



恩泽关怀机构

Providence Care Ltd.

Reg no:200710144K

年册

Annual Report

(2011年7月1日-2012年6月30日)

2012

日期: 2012年12月8日(星期六)

时间: 下午两点正

地点: 乌节路聚会正堂

3 Orchard Road

Singapore 238825

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恩泽关怀机构常年报告

(2011年7月至2012年6月)

刘祖湛长老报告

报告事项:

1. 教育委员会 Education Committee

由于功课加油站经常运作已稳定，董事会解散程序委员会 Steering Committee 而另设立教育委员会以更全面的筹划少年及儿童全人教育工作。委员会主席为詹玉珍执事。

2. 功课加油站工作进展

A. 武吉巴督补习课程

在2012年共开28班，有19位老师负责，收生64位，其中有10位接受贫寒资助。协助义工有6位（不包括特工队队员）。

B. 裕廊补习课程

在2012年共开47班，有21位老师负责，收生173位，其中有12位接受贫寒资助。协助义工有3位。

为要增聘老师人数，增加班级以减少老师对学生人数比例，在2012年开始学费按班级高低作相应调高。

3. 辅导服务

由于辅导员职位空缺，辅导服务仍未恢复

4. 活动

参阅附录

5. 人事

董事会聘请到刘韵梅为机构经理，于2011年7月15日上任。

6. 申请为 IPC

在提呈正式申请前，机构计划加强社会援助的活动及工作内容。同时考虑是否可提高机构在社会援助及福利工作上资金运作的百分比。目前机构绝大部分的资金是开费在租金上而福利得益甚少。

PCL Events Report for 2011/12

S/N	Date	Event	Description	Organization	Number of Participants	Expenses incurred	Fee Collected
1101	27/08/11	Teacher's Day	Gifts were presented to tutors, in replacement of a Tutors/Volunteer appreciation Dinner	PCL	25	76.70	
1102	17/09/11	Mid-Autumn Festival	Invitation by PPC-JR	PPC-JR	30		
1103	24/09/11	Children's Day	Gifts were give to all tuition class students, using the opportunity to 'advertise' on other upcoming events	PCL	300	446.70	
1104	01/10/11	Children's Musical	Invitation by PPC-BB	PPC-BB	5		
1105	23/11/11 to 25/11/11	Children's Camp	About 40 students from BB & JR registered, success goes to organiser's sincere invitation, 2 student received Christ	BBPC	40		
1106	03/12/11 AM	JR Children's Camp	Half day program for JR students	PCL	25	315.52	64
1107	03/12/11 PM	PCL JR Graduation	Organize by PPC-JR	PPC-JR	110		
1108	04/12/11 PM	PCL BB Graduation	Organize by PPC-BB	PPC-BB	55		
1109	10/12/11	Christmas Celebration	Celebration at Conard International, Invitation by Friends in Charity	FIC	21		
1110	17/12/11	Christmas Celebration	Invitation by PPC-JR	PPC-JR	10		
1111	17/12/11	Christmas Celebration	Invitation by FIC, turned down in view of the PPC-JR invitation	FIC	-		
1112	19/12/11 to 21/12/11	Youth Camp	Organize by PPC-JR, 1 received Christ	PPC-JR	11	30	
1201	14/01/12	CNY Floral Decoration	Speaker: Christina	PCL / PPC-BB	15	0	0
1202	11/02/12	Parenting Talk 孩子不坏	Speaker: 林弘谕	PCL / PPC-BB	35	0	0

