



Gem

Graceful · Empowered · Masterpiece



CAN
She laugh at her future!
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MESSAGE

from FOUNDER



Looking back, our journey started in 2011 for one reason – giving hope and empowerment to the broken, hurting girls and young women to love themselves and to live a purposeful life.

Together with a group of dedicated women who shared the same passion, we embarked on a journey of faith not knowing where it will lead us to. Today, we are thankful that we have witnessed lives transformed and they are able to put into action what they have learnt that gives an incredible impact to their lives and their families.

Starting a work among the women-in-need has never been easy as many are emotionally needy and broken yet we persevere simply because we love them. Having worked and counsel families for many years, I have learnt that tough love is the key to a transformed life. We are thankful towards our dedicated board members, passionate volunteers, enthusiastic staff and generous donors and supporters for being a part of this exciting journey, without whom, we would not be able to accomplish the mission and objectives of GEM.

2016 is a significant year for us as we celebrated our 5th year anniversary combined with our very first fundraising Gala dinner in August. The dinner was well-attended by long term supporters, donors, community partners and friends and helped to raise \$252,600 in net proceeds. I am immeasurably proud of the Organising Committee for pulling off such an endeavour with limited resources and thankful to all Board and committee members for sparing no effort in fundraising and participation. Having Ms Singapore Universe 2013, Ms Shi Lim and special friend, Mr Soh W.W. to grace the occasion was a great delight.

Another big reason to rejoice and celebrate for GEM is that we had obtained charity status on June 20 after years of diligent work. We will continue to work hard and looking forward to another meaningful and impactful year of touching lives; seeing each one of them walking tall in confidence and becoming a **Graceful Empowered Masterpiece**.

In closing, it is my privilege and honour to be a part of this journey and I look forward to give you many good reports in 2017.

Yours sincerely,
Lilian Tng
Founder



Vision

To help teen girls and women with dysfunctional past to become a woman of destiny and live their lives to its fullness.

Mission

To bring restoration to the women in need (WIN) and help them to re-discover the value of womanhood so as to have a new start in life.

Approach

GEM adopts a holistic approach in the design of the programme where we build character through life skills and prepare the women in need (WIN) for employment through vocational skills training. The approach facilitates them to engage with each other as peers, learn as a group and support one another in their journey of self-discovery and empowerment





OUR STORY

The work of GEM started in 2009 by a group of passionate women who came together to organize self-empowering conferences for women of all ages to rise to their calling and embrace womanhood with confidence.

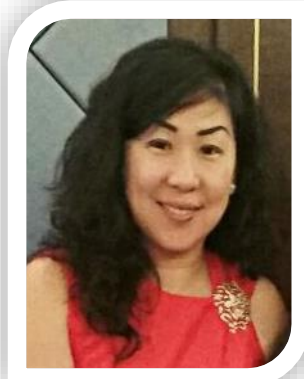
Touched by the needs & cries of the mother who were faced with challenges with their teenage daughters and the urgent calls for help from women who are aimless in life, GEM New Start Centre Limited was then birthed forth to be the beacon of hope for them.



BOARD MEMBERS



FOUNDER
Lilian Tng



DIRECTOR
Caroline Tay



DIRECTOR
Thomis Kwan



DIRECTOR
Lynn Ching



SECRETARY
Wendy Wong Mei Yoke Nee Leong

Management Committee:

President : Caroline Tay
Secretary : Julie Gan
Treasurer : Helen Yong
Member : Lynn Ching
Jesslyn Ng



KEY STATISTICS AT A GLANCE IN 2016



58

WINS through external
community partnership

145

Lives touched



40 Young Lives	Career Talk
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16 Volunteers

5

WINS through GEM

CORPORATE HIGHLIGHTS



Celebrating 5th Year Anniversary cum 1st Charity Dinner

310 guests attended the inaugural GEM Charity Dinner on 26 August 2016 held at Holiday Inn Hotel and raised \$ 252,600 to support GEM's new programme expansion plans slated to take place during second half of 2017.

