Directors' Report and
Audited Financial Statements

Spaces Counseling And Community Limited

(Co. Reg. No. 200402955N)

31 December 2011

Spaces Counseling And Community Limited
(Co. Reg. No. 200402955N)

General Information

Directors

Chen Lingshen
Choong Chee Hong
Toh Leh Lim

Secretary

Jonathan Foong Yew Cho

Independent Auditor

B H Tan & Associates

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Spaces Counseling And Community Limited
(Co. Reg. No. 200402955N)

Directors' Report

The directors are pleased to present their report to the members together with the audited financial statements of Spaces Counseling And Community Limited for the financial year ended on 31 December 2011.

1. DIRECTORS

The directors of the Company in office at the date of this report are:

Chen Lingshen
Choong Chee Hong
Toh Leh Lim

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

The Company is a Public Company limited by guarantee and not having share capital. None of the directors holding office at the end of the financial year had an interest in the share capital of the Company that is required to be reported pursuant to Section 201(6)(g) of the Singapore Companies Act, Chapter 50.

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The Company is a company limited by guarantee.

There were no shares or debentures in issue in the Company at the end of the financial year.

4. DIRECTORS' CONTRACTUAL BENEFITS

Since the beginning of the financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

5. INDEPENDENT AUDITOR

The independent auditor, B H Tan & Associates has expressed its willingness to accept re-appointment as auditor.

On behalf of the board of directors,

Choong Chee Hong
Director

Toh Leh Lim
Director

Singapore
15 August 2013

Spaces Counseling And Community Limited
(Co. Reg. No. 200402955N)

Statement by Directors

We, Choong Chee Hong and Toh Leh Lim, being two of the directors of Spaces Counseling And Community Limited, do hereby state that, in the opinion of the directors,

(a) the accompanying balance sheet, statement of comprehensive income, statement of changes in equity and cash flow statement together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2011 and the results of the business, changes in equity and cash flows of the Company for the year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the board of directors,

Choong Chee Hong
Director

Toh Leh Lim
Director

Singapore
15 August 2013

B H TAN & ASSOCIATES
Certified Public Accountants, Singapore

20 Peck Seah Street #05-00 Singapore 079312
Tel : (65) 6323 1928 Fax : (65) 6227 9030

Independent Auditor's Report
to the members of Spaces Counseling And Community Limited
(Co. Reg. No. 200402955N)

Report on the Financial Statements

We have audited the accompanying financial statements of Spaces Counseling And Community Limited (the "Company"), which comprise the balance sheet as at 31 December 2011, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

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 of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

B H TAN & ASSOCIATES
Certified Public Accountants, Singapore

20 Peck Seah Street #05-00 Singapore 079312
Tel : (65) 6323 1928 Fax : (65) 6227 9030

Independent Auditor's Report
to the members of Spaces Counseling And Community Limited – continued
(Co. Reg. No. 200402955N)

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 December 2011 and the results, changes in equity and cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

B H Tan & Associates
Public Accountants and
Chartered Accountants

Singapore
15 August 2013

Spaces Counseling And Community Limited
(Co. Reg. No. 200402955N)

Balance Sheet as at 31 December 2011

	Note	2011 $	2010 $
Non-current asset			
Plant and equipment	3	6,685	8,649
		6,685	8,649
Current assets			
Other receivables	4	83,259	89,128
Cash and cash equivalents		192,466	165,938
		275,725	255,066
Current liability			
Other payables	5	36,525	28,012
		36,525	28,012
Net current assets		239,200	227,054
Net assets		245,885	235,703
General funds			
Accumulated funds		245,885	235,703
		245,885	235,703
Members' guarantee			
3 members of $100 each		300	300

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

Spaces Counseling And Community Limited
(Co. Reg. No. 200402955N)

Statement of Comprehensive Income for the financial year ended 31 December 2011

	Note	2011 $	2010 $
Revenue	6	308,743	324,706
Events expenses	7	(33,130)	(18,202)
Other operating income	8	–	1,857
Depreciation		(4,738)	(13,309)
Other operating expenses		(260,693)	(210,490)
Surplus before tax	9	10,182	84,562
Income tax expense	10	–	–
Surplus for the year		10,182	84,562
Other comprehensive income		–	–
Total comprehensive income for the year		10,182	84,562

Statement of Changes in Fund
Year ended 31 December 2011

	Accumulated funds $
Balance at 1 January 2010	151,141
Total comprehensive income for the year	84,562
Balance at 31 December 2010	235,703
Total comprehensive income for the year	10,182
Balance at 31 December 2011	245,885

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

Spaces Counseling And Community Limited
(Co. Reg. No. 200402955N)

