THE TENT
(UEN T01SS0154B)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2014

BAKER TILLY
TFW

Baker Tilly TFW LLP
Chartered Accountants of Singapore

An independent member of Baker Tilly International

CONTENTS

THE TENT

STATEMENT BY BOARD OF GOVERNORS

On behalf of the Board of Governors, we do hereby state that in our opinion, the financial statements of The Tent (the "Society") as set out on pages 4 to 15 are properly drawn up in accordance with the Societies Act, Singapore Charities Act and Singapore Financial Reporting Standards so as to present fairly, in all material respects the financial position of the Society as at 31 December 2014, and the financial performance, changes in accumulated fund and cash flows of the Society for the financial year ended on that date.

On behalf of the Board of Governors

Prof. Tan Ser Kiat	Ms Hong Wee Tin
President	Treasurer

13 July 2015

BAKER TILLY
TFW

Baker Tilly TFW LLP
Chartered Accountants of Singapore
600 North Bridge Road
#05-01 Parkview Square
Singapore 188778
T: +65 6336 2828
F: +65 6339 0438
www.bakertillytfw.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TENT

Report on the Financial Statements

We have audited the accompanying financial statements of The Tent (the "Society") as set out on pages 4 to 15, which comprise the balance sheet as at 31 December 2014, and the statement of comprehensive income, statement of changes in accumulated fund and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Governors' Responsibility for the Financial Statements
The Board of Governors is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act, Singapore Charities Act (the "Charities Act") and Singapore Financial Reporting Standards, and for such internal control as the Board of Governors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Governors, as well as evaluating the overall presentation of the financial statements.

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

Opinion
In our opinion, the financial statements of the Society are properly drawn up in accordance with the Societies Act, Charities Act and Singapore Financial Reporting Standards so as to present fairly, in all material respects the financial position of the Society as at 31 December 2014, and the financial performance, changes in accumulated fund and cash flows of the Society for the financial year ended on that date.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TENT (cont'd)

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the regulations enacted under the Societies Act to be kept by the Society have been properly kept in accordance with those regulations.

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

(a) the use of the donation moneys was not in accordance with the objectives of the Society as required under regulation 16 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

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

13 July 2015

THE TENT

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2014

	Note	**2014** **$**	2013 $
Income			
Donations	4	**60,150**	5,075
MSF grant		**222,882**	209,804
NCSS funding		**480**	360
Boarding, lodging and pocket monies		**8,988**	16,410
Interest income		**1,843**	2,068
Special employment credit		**12,675**	5,685
Other income		**162**	–
		307,180	239,402
Less expenditure			
Auditor's remuneration		**5,008**	3,000
Bank charges		**134**	94
Central provident fund		**26,803**	25,316
Clients' - education		**1,023**	1,471
Clients' - gifts		**560**	237
Clients' - medical		**1,767**	597
Clients' - personal effects		**2,741**	1,244
Clients' - pocket money		**7,180**	7,215
Clients' - transport		**557**	1,563
Computer supplies/services		**1,371**	1,339
Depreciation of property, plant and equipment	5	**2,121**	2,779
General expenses		**26**	619
Gifts		**22**	250
Hardware and supplies		**1,045**	985
Insurance		**1,316**	1,316
Licence fee for Children & Young Persons Home		**12**	12
Marketing and food		**22,542**	21,772
Newspapers and periodicals		**356**	352
Postage		**60**	116
Printing and stationery		**781**	460
Programme - sports & recreation		**338**	15
Pest control		**4,164**	2,880
Rental of premises		**57,690**	57,690
Repairs and maintenance		**9,199**	6,754
Subscription fees		**125**	125
Staff salaries and bonuses		**223,892**	218,636
Skill development fund		**508**	480
Staff medical expenses		**849**	370
Staff training and welfare		**4,080**	5,667
Telephone charges		**771**	759
Transport		**2,560**	1,544
Utilities		**11,250**	11,612
		390,851	377,269
Deficit and total comprehensive loss for the financial year		**(83,671)**	(137,867)

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

THE TENT

BALANCE SHEET
At 31 December 2014

	Note	2014 $	2013 $
Non-current asset			
Property, plant and equipment	5	**1,026**	3,147
Current assets			
Bank and cash balances	6	**1,577,858**	1,633,281
Other receivables	7	**17,573**	19,249
Grant receivable		–	18,036
		1,595,431	1,670,566
Total assets		**1,596,457**	1,673,713
Current liabilities			
Other payables		**13,100**	10,114
Grant payable		**3,429**	–
		16,529	10,114
Net assets		**1,579,928**	1,663,599
Fund			
Accumulated fund		**1,579,928**	1,663,599