This event is more than just a fund-raising event as we were also celebrating our 5th year anniversary with friends and supporters. The dinner guests were treated to a special menu handcrafted by the chef and were enthralled by special performances by soloist, Ms Laverne Ong and a team of passionate young musicians, called the ECLARS.





VOLUNTEER HIGHLIGHTS

GEM held its volunteer appreciation night combined with Christmas celebration on 12 December 2016. Caroline, our President, presented to all staff and volunteers with a stalk of sunflower which symbolises strength, vibrancy and a cheery spirit as an encouragement to all that they are the messengers of hope and courage to the women-in-need (WIN) that they are ministering to.

We also take this time to honour the committee members and staff for their dedication and long service in GEM and appreciated an out-going volunteer who have faithfully served the WIN for the past year.

It was an enjoyable evening where everyone was entertained with songs, fun games and a sumptuous buffet spread.





AND VOCATIONAL SKILLS TRAINING



Our signature **In-side Out Beauty programme** is geared towards helping Women in Need (WIN) to gain self-confidence by empowering and equipping them with the various vocational training skills to pique their career interest or even to enhance their employability.

Our Life skills programme anchors around character education that includes critical thinking skills, problem solving to developing soft skills which are essential for workplace today. Alongside with the life skills, our core beauty training is manicure which can be a fun yet challenging learning journey for the WIN. Manicure training teaches them patience and diligence and to pay close attention to details and at the same time to be mindful to provide good personal service to customers.

What is unique about our training is that we will invite friends or volunteers to be their model for live practice which is likened to on-the-job experience for the WIN. We evaluate and give them constructive feedbacks at the end of the practice as part of their learning process. Through such practices, we hope to let them experience what it is like to work under pressure, meeting expectations and the importance of time management.



Last year, we have 5 WINs under our care. We chose to work with small numbers because we believe in building personal relationships with them.



COMMUNITY PARTNERSHIP

THE TURNING POINT



Our trainer together with a team of dedicated volunteers completed 2 runs of Inside-Out Beauty training with a total of 29 residents at The Turning Point. Life skills lessons were delivered in an interactive manner using objects and group sharing where they got to discuss and share their journeys. Manicure training and flower arrangements are part of the vocational training conducted for the 2 batches.

Our team was privileged to be able to share a part of their lives and bring words of encouragement to them. Many were encouraged by the topic shared on 'turning life setbacks for good'. To them, the best encouragement is hearing someone who had been through a tough road in life but chose to overcome adversity for the good of themselves and their loved ones.



Apart from the above training, we have another group of dedicated volunteers who runs a Saturday Befriender programme with the residents once a month through motivational sharing and fellowship.

CHANGI WOMEN'S PRISON

GEM conducted 2 runs of 10 weeks In-side out beauty course with the inmates at Changi Women's Prison on a voluntary basis. Each run comprised of life skills training and manicure training with the aim of preparing them for their release. A total of 23 inmates benefitted from our programme.



COMMUNITY PARTNERSHIP

AG Home

*Learning is experience.
Everything else is just information.*

-- Albert Einstein



23 May 2016 was not an ordinary day for the group of young girls from AG Home as they took a glimpse into the living conditions experienced by the early pioneers at Chinatown Heritage Centre. GEM took them on an experiential tour as part of the educational learning experience for them other than confining their learning in a classroom setting.

The day ended with a sumptuous treat for the girls at Breakthrough Cafe, a social enterprise of Breakthrough Mission. We used the life transformation stories of the staff who were ex-offenders as exemplary examples that their past do not form their identity and they can also become somebody that they aspire to be one day.



COMMUNITY PARTNERSHIP

North Vista Primary School



CAREER TALK

For the second consecutive year, GEM was once again invited to share with the students at the Career Fair organized by North Vista Primary School. More than just sharing about the required skills to be a manicurist, our trainer, Jean Marie highlighted that the key to success for any profession is having the right attitude and a persevering spirit to overcome obstacles and difficulties.

Like any other talks, the most exciting segment was the hands-on practice as each student took turn to wear the hat of a manicurist for a day.



GIVING BACK TO COMMUNITY

Basic Manicure Workshop

In conjunction with Mother's Day, GEM was invited to conduct a basic manicure workshop to a group of 16 women young and old from the community by Providence Care Centre on 7 May 2016. They enjoyed themselves and walked away with a special goodie bag prepared by GEM.



