

**ALIVE COMMUNITY CHURCH**  
(UEN: T03SS0128C)

**REPORT AND FINANCIAL STATEMENTS**  
**31 DECEMBER 2013**

## ALIVE COMMUNITY CHURCH

### STATEMENT OF THE MEMBERS OF THE CHURCH COMMITTEE

In the opinion of the members of the Church Committee, the financial statements of **Alive Community Church** (the "Church") set out on pages 4 to 18 are drawn up in accordance with the provisions of the Singapore Societies Act, Cap. 311 (the "Societies Act") and Singapore Charities Act, Cap.37 (the "Charities Act") and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Church at 31 December 2013 and of its results, changes in funds and cash flows of the Church for the year then ended.

The Church Committee authorised these financial statements for issue on 28 May 2014.

On behalf of the Church Committee



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MATHEW MATHEWS  
President



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LAI SOCK HWANG  
Treasurer

28 May 2014

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALIVE COMMUNITY CHURCH

### *Report on the Financial Statements*

We have audited the accompanying financial statements of **Alive Community Church** (the "Church"), which comprise the balance sheet as at 31 December 2013, and the statement of comprehensive income and expenditure, statement of changes in funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Church Committee's Responsibility for the Financial Statements*

The Church Committee is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Societies Act, Cap. 311 (the "Societies Act") and Singapore Charities Act, Cap.37 (the "Charities 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 risk 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 Church Committee, 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 accompanying financial statements are properly drawn up in accordance with the provisions of the Societies and Charities Acts and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Church as at 31 December 2013, and of its results, changes in funds and cash flows of the Church 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 regulations enacted under the Societies Act to be kept by the Church have been properly kept in accordance with those regulations.

A handwritten signature in black ink, appearing to read 'Gabriel Ng', with a stylized flourish at the end.

**GABRIEL NG & CO**  
Public Accountants and  
Chartered Accountants

Singapore  
28 May 2014

# ALIVE COMMUNITY CHURCH

## BALANCE SHEET AS AT 31 DECEMBER 2013

	<u>Note</u>	<u>2013</u> \$	<u>2012</u> \$
<b>ASSETS</b>			
<b>Current assets</b>			
Other receivables	4	56,975	93,824
Cash and cash equivalents	5	112,899	101,598
		<u>169,874</u>	<u>195,422</u>
<b>Non-current assets</b>			
Property, plant and equipment	6	84,987	98,135
<b>Total assets</b>		<u>254,861</u>	<u>293,557</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables	7	92,166	74,537
<b>NET ASSETS</b>		<u>162,695</u>	<u>219,020</u>
Represented by:			
<b>FUNDS</b>			
<b>Unrestricted fund</b>			
Unrestricted income fund			
General fund		88,833	172,036
<b>Restricted funds</b>			
Restricted income funds			
Mission fund		37,551	4,504
Building fund		27,420	27,480
Annie C Ling ESD fund		8,891	15,000
<b>Total restricted funds</b>		<u>73,862</u>	<u>46,984</u>
<b>TOTAL FUNDS</b>		<u>162,695</u>	<u>219,020</u>

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

# ALIVE COMMUNITY CHURCH

## STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
<b>INCOME</b>			
<b>Unrestricted fund</b>			
<u>General fund</u>			
Tithes, offerings and pledges		677,127	556,337
Sales of books, drinks and etc		703	1,340
Donations received		600	2,205
Interest received		51	73
Special offerings for speakers		27,217	33,995
Other income		-	5
Other payable written back		1,292	-
		<u>706,990</u>	<u>593,955</u>
<b>Restricted funds</b>			
<u>Mission fund</u>			
Offerings and pledges		85,726	34,893
<u>Building fund</u>			
Offerings and pledges		24,661	3,400
<u>Annie C Ling ESD Fund</u>			
Donation received		5,000	15,000
<b>TOTAL INCOME</b>		<u>822,377</u>	<u>647,248</u>
<b>LESS: EXPENSES</b>			
<b>Unrestricted fund</b>			
General fund	8	790,193	526,301
<b>Restricted funds</b>			
<u>Mission fund</u>			
Mission support		42,422	23,452
Mission trip		8,836	7,409
Others		1,421	76
		<u>52,679</u>	<u>30,937</u>
<u>Building fund</u>			
Depreciation of property, plant & equipment		24,721	-
<u>Annie C Ling ESD Fund</u>			
Contract service		2,771	-
Outing and activities		447	-
Staff salaries and related costs		6,802	-
Employer's CPF contribution for a staff		1,089	-
		<u>11,109</u>	<u>-</u>
<b>TOTAL EXPENSES</b>		<u>878,702</u>	<u>557,238</u>
<b>(DEFICIT)/SURPLUS FOR THE YEAR</b>		<u>(56,325)</u>	<u>90,010</u>
<b>Attributable to:</b>			
General fund		(83,203)	67,654
Mission fund		33,047	3,956
Building fund		(60)	3,400
Annie C Ling ESD fund		(6,109)	15,000
		<u>(56,325)</u>	<u>90,010</u>

