

BALANCE SHEET
 As at 31 October 2004

	NOTE	2004 S\$	2003 S\$
Equipment	4	90,233	72,916
Current Assets			
Trade debtors		12,185	-
Others debtors	5	32,800	40,083
Due from an affiliated party	6	35,303	-
Loan	7	15,000	-
Fixed deposit	8	30,000	-
Cash and bank balances		118,164	15,957
		243,452	56,040
Less:			
Current Liabilities			
Accruals		20,429	13,868
Hire purchase creditors	9	16,672	11,378
		37,101	25,246
Net Current Assets		206,351	30,794
Non-Current Liabilities		(73,1270)	(58,959)
		223,457	44,751
Represented by:			
Reserves			
Accumulated fund		233,457	44,751

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

INCOME STATEMENT

For the financial year ended at 31 October 2004

NOTE	2004 S\$	2003 S\$
Income		
Care magazine contributions	-	2,800
CBR allowance contributions	120,247	75,674
Donations	331,057	184,313
Fund raising Dinner Collections	21,416	27,848
Painting and car polishing	15,490	7,073
Removing and cleaning collection	240,371	70,298
Sundry income	198	-
Thanksgiving offering	-	137,809
Sales of flower, old newspaper/clothing	11,024	1,057
	739,803	507,772
Less:		
Expenditure (Schedule 1)	561,097	(485,231)
Surplus for the year	178,706	22,541

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

SCHEDULE I - EXPENDITURE
For the financial year ended at 31 October 2004

2004	2003
S\$	S\$

Advertisement
Accounting fees
Auditors' remuneration
Bad debts written off
Bank charges
CBR and speakers' allowance
CPF, SDL & FWL
Computer software
Corporate video
Depreciation
Entertainment
Fine and penalties
Fund raising expenses
Gifts and donations

STATEMENT OF CHANGES IN RESERVES

For the financial year ended at 31 October 2004

	ACCUMULATED FUND S\$
Balance at 1 November 2002	22,2210
Surplus for the year	22,541
Balance at 31 October 2003	44,751
Surplus for the year	178,706
Balance at 31 October 2004	223,457

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

CASH FLOW STATEMENT

For the financial year ended at 31 October 2004

	2004 S\$	2003 S\$
Cash Flows From Operating Activities		
Net surplus/(deficit) from operation	178,706	22,541
Adjustment for Depreciation	27,116	18,229
Operating Surplus Before Working Capital Changes	205,822	40,770
Increase/(Decrease) In Working Capital		
(Increase) in trade debtor	(12,185)	-
(Increase)/decrease in other debtors	7,283	(26,933)
(Increase)/decrease in due from affiliated party	(35,303)	31,080
(Increase) in Loan	(15,000)	-
Increase/(decrease) in other payable	6,561	(13,721)
	(48,644)	(9,574)
Cash Generated From Operating Activities	157,178	31,196
Cash Flows From Investing Activities		
Purchase of equipment	(44,433)	(91,145)
Cash Flows From Financing Activities		
Increase in/(repayment) for hire purchase creditors	19,462	70,337
Net Increase/(Decrease) In Cash And Cash Equivalents	132,207	10,388
Cash and cash equivalents at the beginning of the year	15,957	5,569
Cash and cash equivalents at the end of the year (Note 8)	148,164	15,957

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

NOTES TO THE ACCOUNTS

For the financial year ended 31 October 2004

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

1. GENERAL

The Christian Care Services (Singapore) is established in the Republic of Singapore and the financial statements of the Centre are expressed in Singapore dollars.

The registered address of the Centre is located at 808 French Road #07-163 Kitchener Complex, Singapore 200808.

The principal activity of the Centre is that of a halfway house providing residential facilities and shelter and employment for ex-convicts.

The Centre employed 8 (2003:8) employees as of 31 October 2004.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Accounting Convention

The financial statements of the Centre have been prepared in compliance with Singapore Financial Reporting Standards and in accordance with the historical cost convention.

b. Equipment

Equipment is stated at cost less accumulated depreciation and impairment loss if any. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditure for additions, improvements and renewals are capitalized and expenditure for maintenance and repairs are charged to the profit and loss account. When assets are sold or retired, their cost and accumulated depreciation are removed from the financial statements and any gain or loss resulting from their disposal is included in the income and expenditure statement.