Sharing Christmas Joy



On 8 Dec 2016, we brought carols of cheers to the patients at Bright Vision Hospital together with a team of volunteers. As we sang the beautiful & melodious carols, the Christmas spirit of love, joy, peace, hope was clearly echoed and felt by all present at the hall.

At the end of the day, they were presented with a little handcrafted gift made with love by the volunteers. The joy of giving is not complete without delicious and healthy refreshments for the patients to have a gastronomic treat during such festive season as the team fellowship with them at the table.

REGISTRATION AND REGULATORY STATUS

Registered address:

24 Raffles Place
#24-03 Clifford Centre
Singapore 048621

Mailing address:

2 Springleaf View
Singapore 787908

Financial year :

1 January 2016 - 31 December 2016

Registered Charity under Charities Act

Unique Entity No. (UEN): 201314600E

Date of registration : 20 June 2016

Banker : OCBC Bank

Auditor : H Wee & Co.

Website : www.gemnsc.com

GEM is not funded by government agencies. We have been seeking for donations from generous donors amongst foundations, private institutions, individuals who support GEM's mission of empowering women.



FINANCIAL STATEMENT 2016



GEM NEW START CENTRE LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 201314600E)

(A company limited by guarantee and not having share capital)

**STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

GEM NEW START CENTRE LIMITED

(Incorporated in the Republic of Singapore)

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GEM NEW START CENTRE LIMITED

(Incorporated in the Republic of Singapore)

DIRECTORS' STATEMENT

The Directors present their statement together with the audited financial statements of the Company for the financial year ended 31 December 2016.

In the opinion of the Directors, the financial statements as set out on pages 5 to 19 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2016, and the financial performance 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 when they fall due.

DIRECTORS

The Directors of the Company in office at the date of this statement are:

TAY POH LIAN
KWAN THIM FATT
WENDY WONG MEI YOKE NEE LEONG
CHING SIOW FAI
TAY AH GUAN

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Section 201(6)(t) and 201(6A)(g) of the Singapore Companies Act, Cap. 50 (the "Act") do not apply to the Company as it is a company limited by guarantee and without share capital and debentures.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

Section 201(6)(g) and 201 (6A)(h) of the Act do not apply to the Company as it is a company limited by guarantee and without share capital and debentures.

GEM NEW START CENTRE LIMITED
(Incorporated in the Republic of Singapore)

DIRECTORS' STATEMENT

SHARE OPTIONS

Section 201 (11) and (12) of the Act do not apply to the Company as it is a company limited by guarantee.

AUDITORS

The auditors, Messrs. H. WEE & CO., have expressed their willingness to accept re-appointment.

On behalf of the Directors



CHING SIOW FAI
DIRECTOR



TAY AH GUAN
DIRECTOR

SINGAPORE
DATED: 13 March 2017

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GEM NEW START CENTRE LIMITED**
(Incorporated in the Republic of Singapore)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **GEM NEW START CENTRE LIMITED** (the Company), which comprise the statement of financial position as at 31 December 2016, and the statement of comprehensive income, statement of changes in fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Companies Act), the Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 December 2016 and of the financial performance, changes in the funds and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 Companies Act, the Charities Act and Regulations and FRSs 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 financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance comprises the directors. Their responsibilities include overseeing the Company's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GEM NEW START CENTRE LIMITED**
(Incorporated in the Republic of Singapore)

(Continuation from Page 3)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

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


H. WEE & CO.

PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS

SINGAPORE
13 March 2017

GEM NEW START CENTRE LIMITED

(Incorporated in the Republic of Singapore)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	NOTE	2016 S\$	2015 S\$
INCOME			
Donations		180,099	220,388
Beauty services		-	12,304
External training/workshop	3	414	-
Social Events	4	152,637	240
Miscellaneous income		10,826	15,848
Total income		343,976	248,780
COSTS AND EXPENSES			
Beauty products and services		-	1,299
Changes in stocks		-	2,001
Accountancy fees		5,200	4,800
Audit fees		1,200	1,200
Bank charges		450	1,752
Disposal of plant and equipment		-	27,005
Depreciation	5	3,419	1,379
Donation		2,792	-
Honarium paid to a director		2,353	2,353
Office rental		24,000	42,002
Programs	7	67,127	-
Professional fees		16,950	16,700
Salaries and employee benefits		55,849	122,615
Other operating expenses		18,849	30,022
Total costs and expenses		198,189	253,128
PROFIT/(LOSS) FOR THE YEAR		145,787	(4,348)
Tax expense	10	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		145,787	(4,348)