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

**ALIVE COMMUNITY CHURCH**

**STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED 31 DECEMBER 2013**

	Unrestricted fund	Restricted funds			TOTAL \$
	GENERAL FUND \$	MISSION FUND \$	BUILDING FUND \$	ANNIE C LING ESD FUND \$	
<b>Balance at 1 January 2012</b>	104,382	548	24,080	-	129,010
Surplus for the year	67,654	3,956	3,400	15,000	90,010
<b>Balance at 31 December 2012</b>	172,036	4,504	27,480	15,000	219,020
(Deficit)/Surplus for the year	(83,203)	33,047	(60)	(6,109)	(56,325)
<b>Balance at 31 December 2013</b>	88,833	37,551	27,420	8,891	162,695

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

## ALIVE COMMUNITY CHURCH

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
(Deficit)/Surplus for the year		(56,325)	90,010
Adjustments for:			
Depreciation of property, plant and equipment	6	44,939	8,544
Allowance for impairment on amount owing by a related party	4	36,791	-
Operating surplus before working capital changes		25,405	98,554
Decrease/(Increase) in other receivables		19,934	(40,117)
Increase in other payables		17,629	18,544
<b>Net cash inflow from operating activities</b>		<u>62,968</u>	<u>76,981</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	6	<u>(31,791)</u>	<u>(102,050)</u>
<b>Net cash outflow from investing activities</b>		<u>(31,791)</u>	<u>(102,050)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Loan to a related party		(19,876)	-
Repayment of loan by a related party		-	9,175
<b>Net cash (outflow)/inflow from investing activities</b>		<u>(19,876)</u>	<u>9,175</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		11,301	(15,894)
<b>Cash and cash equivalents at beginning of year</b>		101,598	117,492
<b>Cash and cash equivalents at end of year</b>	5	<u>112,899</u>	<u>101,598</u>

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



# ALIVE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2013

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

### 1 GENERAL

Alive Community Church (the "Church") is registered under the Societies Act Cap. 311 and a Charity domiciled in Singapore (UEN: T03SS0128C). The registered office of the Church is located at 133 New Bridge Road #15-03 Chinatown Point Singapore 059413.

The principal activities of the Church are to propagate the gospel and teachings of the Christian faith and to provide welfare and community services both to its members and the public.

The Church conducted its worship services at 10 Arumugam Road #04-00 Lion Building A Singapore 409957.

### 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 Church has not adopted the following FRSs that have been issued but not yet effective:

	<u>Effective for annual periods beginning on or after:</u>
FRS 19 – Amendments to FRS 19 – Defined Benefit Plans: Employee Contributions	1 July 2014
<u>Improvements to FRSs issued in 2014:</u>	
- Amendments to FRS 24 – Related Party Disclosures	1 July 2014

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

#### (b) Functional and presentation currency

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

## ALIVE COMMUNITY CHURCH

### NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2013

(c) **Cash and cash equivalents**

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

(d) **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 Church 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 Church 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 Church's contractual rights to the cash flows from the financial assets expire or if the Church 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 fund is recognised in the statement of comprehensive income and expenditure.

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

(e) **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 property, plant and equipment over their estimated useful lives. The annual rates of depreciation are as follows:

Computers	-	100%
Office equipment	-	33 $\frac{1}{3}$ %
Furniture and fittings	-	33 $\frac{1}{3}$ %
Musical instruments	-	20%
Renovation	-	33 $\frac{1}{3}$ %

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

## ALIVE COMMUNITY CHURCH

### NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2013

#### (f) Impairment of non-financial assets

The carrying amounts of the Church'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 Church 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 the 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 reverses, 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 the 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.

#### (g) Impairment of financial assets

The Church 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 assets' 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 Church considers factors such as the probability of insolvency or significant financial difficulties of the receivable 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 the statement of comprehensive income and expenditure.

## ALIVE COMMUNITY CHURCH

### NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2013

#### (h) **Related parties**

A related party is defined as follows:

(1) A person or a close member of that person's family is related to the Church if that person:

- (i) has control or joint control over the Church;
- (ii) has significant influence over the Church; or
- (iii) is a member of the key management personnel of the Church or of a parent of the Church.

(2) An entity is related to the Church if any of the following conditions applies:

- (i) The entity and the Church 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 Church or an entity related to the Church. If the Church is itself such a plan, the sponsoring employers are also related to the Church;
- (vi) The entity is controlled or jointly controlled by person identified in (1);
- (vii) A person identified in (1)(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).