The carrying amounts are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amount, and if carrying values exceed their recoverable amount, the assets are written down.

c. Depreciation

Depreciation of equipment is on the straight-line basis so as to write off the cost of the assets over their estimated useful lives which are as follows:

Renovation	20%
Office Equipment	20%
Motor Vehicle	20%

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

d. Impairment of Assets

The carrying amounts of the Centre's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is defined as the higher of value in use and net-selling price. Impairment losses are charged to the income statement.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognized for the asset no longer exists or decreases.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized.

e. Trade And Other Debtors

Trade and other debtors are recognized and carried at original invoiced amount less an allowance for any uncollectible amount. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

f. Trade and Other Creditors

Liabilities for trade and other creditors are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the company.

g. Income Recognition

Revenue from the sale of goods is recognized when goods are sold to customers, which generally coincides with their delivery and acceptance. All other revenues are recognized on a cash basis.

h. Employee Benefits - Defined Contribution Plan

As required by law, the Home makes contributions to the state pension scheme, the Central Provident Fund ("CPF"). CPF contributions are recognized as compensation expense in the same period as the employment that gives rise to the contribution.

i. Government Grants

Grants from the government are recognized at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Grants are recognized as income in the period in which the respective expenses are incurred.

j. Financial Risk Management Policies

Liquidity Risk

The Home financing activities are managed centrally by maintaining an adequate level of cash and cash equivalents to finance the Centre's operations and mitigate the effects of fluctuation in cash flows.

Interest Rate Risk

Surplus funds are placed with reputable banks. The Centre's policy is to obtain the most favourable interest rate available.

Fair Values of Financial Instruments

The carrying amounts of the financial assets and financial liabilities of the Centre approximate their fair values.

3. INCOME TAX

Under the provisions of Section 13(1) (g) of the Income Tax Act, the Home's income is exempt from tax if at least 80% of the income (after providing for allowable deductions) for each year is spent on charitable purposes by the end of the following year.

No provision for income tax has been made in respect of the Home's income for the financial year ended 31 December 2004 on account of the Home complying with the provisions of Section 13 (1)(g) of the Income Tax Act.

4. EQUIPMENT

	RENOVATION S\$	OFFICE EQUIPMENT S\$	MOTOR VEHICLE S\$	TOTAL S\$
Cost				
At 1.11.2003	3,600	5,794	81,751	91,145
Additions	-	3,711	40,722	44,433
At 31.10.2004	3,600	9,505	122,473	135,578
Depreciation				
At 1.11.2003	720	1,159	16,350	18,229
Charge for year	720	1,901	24,495	27,116
At 31.10.2004	1440	3,060	40,845	45,345
Charge for 03	720	1,159	16,350	18,229
Net Book Value				
At 31.10.2004	2,160	6,445	81,628	90,233
At 31.10.2003	2,880	4,635	65,401	72,916

5. OTHER DEBTORS

	2004 S\$	2003 S\$
Deposits	31,300	5,465
Prepayment	1,500	2,406
	32,800	7,871

6. DUE FROM AFFILIATED PARTY

The amount due from affiliated party represents the current account with the Christian Outreach Church which is interest free with no fixed terms of repayment.

7. LOAN

The loan is made with the approval from the board members as a personal loan to the President of the Centre which is interest free and to be repaid by 30 monthly installments from August 2005.

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of fixed deposits, bank and cash balances. Cash and cash equivalents in the cash flow statement comprise the following balance sheet accounts:

	2004 S\$	2003 S\$
Fixed deposits	30,000	-
Cash and bank balances	118,164	15,957
	148,164	15,957

9. HIRE PURCHASE CREDITORS

	2004 S\$	2003 S\$
Minimum installments payable:		
Not later than one year	20,808	14,484
Later than one year but not later than five years	79,954	75,058
Later than five years	11,150	-
	11,912	89,542
Finance charges allocated to future periods	(22,113)	(19,205)
Present value of minimum lease payments	89,799	70,337
Due not later than one year	16,672	11,378
Due later than one year but not later than five years	64,107	58,959
Due later than five years	9,020	-
	73,127	58,959
	89,799	70,337

10. AUTHORISATION FOR ISSUE

The financial statements of the Home for the financial year ended 31 October 2004 was authorised for issue on 13 July 2005.