THE ATTACHED NOTES TO THE ACCOUNTS
FORM AN INTEGRAL PART OF THE ACCOUNTS

GEM NEW START CENTRE LIMITED
(Incorporated in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	NOTE	2016 S\$	2015 S\$
FUNDS			
General Fund		218,171	72,384
		<u>218,171</u>	<u>72,384</u>
Represented by:			
PLANT AND EQUIPMENT	5	2,001	4,499
CURRENT ASSETS			
Stocks	6	3,421	4,408
Other debtors	8	2,469	5,850
Bank and cash balances	9	215,022	63,280
		<u>220,912</u>	<u>73,538</u>
Less : CURRENT LIABILITIES			
Accruals		4,742	4,993
Other creditors		-	660
		<u>4,742</u>	<u>5,653</u>
NET CURRENT ASSETS		<u>216,170</u>	<u>67,885</u>
		<u>218,171</u>	<u>72,384</u>

THE ATTACHED NOTES TO THE ACCOUNTS
FORM AN INTEGRAL PART OF THE ACCOUNTS

GEM NEW START CENTRE LIMITED

(Incorporated in the Republic of Singapore)

STATEMENT OF CHANGES IN FUND FOR THE YEAR ENDED 31 DECEMBER 2016

	GENERAL FUND S\$	TOTAL FUND S\$
Balance at 01 January 2015	76,732	76,732
Total comprehensive (loss) for the year	(4,348)	(4,348)
Balance at 31 December 2015	72,384	72,384
Total comprehensive income for the year	145,787	145,787
Balance at 31 December 2016	218,171	218,171

THE ATTACHED NOTES TO THE ACCOUNTS
FORM AN INTEGRAL PART OF THE ACCOUNTS

GEM NEW START CENTRE LIMITED

(Incorporated in the Republic of Singapore)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 S\$	2015 S\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	145,787	(4,348)
Adjustment:		
Disposal of plant and equipment	-	27,005
Depreciation	3,419	1,379
Operating profit before working capital changes	<u>149,206</u>	<u>24,036</u>
Decrease in stocks	987	2,001
Decrease in other debtors	3,381	4,350
(Decrease) in accruals	(251)	(98)
(Decrease)/Increase in other creditors	(660)	660
Cash flows generated from operations	<u>152,663</u>	<u>30,949</u>
Tax paid	-	-
Net cash flow from operating activities	<u>152,663</u>	<u>30,949</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(921)	(5,466)
Net cash flow (used in) investing activities	<u>(921)</u>	<u>(5,466)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	151,742	25,483
CASH & CASH EQUIVALENTS AT BEGINNING OF YEAR	63,280	37,797
CASH & CASH EQUIVALENTS AT END OF YEAR (Note 9)	<u>215,022</u>	<u>63,280</u>

THE ATTACHED NOTES TO THE ACCOUNTS
FORM AN INTEGRAL PART OF THE ACCOUNTS

GEM NEW START CENTRE LIMITED

(Incorporated in the Republic of Singapore)

NOTES TO THE ACCOUNTS – 31 DECEMBER 2016

1 SIGNIFICANT ACCOUNTING POLICIES

a Historical Cost Convention

The accounts expressed in Singapore dollars, which is the Company's functional currency, have been prepared under the historical cost convention (except as disclosed in the accounting policies below) and in accordance with Singapore Financial Reporting Standards (FRS) as required by the Companies Act.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. There are no significant judgements made in the preparation of the financial statements.

In the current financial year, the Company has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") issued by the Accounting Standards Council that are relevant to its operations and effective for the current financial year.