1203	10/03/12	Health Talk 眼睛护理	Speaker: 李世光	PCL / PPC-BB	80	0	0
1204	31/03/12	Outing @ Botanic Gardens		PCL	90	\$619.75 Cost to PCL: \$485.75 Budget: \$500	\$134
1205	14/04/12	Parenting Talk		PCL / PPC-BB	20		
1206	19/05/12	Cooking Demonstration	Arrange by PPC-BB	PCL / PPC-BB	20		
1207	12/06/12 to 14/06/12	Children's Study Camp	Day 1 English Compo Day 2 Chinese Compo Day 3 Outing PPC-BB volunteers help on outing and Games on Day 3	PCL / PPC-BB	32	\$1517.31 Cost to PCL: \$782 Budget: \$2000	\$735
1208	16/06/12*	Children Carnival	Invited by Friends in Charity	FIC	15	0	0
Events and Forecast for next FY 2012/13							
01	08/09/12	Teacher's Day	Lunch Appreciation	PCL	25	Cost to PCL: \$398.25 Budget: \$250	
02	29/09/12	Outing cum Children's Day Celebration	Hort Park	PCL	100	Budget: 750	
03	03/11/12 10/11/12	校园电视台 / 家长讲座	Children's Enrichment Program	PCL	60	Budget: 1500	
04	17/11/12	BB Graduation		PPC-BB	100	0	
05	08/12/12	JR Graduation		PPC-JR	200	0	
06	29/12/12	Volunteer's Dedication	Short briefing and training for all Volunteers and Christian tutors	PCL	30	Budget: 150	
07	16/02/13	CNY Greeting	Distributing Mandarin Oranges and red packets with Bible verse to Students and Teachers	PCL	280	Budget: 250	
08	30/03/13		No planned outing as it is Holy Week				
09	04/06/13 To 06/06/13		PCL June camp	PCL	50	Budget: \$2000	

PROVIDENCE CARE LIMITED

(Co. Regn. No: 200710144K)

(Incorporated in Singapore)
(A company limited by guarantee and
not having a share capital)

REPORT AND FINANCIAL STATEMENTS
30 JUNE 2012

PROVIDENCE CARE LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with the audited financial statements of the Company for the financial year ended 30 June 2012.

1 DIRECTORS

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

Mr Lau Cho Cham
Mr Ong Ah Hian
Mr Pan Tong Yuen
Mr Theng Cheow Soon
Mr Low Lye Beng

2 ARRANGEMENT TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of share or debentures of the Company or any other body corporate.

3 SHARES, DEBENTURES, DIVIDENDS AND SHARE OPTIONS

As the Company is limited by guarantee and does not have a share capital, matters relating to the issue of shares, debentures, dividends or share options are not applicable.

4 DIRECTORS' CONTRACTUAL BENEFITS

Since the end of previous financial year, no director has received or become entitled to receive a benefit which is required to be disclosed under section 201(8) of the Companies Act, Cap.50, by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except as disclosed in the financial statements.


5 INDEPENDENT AUDITOR

The independent auditor, Gabriel Ng & Co, has expressed its willingness to accept re-appointment.

On behalf of the board



THENG CHEOW SOON
Director


LAU CHO CHAM
Director

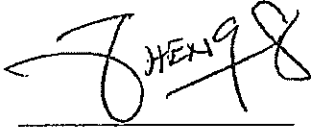
15 August 2012

PROVIDENCE CARE LIMITED

STATEMENT OF DIRECTORS

In the opinion of the directors, the accompanying financial statements of the Company set out on pages 5 to 18 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 30 June 2012 and of the results of the business, changes in general fund and cash flows of the Company for the financial year then ended, and 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



THENG CHEOW SOON
Director



LAU CHO CHAM
Director

15 August 2012

Gabriel Ng & Co

Certified Public Accountants
(Regn No. S95PF0533E)

213 Henderson Road
#02-01
Singapore 159553
Tel: (65) 6221 9968
Fax: (65) 6275 8273

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
PROVIDENCE CARE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **Providence Care Ltd** ("the Company"), which comprise the balance sheet as at 30 June 2012, and the statement of comprehensive income and expenditure, statement of changes in general fund 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, Cap. 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 statement of comprehensive income and expenditure and balance sheet 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risks assessments, the auditor considers internal control relevant to the entity's preparation of the 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 the 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.

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 30 June 2012 and the results, changes in general fund and cash flows of the Company for the year ended on that date.