#### (i) **Income recognition**

Income is recognised to the extent that it can be reliably measured and it is probable that the economic benefits will flow to the Church.

All income is recognised on a cash basis except for interest income which is recognised on a time proportion basis using effective interest method and income from sales of books, drinks and etc is recognised when goods are collected by customers and when significant risks and rewards of ownership have been transferred to the customers.

#### (j) **Employee benefits**

##### *Defined contribution plan*

The Church 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.

# ALIVE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2013

### (k) Funds

Unrestricted funds are available for use at the discretion of the Church's Committee in furtherance of the general objectives of the Church.

Restricted funds are subject to restriction on their expenditure imposed by the donor or through the terms of the fund raised.

An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses, if any, are allocated on a reasonable basis to the funds based on a method most suitable to that common expense.

### 3 CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of the financial statements in conformity with FRSs requires the Church Committee to exercise judgements and, the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on the Church Committee's best knowledge of current events and actions, actual results may differ from those estimates.

The estimates, judgements and assumptions which may 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:

#### Amount owing by a related party

Significant judgement by the Church Committee is applied when assessing the recoverability of the amount of \$73,583 (2012: \$53,707) owing by a related party. If the financial conditions of the related party were to deteriorate, resulting in an impairment of their ability to make payments, allowances for impairment may be required.

### 4 OTHER RECEIVABLES

	2013	2012
	\$	\$
Amount owing by a related party	73,583	53,707
Church camp receivables	18,456	-
Deposits	-	40,117
Other receivables	1,727	-
	<u>93,766</u>	<u>93,824</u>
Less: Allowance for impairment on amount owing by a related party	(36,791)	-
	<u>56,975</u>	<u>93,824</u>

The amount owing by a related party is non-trade debt, unsecured, non-interest bearing and repayable on demand.

**ALIVE COMMUNITY CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2013**

**5 CASH AND CASH EQUIVALENTS**

	<u>2013</u>	<u>2012</u>
	\$	\$
Bank balance	112,272	101,598
Cash on hand	627	-
	<u>112,899</u>	<u>101,598</u>

**6 PROPERTY, PLANT AND EQUIPMENT**

<b>2013</b>	<u>AT 01.01.2013</u>	<u>ADDITIONS</u>	<u>DISPOSALS</u>	<u>AT 31.12.2013</u>
<u>COST</u>	\$	\$	\$	\$
Computers	28,142	3,204	(6,240)	25,106
Office equipment	43,410	5,950	(3,045)	46,315
Furniture and fittings	10,730	2,513	(3,219)	10,024
Musical instruments	9,147	3,600	-	12,747
Renovation	57,640	16,524	-	74,164
	<u>149,069</u>	<u>31,791</u>	<u>(12,504)</u>	<u>168,356</u>

ACCUMULATED DEPRECIATION

Computers	28,142	3,204	(6,240)	25,106
Office equipment	6,153	14,547	(3,045)	17,655
Furniture and fittings	10,730	838	(3,219)	8,349
Musical instruments	5,909	1,629	-	7,538
Renovation	-	24,721	-	24,721
	<u>50,934</u>	<u>44,939</u>	<u>(12,504)</u>	<u>83,369</u>

<u>NET CARRYING AMOUNT</u>	<u>2013</u>
	\$
Computers	-
Office equipment	28,660
Furniture and fittings	1,675
Musical instruments	5,209
Renovation	49,443
	<u>84,987</u>

# ALIVE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2013

	AT 01.01.2012	ADDITIONS	DISPOSALS	AT 31.12.2012
<b>2012</b>	\$	\$	\$	\$
<b><u>COST</u></b>				
Computers	23,969	4,173	-	28,142
Office equipment	5,720	37,690	-	43,410
Furniture and fittings	10,730	-	-	10,730
Musical instruments	6,600	2,547	-	9,147
Renovation	-	57,640	-	57,640
	<u>47,019</u>	<u>102,050</u>	<u>-</u>	<u>149,069</u>

### ACCUMULATED DEPRECIATION

Computers	23,969	4,173	-	28,142
Office equipment	4,828	1,325	-	6,153
Furniture and fittings	8,593	2,137	-	10,730
Musical instruments	5,000	909	-	5,909
	<u>42,390</u>	<u>8,544</u>	<u>-</u>	<u>50,934</u>

### NET CARRYING AMOUNT

	2012
	\$
Computers	-
Office equipment	37,257
Furniture and fittings	-
Musical instruments	3,238
Renovation	57,640
	<u>98,135</u>

## 7 OTHER PAYABLES

	2013	2012
	\$	\$
Other payable	108	777
Staff costs and benefits	24,069	16,263
Other operating costs	67,989	57,497
	<u>92,166</u>	<u>74,537</u>