The adoption of these new/revised FRSs has no material effect on the financial statements.

b New Standards and Interpretations Not Yet Adopted

New standards, amendments to standards and interpretations that are not yet effective for the year ended 31 December 2016 have not been applied in preparing these financial statements. None of these are expected to have a significant impact on the financial statements of the Company.

c Plant and Equipment and Depreciation

All items of plant and equipment are initially recorded at cost. 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 recognition, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of plant and equipment are required to be replaced in intervals, the Company recognises 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 the statement of comprehensive income as incurred.

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

	No. of years
Furniture & fittings, office equipment and renovation	3 years
Computers	1 year

The carrying amount is reviewed annually to assess whether it needs to be written down to its recoverable amount. Fully depreciated assets are retained in the accounts until they are no longer in use. The useful lives and depreciation method are reviewed annually to ensure that these are consistent with the pattern of economic benefits provided by the assets.

GEM NEW START CENTRE LIMITED
(Incorporated in the Republic of Singapore)

NOTES TO THE ACCOUNTS – 31 DECEMBER 2016

1 SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)

d Stocks

Stock is stated at the lower of cost and net realisable value and is valued on the first-in-first-out basis. In arriving at the net realisable value due allowance is made for all obsolete and slow-moving items.

e Financial Assets

(i) Classification

The Company classifies its financial assets according to the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date. The Company's only financial assets are loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the statement of financial position date which are presented as non-current assets.

Loans and receivables include 'bank and cash balances', and 'trade and other receivables' excluding prepayment.

(ii) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the net sale proceeds and its carrying amount is recognised in profit or loss. Any amount in the fair value reserve relating to that asset is also transferred to profit or loss.

(iii) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised as expenses.

(iv) Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method.

Interest income on financial assets is recognised separately in profit or loss.

GEM NEW START CENTRE LIMITED

(Incorporated in the Republic of Singapore)

NOTES TO THE ACCOUNTS – 31 DECEMBER 2016

1 SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)

e Financial Assets – (Cont'd)

(v) Impairment of Assets

The carrying amounts of the Company's assets are reviewed at each statement of financial position date to determine whether there is any indication of any impairment. If any such indication exists, the asset's recoverable amount is estimated. All impairment losses are recognised in profit or loss whenever the carrying amount of an asset of its cash-operating unit exceeds its recoverable amount.

An impairment loss is only reversed to the extent the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. All reversals of impairment losses are recognised in profit or loss.

f Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and at bank which are subject to an insignificant risk of changes in value. Cash equivalents are stated at amounts at which they are convertible into cash.

g Financial Liabilities

Financial liabilities include trade payables and other amounts payable. Financial liabilities are recognised on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process. The liabilities are derecognised when the obligation under the liability is discharged, cancelled or expired.

h Provision

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

Provisions are reviewed at each statement of financial position date 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.

i Foreign Currency Transactions

Transactions in foreign currencies are measured and recorded in Singapore dollars using the exchange rate in effect at the date of the transaction. At each statement of financial position date, recorded monetary balances that are denominated in a foreign currency are adjusted to reflect the rate at the statement of financial position date. All exchange adjustments are taken to profit or loss.

GEM NEW START CENTRE LIMITED
(Incorporated in the Republic of Singapore)

NOTES TO THE ACCOUNTS – 31 DECEMBER 2016

1 SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)

j Income recognition

Donations are recognised upon receipt from donors.

Revenue from beauty services is recognised when the service is performed.

k Income Tax

Income tax expense is determined on the basis of tax effect accounting, using the liability method, and is applied to all temporary differences at the statement of financial position date between the carrying amounts of assets and liabilities and the amounts used for tax purposes.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

l Employee Benefits

Pension obligations

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

m Related Parties

A party is considered to be related to the Company if:

- i) The party, directly or indirectly through one or more intermediaries,
 - controls, is controlled by, or is under common control with the Company;
 - has an interest in the Company that gives it significant influence over the Company; or
 - has joint control over the Company;
- ii) The party is an associate;
- iii) The party is a jointly-controlled entity;
- iv) The party is a member of the key management personnel of the Company;
- v) The party is a close member of the family of any individual referred to in (i) or (iv); or
- vi) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v).