Cash Flow Statement for the financial year ended 31 December 2011

	2011 $	2010 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus before tax	10,182	84,562
Adjustment for:		
Depreciation	4,738	13,309
Operating surplus before working capital changes	14,920	97,871
Decrease/(increase) in other receivables	5,869	(21,598)
Increase in other payables	8,513	8,195
Net cash flows from operating activities	29,302	84,468
CASH FLOWS FROM INVESTING ACTIVITY		
Purchase of plant and equipment	(2,774)	(16,464)
Net cash flows used in investing activity	(2,774)	(16,464)
Net increase in cash and cash equivalents	26,528	68,004
Cash and cash equivalents at beginning of year	165,938	97,934
Cash and cash equivalents at end of year	192,466	165,938

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

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

1. CORPORATE INFORMATION

The Company is a public company limited by guarantee, incorporated and domiciled in Singapore and not having a share capital. It is registered as a charity (Registration No.01812) under the Charities Act, Cap. 37. of Singapore with effect from 25 September 2004.

The registered office of the Company is located at 77 Robinson Road #16-00, Robinson 77 Singapore 068896. The principal activities are to engage in charitable, social welfare and counselling and community work for the needy. The Company has carried out its counselling and community work under the business name of Oogachaga (Registration No.53035413J) and A Nation In Concert (Registration No.53070633D).

Each member of the Company has undertaken to contribute such amounts not exceeding $100 to the assets of the Company in the event the Company is wound up and the monies are required for payment of the liabilities of the Company. The Company has 3 (2010: 3) members at the end of the financial year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of preparation*

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS) as required by the Singapore Companies Act, Chapter 50.

The financial statements have been prepared on the historical basis, except where otherwise indicated in the accounting policies below.

The financial statements are presented in Singapore Dollar (SGD or $) and all values are rounded to the nearest one-dollar unless otherwise stated.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous financial year except in the current financial year, the Company has adopted all applicable new and revised FRS and INT FRS that are relevant to its operations and effective for annual periods beginning on or after 1 January 2012. The adoption of these new and revised FRS and INT FRS does not result in any changes to the Company's accounting policies and have no material effect on the amounts reported for the current or prior financial years.

Standards issued but not yet effective

The Company has not adopted the following standards and interpretations which are potentially relevant to the Company that has been issued but not yet effective:

	Effective date (Annual periods beginning on or after)
Amendments to FRS 1 – Presentations of Items of Other Comprehensive Income	1 July 2012

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) *Basis of preparation (continued)*

Standards issued but not yet effective (continued)

	Effective date (Annual periods beginning on or after)
FRS 19 Employee Benefits	1 January 2013
Improvements to FRSs issued in 2012:	
Amendment to FRS 1 *Presentation of Financial Statements*	1 January 2013
Amendment to FRS 16 *Property, Plant and Equipment*	1 January 2013
Amendment to FRS 32 *Financial Instruments: Presentation*	1 January 2013

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of the Amendments to FRS is described below.

Amendments to FRS 1 *Presentation of Items of Other Comprehensive Income*

The amendment to FRS 1 *Presentation of Items of Other Comprehensive Income* requires for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss. It is effective for annual periods beginning on or after 1 July 2012. As this is a disclosure standard, it will not have any impact on the financial performance or the financial position of the Company when implemented.

(b) *Significant accounting estimates and judgements*

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities, and disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

(i) *Key sources of estimation uncertainty*

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) *Significant accounting estimates and judgements (continued)*

(i) *Key sources of estimation uncertainty (continued)*

- *Useful lives of plant and equipment*

  The cost of plant and equipment is depreciated on a straight-line basis over the plant and equipment's estimated economic useful lives. Management estimates the useful lives of these plant and equipment to be within 1 to 5 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore, future depreciation charges could be revised. The carrying amount of the plant and equipment at the end of each reporting period is disclosed in Note 3 to the financial statements. A 5% difference in the expected useful lives of these assets from management's estimates would result in approximately 2.6% (2010: 1%) variance in the profit before tax.

(ii) *Judgement made in applying accounting policies*

There were no material judgements made by management in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(c) *Plant and equipment*

All items of plant and equipment are initially recorded at cost. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying plant and equipment. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Subsequent to initial recognition, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. When significant parts of plant and equipment are required to be replaced in intervals, the Company recognise such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The cost of an asset comprises its purchase price and any directly attributable cost of bringing the asset to working condition for its intended use. Expenditure for additions, improvement and renewal are capitalised and expenditure for maintenance and repairs are charged to profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) *Plant and equipment (continued)*

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Computer	–	1 year
Furniture and fittings	–	5 years
Office equipment	–	5 years
Renovation	–	3 years

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

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

(d) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provision of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When a financial asset is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of financial asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by FRS 39. Derivatives including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Financial assets (continued)*

Subsequent measurement (continued)

(i) *Financial assets at fair value through profit or loss (continued)*

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in profit or loss.

