasehold premises	129,394	125,882
Renovation	127,426	162,834
Office equipment	14,356	12,251
	271,176	300,967

Lease expense not included in the measurement of lease liabilities

Lease expense - short-term leases	37,441	32,775
Lease expense - low value leases	922	1,603
Total	38,363	34,378

Interest expense on lease liabilities

10,360	12,346
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During the current financial year, total cash flow for leases amounted to \$191,481 (2020: \$180,363).

As at 31 July 2021, the Society is committed to \$21,324 (2020: \$39,049) for short-term leases.

10 Right-of-use assets and lease liabilities (cont'd)Reconciliation of movements of lease liabilities to cash flows arising from financing activities

	2021	2020
	\$	\$
Balance at 1 August	256,810	–
Adoption of FRS 116	–	261,484
Changes from financing cash flows:		
- Repayments	(142,758)	(133,639)
- Interest paid	(10,360)	(12,346)
Non-cash changes:		
- Interest expense	10,360	12,346
- Additions	112,317	128,965
Balance at 31 July	226,369	256,810

11 Other receivables

	2021	2020
	\$	\$
Accrued income	898,799	1,114,965
Sundry receivables	2,824	68,910
Sundry deposits	53,960	50,914
Prepayments	123,668	78,443
	1,079,251	1,313,232

12 Fixed deposits

	2021	2020
	\$	\$
Fixed deposits - Reserve Policy Fund (Note 18)	1,500,000	1,500,000
Fixed deposits - General Fund	611,941	601,891
	2,111,941	2,101,891

Fixed deposits are short-term in nature, mature less than 12 months (2020: 12 months) after balance sheet date and earn interests ranging from 0% to 1.05% (2020: 0.15% to 2.00%) per annum.

13 Capital grants

	2021	2020
	\$	\$
At beginning of the financial year	746,493	286,943
Grants utilisation	110,092	733,860
Amortisation	(235,105)	(274,310)
At end of the financial year	621,480	746,493
Accumulated amortisation comprises:		
At beginning of the financial year	1,529,236	1,254,926
Amortisation	235,105	274,310
At end of the financial year	1,764,341	1,529,236

The Society received capital grants from Ministry of Social and Family Development, Ministry of Education 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.

14 Other payables

	2021	2020
	\$	\$
Provision for reinstatement	340,000	340,000
Sundry payables	96,202	135,470
Accrued operating expenses	1,362,123	1,243,113
Students' deposits	114,151	93,708
Deferred income	497,641	554,463
Advance receipts	4,206	–
GST payable	14,840	12,491
	2,429,163	2,379,245
Non-current portion - provision for reinstatement	(340,000)	(340,000)
	2,089,163	2,039,245

As at 31 July 2021, included in sundry payables is retention payable of \$2,643 (2020: \$63,095) for the addition of property, plant and equipment.

The Society received president challenge fund from National Council of Social Service ("NCSS") in year 2019 amounting to \$70,000. The fund was given in line with the implementation of Project Dawn, an after-school programme which includes counselling services given to the children and youth below 16 years old in need. The programme started in year 2019 and the \$70,000 has been fully utilised in prior financial year. Utilisation of fund has been recognised as sundry income in statement of comprehensive income in prior financial year.

15 Accumulated funds

	2021 \$	2020 \$
Restricted funds		
Epworth Pre-FGO Services	245,490	–
Epworth Foster Care	350,969	303,719
Epworth HomeSweetHome	408,368	305,779
Epworth Literacy	(608,900)	(384,482)
Epworth Star	(227,048)	(172,222)
	<hr/> 168,879	<hr/> 52,794
Unrestricted fund	3,433,859	3,088,426
	<hr/> 3,602,738	<hr/> 3,141,220

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 (2020: \$1,500,000) (Note 18) designated by the Board to provide for unexpected future working capital requirements.

16 Affiliated party transactions

	2021 \$	2020 \$
Donations received	–	500,000

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

17 Financial instruments**a) Categories of financial instruments**

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

	2021 \$	2020 \$
<i>Financial assets</i>		
At amortised cost	4,843,764	4,065,314
	<hr/>	<hr/>
<i>Financial liabilities</i>		
At amortised cost	1,683,639	1,623,764
	<hr/>	<hr/>

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.

17 Financial instruments (cont'd)**b) Financial risk management (cont'd)*****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 places its cash and fixed deposits with reputable banks and financial institutions.

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 2021 and 31 July 2020 is insignificant, and accordingly no credit loss allowance is recognised as at 31 July 2021 and 31 July 2020.

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.

The table below summarises the maturity profile of the Society's financial liabilities at the end of the reporting period based on contractual undiscounted cash flows:

	Within 1 year \$	1 to 5 years \$	Total \$
2021			
Other payables	1,457,270	–	1,457,270
Lease liabilities	98,556	142,725	241,281
	1,555,826	142,725	1,698,551
2020			
Other payables	1,366,954	–	1,366,954
Lease liabilities	133,104	141,214	274,318
	1,500,058	141,214	1,641,272

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.

18 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 2021, this Reserve Policy Fund is represented by the fixed deposits of \$1,500,000 (2020: \$1,500,000) (Note 12).

There were no changes to the Society's objective, policy or process during the financial years ended 31 July 2021 and 31 July 2020.

19 Authorisation of financial statements

The financial statements of the Society for the financial year ended 31 July 2021 were authorised for issue in accordance with a resolution of the Board dated 27 October 2021.

LOCATIONS

Epworth Foster Care & Admin Departments

Blk 153 Bukit Batok Street 11
#04-284
Singapore 650153
Tel: 6562 2211

Epworth Family Welfare

Blk 107 Bukit Batok West Avenue 6 #01-98
Singapore 650107
Tel: 6562 2211

Epworth Literacy Centre (Bukit Batok)

Blk 106 Bukit Batok Central #01-217
Singapore 650106
Tel: 6562 2211

Epworth Literacy Centre (Jurong West)


Blk 471 Jurong West Street 41 #01-505
Singapore 640471
Tel: 6715 3416

Epworth Student Care Centre

Anglo-Chinese School (Primary)
50 Barker Road
Singapore 309918
Tel: 6259 7579

Epworth Student Care Centre

Anglo-Chinese School (Junior)
16 Winstedt Road
Singapore 227988
Tel: 6592 2846



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