Emphasis of matter

We draw attention to Note 14 in the financial statements which indicates that the Company incurred a net loss of \$7,465 during the financial year ended 30 June 2012 and, as of that date, the Company's total liabilities exceeded its total assets by \$5,768. These conditions, along with other matters as set forth in Note 14, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our audit opinion is not qualified in respect of this matter.

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.



GABRIEL NG & CO
Public Accountants and
Certified Public Accountants

Singapore
15 August 2012

PROVIDENCE CARE LIMITED

BALANCE SHEET AS AT 30 JUNE 2012

	<u>Note</u>	<u>2012</u>	<u>2011</u>
		\$	\$
ASSETS			
Current assets			
Other receivables	5	46,800	46,800
Cash and cash equivalents	6	19,245	28,900
Tax recoverable		13	-
		<u>66,058</u>	<u>75,700</u>
Non-current assets			
Property, plant and equipment	7	<u>3,150</u>	<u>4,243</u>
Total assets		<u>69,208</u>	<u>79,943</u>
LIABILITIES			
Current liabilities			
Other payables	8	<u>74,976</u>	<u>78,246</u>
NET (LIABILITIES) / ASSETS		<u>(5,768)</u>	<u>1,697</u>
Represented by:			
GENERAL FUND IN DEFICIT		<u>(5,768)</u>	<u>1,697</u>

The accompany notes to the financial statements form an integral part of the financial statements

PROVIDENCE CARE LIMITED

STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2012

	<u>Note</u>	<u>2012</u>	<u>2011</u>
		\$	\$
<u>INCOME</u>			
Contributions from Providence Presbyterian Church		274,340	290,000
Tuition fees		113,466	88,883
SME Cash grant		5,000	-
		<u>392,806</u>	<u>378,883</u>
<u>LESS: EXPENDITURE</u>			
Auditor's remuneration		1,800	1,700
Bank charges		76	33
Care programme		3,366	217
Cleaning expenses		3,000	790
Course fees		-	292
Depreciation of property, plant and equipment	7	1,093	1,093
General expenses		1,014	1,227
Materials for tuition		6,149	7,050
Medical expenses		440	578
Insurance		401	301
Printing and stationery		500	536
Professional fee		6,359	5,652
Rental of premises		191,316	191,316
Staff salaries and related costs		66,764	71,754
Employer's CPF contribution for staff		7,398	10,461
Tutors' fees		99,515	87,382
Utilities		11,001	8,914
Upkeep of property, plant and equipment		79	-
		<u>400,271</u>	<u>389,296</u>
DEFICIT BEFORE INCOME TAX		(7,465)	(10,413)
INCOME TAX	9	-	145
DEFICIT AFTER INCOME TAX		<u>(7,465)</u>	<u>(10,268)</u>

The accompany notes to the financial statements form an integral part of the financial statements

PROVIDENCE CARE LIMITED

STATEMENT OF CHANGES IN GENERAL FUND FOR THE YEAR ENDED 30 JUNE 2012

	<u>2012</u>	<u>2011</u>
	\$	\$
Balance at beginning of year	1,697	11,965
Deficit for the year	<u>(7,465)</u>	<u>(10,268)</u>
Balance at end of year	<u>(5,768)</u>	<u>1,697</u>

The accompany notes to the financial statements form an integral part of the financial statements

PROVIDENCE CARE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

	<u>Note</u>	<u>2012</u>	<u>2011</u>
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Deficit before income tax		(7,465)	(10,413)
Adjustment for:			
Depreciation of property, plant and equipment	7	1,093	1,093
Operating deficit before working capital changes		(6,372)	(9,320)
Decrease in other receivables		-	210
(Decrease) / Increase in other payables		(3,270)	6,569
Cash used in operations		(9,642)	(2,541)
Income tax (paid) / refund		(13)	988
Net cash outflow from operating activities		<u>(9,655)</u>	<u>(1,553)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	7	-	(4,826)
Net cash outflow from investing activities		<u>-</u>	<u>(4,826)</u>
Net decrease in cash and cash equivalents		(9,655)	(6,379)
Cash and cash equivalents at beginning of year		28,900	35,279
Cash and cash equivalents at end of year	6	<u>19,245</u>	<u>28,900</u>

The accompany notes to the financial statements form an integral part of the financial statements

PROVIDENCE CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2012

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

1 GENERAL

Providence Care Limited ("the Company") is a company limited by guarantee without a share capital, incorporated and domiciled in the Republic of Singapore (Company registration no: 200710144K). The registered office of the Company is at Block 7 Jurong West Avenue 5 #02-03 Singapore 649486.