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

THE TENT

STATEMENT OF CHANGES IN ACCUMULATED FUND
For the financial year ended 31 December 2014

	$
At 1.1.2013	1,801,466
Deficit and total comprehensive loss for the financial year	(137,867)
At 31.12.2013	1,663,599
Deficit and total comprehensive loss for the financial year	(83,671)
At 31.12.2014	**1,579,928**

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

THE TENT

STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2014

	2014 $	2013 $
Cash flows from operating activities		
Deficit for the financial year	**(83,671)**	(137,867)
Adjustments for:		
Depreciation of property, plant and equipment	**2,121**	2,779
Interest income	**(1,843)**	(2,068)
Operating cash flows before movements in working capital	**(83,393)**	(137,156)
Receivables	**19,712**	(11,797)
Payables	**6,415**	9,207
Cash used in operations	**(57,266)**	(139,746)
Interest received	**1,843**	2,068
Net cash used in operating activities	**(55,423)**	(137,678)
Cash flows from investing activities		
Purchase of property, plant and equipment	**-**	(599)
Net decrease in cash and cash equivalents	**(55,423)**	(138,277)
Cash and cash equivalents at beginning of the financial year	**1,633,281**	1,771,558
Cash and cash equivalents at end of the financial year	**1,577,858**	1,633,281

Cash and cash equivalents is represented by bank and cash balances on the balance sheet.

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

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2014

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

1 General

The Society, which is domiciled and incorporated in Singapore, has its registered office at 1034 Upper Serangoon Road, Singapore 534797.

The objects of the Society are to operate as an independent non-profit society to provide high quality and compassionate care and shelter for female adolescents of any race, religion and/or creed in need based on Christian values. The Society is an approved Institution of a Public Character.

2 Summary of significant accounting policies

(a) Basis of preparation

The financial statements, expressed in Singapore dollars which is the Society's functional currency, have been prepared in accordance with the Societies Act, Singapore Charities Act and Singapore Financial Reporting Standards ("FRS"). 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 FRS 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 income and expenditure during the financial year. Although these estimates are based on management'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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. There were no significant judgment and estimate made during the financial year.

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

In the current financial year, the Society has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial year. The adoption of these new and revised FRS and INT FRS did not have any material effect on the financial results or position of the Society.

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 December 2014 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 Summary of significant accounting policies (cont'd)

(b) Income recognition

Income is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Society, and the amount of income and related expenditure can be reliably measured.

Donations

Donations are recognised when received.

MSF and NCSS grants

Grants from government organisations are recognised only when there is reasonable assurance that the Society has complied with the conditions of the grants and the grants will be received. Such grants are recognised on an accrual basis. Grants recognised in the statement of comprehensive income are calculated based on the funding principles of the relevant government organisations.

Boarding, lodging and pocket monies

Boarding, lodging and pocket monies are recognised when received.

Interest income

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

(c) Employee benefits

Defined contribution plans

The Society makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution plan. The Society has no further payment obligations once the contributions have been paid. These contributions are recognised as an expenditure in the statement of comprehensive income in the period in which the related service is performed.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(d) Operating leases

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

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

(e) Income tax

The Society is a registered charity under the Singapore Charities Act and is exempted from income tax under the provision of Income Tax Act.

2 Summary of significant accounting policies (cont'd)

(f) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently stated at cost less accumulated depreciation and any impairment in value. Depreciation is charged so as to write off the cost of the assets over their estimated useful lives, using the straight-line method as follows:

	Years
Office equipment	5
Computers	3
Furniture and fittings	5
Household/kitchen	5
Renovation	6

On disposal of a property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in the 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 the statement of comprehensive income when the changes arise.

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

(g) Financial assets

The Society's only financial assets are loans and receivables which comprise grant receivable, other receivables (excluding prepayments) and bank and cash balances on the balance sheet.

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

(h) Financial liabilities

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

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

2 **Summary of significant accounting policies (cont'd)**

(i) **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 the 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.

(j) **Provisions for other liabilities**

Provisions are recognised when the Society has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle that obligation and the amount can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the balance sheet date. Where the effect of the time value of money is material, the amount of the provision shall be discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost in the statement of comprehensive income.

3 **LKY Family Collection Charity Auction**

In 2003, the LKY Family Collection Charity Auction ("Auction") was organised by Prof. Lee Wei Ling (Prof. Lee) whereby the entire proceeds from the Auction were paid to Prof. Lee, who will in turn donate the money to the Society. The tax saving enjoyed by Prof. Lee in the following year, arising from the donation thereon, will also be donated to the Society.

Total proceeds from the Auction conducted on 5 July 2003 amounted to $2,044,500. Of this amount, $300,000 has been received in 2003.