GEM NEW START CENTRE LIMITED

(Incorporated in the Republic of Singapore)

NOTES TO THE ACCOUNTS – 31 DECEMBER 2016

1 SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)

n Operating Lease

Rental payable/receivable under operating leases is accounted for in the profit or loss on a straight-line basis over the periods of the respective leases.

2 GENERAL

The Company, incorporated in Singapore, is a company limited by guarantee and not having a share capital and was granted a charity status under the Charities Act, Chapter 37 on 20 June 2016.

The principal activities of the Company are reintegration, training and support for prisoners, ex-offenders and family.

The registered office of the Company is located at 24 Raffles Place, #24-03 Clifford Centre, Singapore 048621.

The Company operates in Singapore.

The financial statements of the Company were authorised by the Board of Directors on 13 March 2017.

3 EXTERNAL TRAINING/WORKSHOP

	2016 S\$	2015 S\$
Contribution received	500	-
Less: Expenses		
Transport	86	-
	<u>414</u>	<u>-</u>

4 SOCIAL EVENTS (CONFERENCE & FUND-RAISING)

	2016 S\$	2015 S\$
Receipts	176,775	240
Less: Expenses		
Marketing and publicity	4,000	-
Printing and stationery	237	-
Refreshments	17,050	-
Transport	411	-
Miscellaneous expenses	2,440	-
	<u>152,637</u>	<u>240</u>

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NOTES TO THE ACCOUNTS – 31 DECEMBER 2016

5 PLANT AND EQUIPMENT

	Furniture & Fittings S\$	Office Equipment S\$	Computers S\$	Renovation S\$	Total S\$
Cost					
At 01.01.2015	39,958	1,396	118	19,405	60,877
Additions	3,059	159	2,248	-	5,466
Disposals	(39,067)	(1,396)	-	(19,405)	(59,868)
At 31.12.2015	3,950	159	2,366	-	6,475
Additions	-	-	921	-	921
Disposals	-	-	-	-	-
At 31.12.2016	3,950	159	3,287	-	7,396
Accumulated Depreciation					
At 01.01.2015	21,943	734	118	10,665	33,460
Additions	735	13	631	-	1,379
Disposals	(21,464)	(734)	-	(10,665)	(32,863)
At 31.12.2015	1,214	13	749	-	1,976
Additions	1,135	53	2,231	-	3,419
Disposals	-	-	-	-	-
At 31.12.2016	2,349	66	2,980	-	5,395
Net Book Value					
At 31.12.2016	1,601	93	307	-	2,001
At 31.12.2015	2,736	146	1,617	-	4,499

6 STOCKS

	2016 S\$	2015 S\$
Cosmetic goods	3,421	4,408

GEM NEW START CENTRE LIMITED

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NOTES TO THE ACCOUNTS – 31 DECEMBER 2016

7	PROGRAMS	2016 S\$	2015 S\$
	Expenses:		
	Trainers Honarium	2,210	-
	Medical fee	2,773	-
	Miscellaneous expenses	640	-
	Printing and stationery	619	-
	Refreshment	1,750	-
	Staff salaries and CPF	56,316	-
	Staff benefits	750	-
	Staff training	1,315	-
	Transport	1,934	-
	WIN program	511	-
		<u>68,818</u>	<u>-</u>
	Less:		
	Contribution received - programs	1,365	-
	Receipts - beauty training & services	2,161	-
	Cost of beauty products	(1,835)	-
		<u>1,691</u>	<u>-</u>
		<u>67,127</u>	<u>-</u>
8	OTHER DEBTORS	2016 S\$	2015 S\$
	Utility deposit	469	1,650
	Rental deposit	2,000	4,000
	Others	-	200
		<u>2,469</u>	<u>5,850</u>

GEM NEW START CENTRE LIMITED

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NOTES TO THE ACCOUNTS – 31 DECEMBER 2016

9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of bank and cash balances. Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amount:

	2016 S\$	2015 S\$
Bank and cash balances	215,022	63,280

10 TAXATION

The Company is registered as a charitable institution and income is exempt from tax under Section 13(1)(g) of the Income Tax Act as of 20 June 2016.