The Company has not designated any financial assets upon initial recognition at fair value through profit or loss.

(ii) *Held-to-maturity investment*

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Company has the positive intention and ability to hold the investments to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

(iii) *Loans and receivables*

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets include equity and debt securities. Equity investment classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses in the fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment losses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Financial assets (continued)*

Derecognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchase and sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

(e) *Impairment of financial assets*

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

(i) *Financial assets carried at amortised cost*

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The loss is recognised in the profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amount charged to the allowance account is written off against the carrying value of the financial asset.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) *Impairment of financial assets (continued)*

(i) *Financial assets carried at amortised cost (continued)*

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(ii) *Financial assets carried at cost*

If there is objective evidence that an impairment loss on a financial asset carried at cost has been incurred (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) the impairment loss is recognised and the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(iii) *Available-for-sale financial assets*

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

When a financial liability is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of financial liability.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

(i) *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

The Company has not designated any financial liabilities upon initial recognition at fair value through profit or loss.

(ii) *Other financial liabilities*

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand and at bank.

(h) *Other payables*

Other payables are non-interest bearing and have an average term of six months.

(i) *Provisions*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(j) *Employee benefits*

(i) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

In particular, the Company makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. These contributions are recognised as an expense in the period in which the related service is performed.

(ii) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

(k) *Leases*

Operating lease payments are recognised as an expense in the profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) *Revenue*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding sales taxes. The following specific recognition criteria must also be met before revenue is recognised:

(i) *Rendering of services*

Revenue from rendering of services that are of short duration is recognised when the services are completed.

(ii) *Donations*

Donations are recognised on receipts basis.

(m) *Taxes*

The Company is a registered charity, is enjoyed an automatic income tax exemption without having the need to meet 80% spending rules and therefore do not need to file income tax returns effective from the year of assessment 2009.

(n) *Related parties*

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:
- (i) Has control or joint control over the Company;
- (ii) Has significant influence over the Company; or
- (iii) Is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:
- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3. PLANT AND EQUIPMENT

	Computer	Furniture and fitting	Office equipment	Renovation	Total
	$	$	$	$	$
Cost:					
At 1 January 2010	–	9,816	684	–	10,500
Additions	9,142	1,051	1,445	4,826	16,464
At 31 December 2010 and 1 January 2011	9,142	10,867	2,129	4,826	26,964
Additions	651	–	2,123	–	2,774
At 31 December 2011	9,793	10,867	4,252	4,826	29,738
Accumulated depreciation:					
At 1 January 2010	–	4,927	79	–	5,006
Charge for the year	9,142	2,132	426	1,609	13,309
At 31 December 2010 and 1 January 2011	9,142	7,059	505	1,609	18,315
Charge for the year	651	1,628	850	1,609	4,738
At 31 December 2011	9,793	8,687	1,355	3,218	23,053
Net carrying amount:					
At 31 December 2010	–	3,808	1,624	3,217	8,649
At 31 December 2011	–	2,180	2,897	1,608	6,685

4. OTHER RECEIVABLES

	2011	2010
	$	$
Deposits	5,120	5,650
Prepayments	2,850	4,125
Sundry receivables	49,961	79,353
Unbilled receivables	25,328	–
	83,259	89,128

5. OTHER PAYABLES

	2011	2010
Accrued liabilities	13,825	15,878
Amounts due to a third party	10,000	10,000
Provision for unutilised leave	3,480	–
Sundry payables	9,220	2,134
	36,525	28,012

The amounts due to a third party are non-trade related, unsecured, interest-free, repayable upon demand and are to be settled in cash.

6. REVENUE

	2011 $	2010 $
Counseling fee	9,573	7,680
Education programme grant	279,117	293,429
Income from personal supervision	–	60
Income from training	2,526	4,041
Outright donations	10,479	12,958
Practitioner workshops	1,861	–
Sales of books	792	2,988
Support group	4,395	3,550
	308,743	324,706

7. EVENTS EXPENSES

Cost of books	9,057	381
Counseling expense	12,695	12,370
Event expenses	8,784	514
Venue rental	2,594	4,937
	33,130	18,202

8. OTHER OPERATING INCOME

Government grant – Jobs Credit Scheme	–	1,857

9. SURPLUS BEFORE TAX

Advertisement	13,215	2,551
Travelling fee	3,321	12,245

10. INCOME TAX EXPENSE

The Company is exempted from income tax for the financial year ended 31 December 2011 as the Company is a registered charity, is enjoying an automatic income tax exemption without having the need to meet the 80% spending rule and therefore do not need to file income tax returns.