The principal activities of the Company are to provide tuition support services and counselling to needy individuals, families and members of the public.

For the purpose of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the parties are subject to common control or common significant influence. Related parties may be individual or other entities.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRSs) and on a historical cost convention, except as disclosed in the accounting policies below.

At the date of authorisation of these financial statements, the Company has not adopted the following FRSs that have been issued but not yet effective:

	<u>Effective for annual periods beginning on or after:</u>
Amendments to FRS 1 – Presentation of Items of Other Comprehensive Income	1 July 2012
FRS 19 – Employee Benefits	1 January 2013
FRS 113 – Fair Value Measurements	1 January 2013
Improvements of FRSs issued in 2012	
- Amendments to FRS 1 – Presentation of Financial Statements	1 January 2013

The management expects that the adoption of the FRSs above will have no material impact on the financial statements in the period of initial application.

In the current financial year, the Company adopted all relevant, new or revised FRSs and Interpretations to FRS (INT FRS) that are effective in the current financial year. The adoption of these new and revised FRSs and INT FRS did not result in substantial changes to the Company's accounting policies nor any significant impact on these financial statements.

PROVIDENCE CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2012

(b) **Functional and presentation currency**

The management has determined the currency of the primary economic environment in which the Company operates to be Singapore Dollar ("the functional currency"). The financial statements are presented in Singapore Dollar which is the Company's functional currency.

(c) **Cash and cash equivalents**

Cash and cash equivalents comprise of cash and bank balances.

(d) **Property, plant and equipment**

All items of property, plant and equipment are initially recorded at cost and are stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on the straight line basis to write off the cost of the property, plant and equipment over their estimated useful lives. The annual rates of depreciation are as follow:

Furniture and fittings	-	20%
Electrical installation	-	20%

(e) **Revenue recognition**

Revenue is recognised to the extent that it can be reliably measured and it is probable that the economic benefits will flow to the Company. Revenue comprises the fair value of the consideration received or receivable and is arrived at after deduction of trade discount.

Contribution from Providence Presbyterian Church is recognised on cash basis. Tuition fee is recognised when due.

(f) **Employee benefits**

Defined contribution plan

The Company makes contributions to the state provident fund known as Central Provident Fund (CPF). CPF contributions are recognised as compensation expense in the same period as the employment that gives rise to the contributions.

PROVIDENCE CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2012

(g) Impairment on non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss suffered. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of comprehensive income and expenditure, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reversed, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of comprehensive income and expenditure, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(h) Income tax

Income tax on the surplus or deficit for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income and expenditure except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the liability method, providing for temporary differences arising between the carrying amounts and tax bases of assets and liabilities at the balance sheet date in the financial statements. The amounts of deferred tax provided is based on the manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

PROVIDENCE CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2012

(i) Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise other receivables, cash and cash equivalents and other payables. Other receivables are with fixed or determinable payments that are not quoted in an active market.

A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Non-derivative financial instruments are initially recognised at fair values plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Company commits itself to purchase or sell the assets.

Subsequent to initial recognition, non-derivative financial instruments are measured at amortised cost using effective interest rate method less any impairment losses.

Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of the assets. 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 has been recognised directly in equity is recognised in statement of comprehensive income and expenditure.

Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled. Gains and losses are recognised in statement of comprehensive income and expenditure when the financial liabilities are derecognised, and through amortisation process.

(j) Impairment of financial assets

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

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. The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the loss is recognised in the statement of comprehensive income and expenditure.