The balance of $1,744,500 is currently held by Prof. Lee and will be donated to the Society based on the funding needs of the Society.

During the financial year, no amount was drawn down from the balance of the Auction proceeds (2013: $Nil).

4 **Donations**

	2014	2013
	$	$
Tax deductible donations	**5,750**	575
Non-tax deductible donations	**54,400**	4,500
	60,150	5,075

5 Property, plant and equipment

	Office equipment $	Computers $	Furniture and fittings $	Household/ kitchen $	Renovation $	Total $
2014						
Cost						
At 1 January 2014 and at 31 December 2014	26,694	5,416	5,471	3,118	320,258	360,957
Accumulated depreciation						
At 1 January 2014	25,664	4,199	4,571	3,118	320,258	357,810
Depreciation charge	308	913	900	–	–	2,121
At 31 December 2014	25,972	5,112	5,471	3,118	320,258	359,931
Net carrying value						
At 31 December 2014	**722**	**304**	–	–	–	**1,026**
2013						
Cost						
At 1 January 2013	26,095	5,416	5,471	3,118	320,258	360,358
Additions	599	–	–	–	–	599
At 31 December 2013	26,694	5,416	5,471	3,118	320,258	360,957
Accumulated depreciation						
At 1 January 2013	24,858	3,286	3,671	2,958	320,258	355,031
Depreciation charge	806	913	900	160	–	2,779
At 31 December 2013	25,664	4,199	4,571	3,118	320,258	357,810
Net carrying value						
At 31 December 2013	1,030	1,217	900	–	–	3,147

6 Bank and cash balances

	2014 **$**	2013 $
Cash in hand	**2,590**	4,566
Cash at bank	**1,575,268**	1,628,715
	1,577,858	1,633,281

7 Other receivables

	2014	2013
	$	$
Prepayments	**2,730**	4,600
Utilities deposit with SP Services Ltd	**1,170**	1,170
Rental deposit with Singapore Land Authority	**13,479**	13,479
Other debtor	**194**	–
	17,573	19,249

8 Compensation of key management personnel

	2014	2013
	$	$
Short term employee benefits	**63,133**	62,175
CPF contributions	**12,618**	9,954
	75,751	72,129

9 Operating lease commitments

At the balance sheet date, the Society has commitment in relation to non-cancellable operating lease contracted for rental of premises but not recognised as liabilities are payable as follows:

	2014	2013
	$	$
Within one financial year	**57,690**	57,690
Between two to five financial years	**–**	57,690
	57,690	115,380

The above lease does not contain any escalation clauses and does not provide for contingent rent. Lease terms do not contain restrictions on the Society's activities concerning dividends, additional debt or entering into other leasing agreements. The lease contains renewal option at rental rates to be based on negotiations and prevailing market rates.

10 Financial instruments

(a) Categories of financial instruments

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

	2014	2013
	$	$
Financial assets		
Loans and receivables (including bank and cash balances)	**1,592,701**	1,665,966
Financial liabilities		
At amortised costs	**8,710**	4,081

10 Financial instruments (cont'd)

(b) Financial risk management objectives and policies

The Society is exposed to financial risks arising from its operations and the use of financial instruments. The main risks arising from the Society's financial instruments are liquidity risk and credit risk. The Society's overall policy with managing risk associated with financial instruments is to minimise potential adverse effects on the financial performance of the Society. The Board of Governors review and agree policies for management of these risks.

There has been no change to the Society's exposure to these financial risks or the manner in which it manages and measures the risk. The following sections provide details regarding the Society's exposure to the financial risks and the objectives, policies and processes for the management of these risks.

Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting financial obligations due to shortage of funds. The Society's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The objective of liquidity management is to ensure that the Society has sufficient funds to meet its contractual and financial obligations. To manage liquidity risk, the Society's policy is to monitor its net operating cash flows and to maintain an adequate level of cash and cash equivalents to meet its working capital requirement.

The financial liabilities of the Society as presented in the balance sheet are due within twelve months from the balance sheet date and approximate the contractual undiscounted repayment obligations.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Society's exposure to credit risk arises primarily from other receivables, grant receivable and bank and cash balances.

The Society's objective is to minimise losses incurred due to credit exposure. Credit risk is managed through the application of credit evaluation and monitoring procedures.

At the balance sheet date, the Society has no significant concentration of credit risk. The Society's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheet.

Financial assets that are neither past due nor impaired

Receivables that are neither past due nor impaired are credit worthy debtors with good payment record with the Society. Bank balances that are neither past due nor impaired are placed with financial institutions which are regulated and have good credit rating.

Financial assets that are either past due and/or impaired

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