11. EMPLOYEE BENEFITS

Salaries, bonuses and allowance	148,575	116,505
Central provident fund contributions	23,732	16,831
	172,307	133,336

12. OPERATING LEASE COMMITMENTS

The Company has entered into commercial leases mainly on office premise. This lease has an average life of 1 to 2 years with no renewal option or contingent rent provision included in the contracts. There is no restriction placed upon the Company by entering into these leases.

Future minimum lease payments payable under non-cancellable leases as at the end of reporting period are as follows:

	2011 $	2010 $
Not later than one year	14,400	28,800
Later than one year but not later than five years	–	14,400
	14,400	43,200

Minimum lease payments recognised as an expense in profit or loss for the financial year ended 31 December 2011 amounted to $28,800 (2010: $25,938).

13. RELATED PARTY DISCLOSURES

In addition to those related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and related parties that took place at terms agreed between the parties during the financial year:

- *Compensation of key management personnel*

  Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities, directly or indirectly, of the Company. The directors of the Company and the general management of the Company are considered as key management personnel of the Company.

Director's remuneration	60,932	58,637

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial assets and liabilities are stated at nominal value and are subject to significant risk of changes in value as there are no significant financial risks involved. As a result, a financial risk policy is not considered necessary.

15. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting year by FRS 39 categories.

	2011 $	2010 $
Loans and receivables		
Other receivables	80,409	85,003
Cash and cash equivalents	192,466	165,938
	272,875	250,941
Financial liabilities at amortised cost		
Other payables	36,525	28,012

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

The carrying amount of financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

However, the Company does not anticipate that the carrying amounts recorded at the end of the reporting period would be significantly different from the values that would eventually be received or settled.

At the end of the reporting period, the Company does not have any other financial instruments carried at fair value.

18. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the financial year ended 31 December 2011 were authorised for issue in accordance with a resolution of the directors on 15 August 2013.

The accompanying Supplementary Income Statement has been prepared for management purposes only and does not form part of the audited financial statements.

Spaces Counseling And Community Limited
(Co. Reg. No. 200402955N)

Supplementary Income Statement for the financial year ended 31 December 2011

	Schedule	2011 $	2010 $
Revenue	A	308,743	324,706
Events expenses	B	(33,130)	(18,202)
Other operating income	C	–	1,857
Depreciation		(4,738)	(13,309)
Other operating expenses	D	(260,693)	(210,490)
Surplus before tax		10,182	84,562

NOT PART OF AUDITED FINANCIAL STATEMENTS.

Spaces Counseling And Community Limited
(Co. Reg. No. 200402955N)

Supplementary Income Statement for the financial year ended 31 December 2011

	2011 $	2010 $
		Schedule A
Revenue		
Counselling fee	9,573	7,680
Education programme grant	279,117	293,429
Income from personal supervision	–	60
Income from training	2,526	4,041
Outright donations	10,479	12,958
Practitioner workshops	1,861	–
Sales of books	792	2,988
Support group	4,395	3,550
	308,743	324,706

	2011 $	2010 $
		Schedule B
Events expenses		
Cost of books	9,057	381
Counselling expense	12,695	12,370
Event expenses	8,784	514
Venue rental	2,594	4,937
	33,130	18,202

	2011 $	2010 $
		Schedule C
Other operating income		
Government grant – Jobs Credit Scheme	–	1,857

NOT PART OF AUDITED FINANCIAL STATEMENTS.

Spaces Counseling And Community Limited
(Co. Reg. No. 200402955N)

Supplementary Income Statement for the financial year ended 31 December 2011

	2011	2010
	$	$
		Schedule D
Other operating expenses		
Accounting fee	5,000	4,560
Administrative fee	41	–
Advertisement	13,215	2,251
Auditor's remuneration	1,500	1,500
Bank charges	257	205
Course fee	–	2,568
Central provident fund contribution	15,427	9,598
Director's remuneration	60,932	58,637
Entertainment and refreshment	1,159	5,262
General expenses	970	1,633
Insurance	2,528	363
Medical fee	213	165
Postage and courier	362	271
Printing and stationery	5,391	7,270
Rental of premise	28,800	25,938
Repair and maintenance	2,739	505
Skill development levy	319	192
Staff salaries, benefits	95,948	65,101
Telecommunication	11,577	3,154
Training expenses	4,420	6,980
Transportation	1,159	997
Travelling fee	3,321	12,245
Unutilised leave	3,480	–
Utilities	1,935	1,095
	260,693	210,490