The Company has estimated tax losses and capital allowances amounting to S\$87,372 (2015: S\$69,329) for which no deferred tax asset is recognised due to uncertainty of its recovery. This amount is available for offsetting against future taxable income subject to agreement by the tax authorities and compliance with the relevant provisions of the Income Tax Act.

11 FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities can be categorised as follows:

	Loans and receivables S\$	Financial liabilities at amortised cost S\$	Total S\$
2016			
Assets			
Other debtors	2,469	-	2,469
Bank and cash balances	215,022	-	215,022
	<u>217,491</u>	<u>-</u>	<u>217,491</u>
Liabilities			
Accruals	-	4,742	4,742
	<u>-</u>	<u>4,742</u>	<u>4,742</u>
2015			
Assets			
Other debtors	5,850	-	5,850
Bank and cash balances	63,280	-	63,280
	<u>69,130</u>	<u>-</u>	<u>69,130</u>
Liabilities			
Accruals	-	4,993	4,993
Other creditors	-	660	660
	<u>-</u>	<u>5,653</u>	<u>5,653</u>

GEM NEW START CENTRE LIMITED

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NOTES TO THE ACCOUNTS – 31 DECEMBER 2016

12 EMPLOYEE BENEFITS

The Company's contribution to the Central Provident Fund was in respect of:

	2016 S\$	2015 S\$
Staff	16,130	15,270

Compensation of directors and key management personnel

The remuneration of the directors during the year was as follows:

	2016 S\$	2015 S\$
Honorarium paid to a director	2,353	2,353

There are no other key members of management except for the directors of the Company.

13 OPERATING LEASE COMMITMENT

Rental expenses under an operating lease for the year amounted to S\$24,000 (2015: S\$42,002).

At statement of financial position date, the Company was committed to making the following payments in respect of an operating lease with a term of more than one year:

	2016 S\$	2015 S\$
Lease which expires Within one year	-	14,000

14 RELATED PARTY TRANSACTIONS

During the year, significant transactions with related parties on terms as agreed were as follows:

	2016 S\$	2015 S\$
Expenses paid to a related party - Professional fee (consultancy services)	16,000	16,000

GEM NEW START CENTRE LIMITED

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NOTES TO THE ACCOUNTS – 31 DECEMBER 2016

15 FINANCIAL RISK MANAGEMENT

The main risks arising from the Company's financial statements are credit risk, interest rate risk, liquidity risk and fair values. The directors review and agree on policies for managing each of these risks and they are summarised below:

(i) Credit risk

The management monitors the Company's exposure to credit risks on an ongoing basis.

Cash and cash equivalents are placed with financial institutions with good credit ratings.

As at the statement of financial position date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

(ii) Liquidity risk

Liquidity risk refers to the risk in which the Company encounters difficulties in meeting its short-term obligations. Liquidity risks are managed by matching the payment and receipt cycle.

The Company actively manages its operating cash flows so as to finance the Company's operations. As part of its overall prudent liquidity management, the Company minimises liquidity risk by ensuring availability of funding by maintaining a sufficient level of cash to meet its working capital requirements.

The following table details the Company's remaining contractual maturity for their non-derivative financial instruments. The table has been drawn up based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Company is expected to receive or pay.

Contractual maturity analysis

	Within one financial year S\$	After one financial year but within five financial years S\$	Total S\$
2016			
Financial assets			
Non-interest bearing	217,491	-	217,491
Financial liabilities			
Non-interest bearing	4,742	-	4,742
2015			
Financial assets			
Non-interest bearing	69,130	-	69,130
Financial liabilities			
Non-interest bearing	5,653	-	5,653

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NOTES TO THE ACCOUNTS – 31 DECEMBER 2016

FINANCIAL RISK MANAGEMENT – (Cont'd)

(iii) **Interest rate risk**

The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company has no significant interest bearing assets or borrowing.

(iv) **Fair Values**

The carrying amounts of bank and cash balances, receivables and payables approximate their fair values due to their short term nature.

CAN
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