Other payables are denominated in the following currencies:

	2013	2012
	\$	\$
Malaysian Ringgit	38,373	-
Singapore Dollar	38,053	74,537
United States Dollar	15,740	-
	<u>92,166</u>	<u>74,537</u>

# ALIVE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2013

### 8 GENERAL FUND EXPENSES

	2013	2012
	\$	\$
<b>Manpower</b>		
Staff salaries and related costs	157,331	124,389
Employer's CPF contribution for staff	21,692	16,530
Staff training and development	411	5,303
Other staff benefits	11,030	4,078
<b>Property</b>		
Insurance	2,087	-
Non-capitalised property, plant & equipment	-	1,034
Upkeep and maintenance of premises	21,642	6,268
<b>Other recurrent expenses</b>		
Church expenses	4,146	4,415
Courier and postages	327	667
Donations	366,882	208,375
Office expenses	3,474	1,372
Printing and stationery	4,243	1,678
Pastoral expenses	13,116	10,345
Purchase of books	1,076	831
Refreshments	18,542	4,974
Resource library	258	120
Speakers expenses	58,343	66,016
Telecommunication expenses	4,772	2,160
Travelling expenses	238	544
<b>Special projects</b>		
Social concerns	591	1,400
<b>Miscellaneous</b>		
Auditor's remuneration	3,500	2,700
Accountancy fee	-	200
Allowance for impairment on amount owing by a related party (Note 4)	36,791	-
Bank charges	352	243
Depreciation of property, plant and equipment	20,218	8,544
Church camp and retreat (Note 9)	13,468	33,635
General expenses	-	105
Gifts	546	810
Ministry expenses (Note 10)	24,388	19,483
Publicity and decorations	729	82
	<u>790,193</u>	<u>526,301</u>

### 9 CHURCH CAMP AND RETREAT

	2013	2012
	\$	\$
Expenditure	64,631	58,168
Less: Receipts	(51,163)	(24,533)
Deficit	<u>13,468</u>	<u>33,635</u>



# ALIVE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2013

### 10 MINISTRY EXPENSES

	2013	2012
	\$	\$
Campus combat ministry	248	-
Cell ministry	113	1,379
Chinese ministry	159	196
Church outreach	5,461	-
Leaders ministry	-	377
Prayer ministry	253	80
Sound and video ministry	86	349
Sunday school ministry	5,019	6,261
Treasury department	308	878
Worship and music ministry	1,933	2,266
Youth/sports ministry	10,808	7,697
	<u>24,388</u>	<u>19,483</u>

### 11 FUNDS

The mission fund was established to support missionaries, missionary organisations and projects.

The building fund was established for the purpose of financing the Church's future purchase or construction of its own church building and renovation of the Church's premises.

Annie C Ling education & social development (ESD) fund was established in commemorate of Annie C Ling and the fund will be used to provide financial assistance to student for educational and character development purposes.

### 12 RELATED PARTY TRANSACTIONS

Significant related party transactions during the financial year at mutually agreed amounts are as follows:

	2013	2012
	\$	\$
<b><u>With a related party</u></b>		
Donations	341,104	206,000
<b><u>With an immediate family member of a key management personnel</u></b>		
Pastoral expenses – love offering	3,600	7,800

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Church, directly, or indirectly.

## ALIVE COMMUNITY CHURCH

### NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2013

#### 13 CAPITAL MANAGEMENT

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

#### 14 AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution of the Church Committee passed on 28 May 2014.

#### 15 INCOME TAX

The Church is a registered Charity under the Charities Act and will be exempted from income tax subject to compliance with the Income Tax Act Cap. 134.

#### 16 FINANCIAL INSTRUMENTS

##### **Risk management**

The main risks arising from the Church's financial instruments are credit risk and liquidity risk. The Church's risk management seeks to minimise the potential adverse effects from these exposures. The Church 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 Church. The major classes of financial assets of the Church are amount owing by a related party and bank balance. The Church policy has been to regularly monitor the related party balance on an ongoing basis to reduce the Church's exposure to bad debts. For bank balance, the Church ensured that they are placed with reputable financial institution with no history of default.

##### *(i) Financial assets that are neither past due nor impaired*

There is no financial assets that are neither past due nor impaired.

##### *(ii) Financial assets that are past due and/or impaired*

There is no other class of financial assets that is past due and/or impaired except for the amount of \$73,583 (2012: \$53,707) owing by a related party of which \$36,791 (2012: \$Nil) is impaired due to default on payment.

## ALIVE COMMUNITY CHURCH

### NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2013

#### Liquidity risk

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

The major class of financial liabilities of the Church is other payables amounting to \$92,166 (2012: \$74,537) which is expected to mature within 1 year.

#### Sensitivity analysis

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

#### **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.