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

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 receivable and default or significant delay in payments.

PROVIDENCE CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2012

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 the statement of comprehensive income and expenditure.

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the financial statements in conformity with FRSs requires the use of judgements, 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 revenue and expenses during the financial year. Although these estimates are based on the management's best knowledge of current events and actions, actual results may differ from those estimates.

However, the management is of the opinion that no judgements or key assumptions are expected to have a significant effect and material adjustment to the carrying amounts of assets, liabilities, income and expenses, and disclosure made, within the next financial year.

4 HOLDING ENTITY

By virtue that Providence Presbyterian Church (PPC) has power to govern the financial and operating policies of the Company, the Company is considered a subsidiary of PPC. PPC is an independent congregation under the Chinese Presbytery of the Presbyterian Church in Singapore. PPC is the Company's ultimate holding entity.

5 OTHER RECEIVABLES

	<u>2012</u>	<u>2011</u>
	\$	\$
Deposit	46,700	46,700
Prepayment	100	100
	<u>46,800</u>	<u>46,800</u>

6 CASH AND CASH EQUIVALENTS

	<u>2012</u>	<u>2011</u>
	\$	\$
Bank balance	18,538	28,301
Cash balances	707	599
	<u>19,245</u>	<u>28,900</u>

PROVIDENCE CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2012**

7 PROPERTY, PLANT AND EQUIPMENT

2012	AT 01.07.2011	ADDITIONS	DISPOSALS	AT 30.06.2012
<u>COST</u>	\$	\$	\$	\$
Furniture and fittings	638	-	-	638
Electrical installation	4,826	-	-	4,826
	<u>5,464</u>	<u>-</u>	<u>-</u>	<u>5,464</u>

ACCUMULATED DEPRECIATION

Furniture and fittings	256	128	-	384
Electrical installation	965	965	-	1,930
	<u>1,221</u>	<u>1,093</u>	<u>-</u>	<u>2,314</u>

NET CARRYING AMOUNT

	<u>2012</u>
	\$
Furniture and fittings	254
Electrical installation	2,896
	<u>3,150</u>

2011	AT 01.07.2010	ADDITIONS	DISPOSALS	AT 30.06.2011
<u>COST</u>	\$	\$	\$	\$
Furniture and fittings	638	-	-	638
Electrical installation	-	4,826	-	4,826
	<u>638</u>	<u>4,826</u>	<u>-</u>	<u>5,464</u>

ACCUMULATED DEPRECIATION

Furniture and fittings	128	128	-	256
Electrical installation	-	965	-	965
	<u>128</u>	<u>1,093</u>	<u>-</u>	<u>1,221</u>

NET CARRYING AMOUNT

	<u>2011</u>
	\$
Furniture and fittings	382
Electrical installation	3,861
	<u>4,243</u>

PROVIDENCE CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2012

8 OTHER PAYABLES

	<u>2012</u>	<u>2011</u>
	\$	\$
Amount owing to holding entity	57,500	57,500
Tuition fee received in advance	175	-
Refundable deposit	11,582	12,670
Staff salaries and related costs	1,436	1,460
Other operating expenses	4,283	6,616
	<u>74,976</u>	<u>78,246</u>

The amount owing to holding entity is non-trade debt, unsecured, non-interest bearing and repayable on demand.

9 INCOME TAX

	<u>2012</u>	<u>2011</u>
	\$	\$
Current taxation		
- Over provision in previous year	-	(45)
- Previous year tax discharged	-	(13)
	<u>-</u>	<u>(58)</u>
Deferred taxation		
- Current year reversal	-	(87)
	<u>-</u>	<u>(145)</u>

The income tax on the results for the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax to deficit before income tax was due to the following factors:

	<u>2012</u>	<u>2011</u>
	\$	\$
Deficit before income tax	<u>(7,465)</u>	<u>(10,413)</u>
Tax calculated at tax rate of 17%	(1,269)	(1,770)
Enhanced deduction under Productivity and Innovation Credit	-	(149)
Over provision in previous year	-	(45)
Tax losses carry back relief	-	54
Previous year tax discharged	-	(13)
Current year deferred tax assets not recognised	1,269	1,778
	<u>-</u>	<u>(145)</u>

PROVIDENCE CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2012

Movements in deferred tax liabilities:

	<u>2012</u>	<u>2011</u>
	\$	\$
Balance at beginning of year	-	87
Current year reversal	-	(87)
Balance at end of year	<u>-</u>	<u>-</u>

Deferred tax assets not accounted for in the financial statements due to uncertainty of its recoverability are as follows:

	<u>2012</u>	<u>2011</u>
	\$	\$
Accelerated depreciation for tax purposes	(262)	(174)
Unutilised trade losses	3,309	1,952
	<u>3,047</u>	<u>1,778</u>

As at 30 June 2012, subject to the agreement of the Comptroller of Income Tax, and compliance with certain conditions of the Income Tax Act, Cap. 134, the Company has estimated unutilised trade losses of \$19,000 (2011: \$11,000) at the end of the financial year which are available for set off against its future taxable income.

10 RELATED PARTY TRANSACTION

Significant related party transaction during the financial year based on mutually agreed amounts refers to contributions received from PPC amounting to \$274,340 (2011: \$290,000).

11 COMMITMENTS

The lease has tenure of 3 years, with an option to renew the lease for another 3 years after that date at revised term to be mutually agreed.

Future minimum fixed monthly rental payable by the Company but not recognised as payable, are as follow:

	<u>2012</u>	<u>2011</u>
	\$	\$
Payable within 1 year	143,487	191,316
Payable after 1 year but within 5 years	-	143,487
	<u>143,487</u>	<u>334,803</u>

12 AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors passed on 15 August 2012.

PROVIDENCE CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2012

13 CAPITAL MANAGEMENT

The primary objective of the Company is to safeguard its assets, to effectively and efficiently manage the usage of available capital resources towards supporting the Company's principal and related activities, and ensuring long-term financial sustainability. The Company's overall strategy remains unchanged since prior year.

14 GOING CONCERN

The financial statements of the Company have been prepared on a going concern basis, notwithstanding the net loss of \$7,465 and net liabilities of \$5,768 as shown in the balance sheet as at 30 June 2012, as the holding entity have agreed to provide continuing financial support to enable the Company to meet its liabilities as and when they fall due.

The validity of the going concern assumption on which the financial statements of the Company are prepared is dependent on the holding entity's continuing financial support or the ability of the Company to generate positive cash flow. In the event of an absence of continuing financial support from the holding entity or the Company's inability to generate positive cash inflow, the Company will no longer be able to continue as a going concern and may not be able to realise their assets and discharge their liabilities in the normal course of business.

The financial statements of the Company do not take into account any adjustments to the financial statements that would have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheet. In addition, the Company may have to provide for any further liabilities which may arise and to reclassify non-current assets as current assets.

15 FINANCIAL INSTRUMENTS

Risk management

The main risks arising from the Company's financial instruments are credit risk and liquidity risk. The Company reviews and agrees policies for managing each of these risks and they are summarised below:

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The major class of financial assets of the Company are bank balance and rental deposit. To mitigate this risk, the Company ensured that bank balance is placed with reputable financial institution with no history of default. For rental deposit, it is governed by the terms and conditions of the tenancy agreement.

PROVIDENCE CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2012

Liquidity risk

In the management of liquidity risk, the Company monitors and maintains a level of cash and bank balances deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

The major class of financial liabilities of the Company is other payables amounting to \$74,976 (2011: \$78,246) which is expected to mature within 1 year.

Sensitivity analysis

The operation of the Company does not expose itself to any market risk. In view of this, sensitivity analysis of market risk is not applicable to the Company.

Fair value

The carrying amounts of current financial assets and current financial liabilities recorded in the financial statements approximate their respective net fair values due to the relatively short-term maturity of these financial instruments.