

MORNING STAR COMMUNITY SERVICES LTD.
(UEN: 201617675H)
(Incorporated in the Republic of Singapore)

**AUDITED FINANCIAL STATEMENTS AND
OTHER FINANCIAL INFORMATION
FOR THE PERIOD FROM 29 JUNE 2016
(DATE OF INCORPORATION) TO 31 DECEMBER 2016**

MORNING STAR COMMUNITY SERVICES LTD.
(UEN: 201617675H)

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of the company for the period from 29 June 2016 (date of incorporation) to 31 December 2016.

1. OPINION OF THE DIRECTORS

In our opinion:-

- i) the accompanying financial statements together with the notes thereto 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 activities and changes in general and specific funds of the company for the financial period from 29 June 2016 (date of incorporation) to 31 December 2016; and
- ii) 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.

2. DIRECTORS

The directors in office at the date of this statement are:-

OW SOON SIAN ALAN	(Appointed on 29.06.2016)
LIM CHRISTINA	(Appointed on 29.06.2016)
YEO KIEN SWEE	(Appointed on 29.06.2016)
POON KIN MUN KELVIN (PAN JIANWEN KELVIN)	(Appointed on 29.06.2016)
TAY BONG HUA JEREMY	(Appointed on 29.06.2016)
TAN WEE HAN GERALD	(Appointed on 29.06.2016)
MICHAEL KOH AH SAN	(Appointed on 29.06.2016)

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

The company is a company limited by guarantee and has no share capital.

4. DIRECTORS' INTERESTS IN SHARES OF DEBENTURES

The company is a company limited by guarantee.

There were no shares or debentures issued.

5. OPTIONS GRANTED, EXERCISED AND OUTSTANDING

There are no options granted, exercised and outstanding to take up unissued shares as the company is limited by guarantee.

MORNING STAR COMMUNITY SERVICES LTD.
(UEN: 201617675H)

DIRECTORS' STATEMENT

6. AUDITOR

The auditor, Kreston David Yeung PAC, has expressed its willingness to accept re-appointment.

On behalf of the Board,



TAN WEE HAN GERALD
Director

Singapore, **15 JUN 2017**



POON KIN MUN KELVIN
(PAN JIANWEN KELVIN)
Director



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MORNING STAR COMMUNITY SERVICES LTD. (UEN: 201617675H)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Morning Star Community Services Ltd. (the "company"), which comprise the statement of financial position of the company as at 31 December 2016, the statement of financial activities and statement of changes in general and specific funds of the company for the period from 29 June 2016 (date of incorporation) to 31 December 2016, 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 activities and changes in general and specific funds of the company for the period from 29 June 2016 (date of incorporation) to 31 December 2016.

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 and 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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MORNING STAR COMMUNITY SERVICES LTD. (UEN: 201617675H)

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 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.

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 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.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MORNING STAR COMMUNITY SERVICES LTD. (UEN: 201617675H)**

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- 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.

During the course of our audit, nothing has come to our attention that causes us to believe that during the year:-

- a) the company has not used the donation monies in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- b) the company has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

KRESTON DAVID YEUNG PAC
Public Accountants and
Chartered Accountants

Singapore, **15 JUN 2017**

KRESTON DAVID YEUNG PAC (UEN: 200717891W)
A public accounting corporation incorporated with limited liability and a member of **Kreston International**
128A Tanjong Pagar Road, Singapore 088535
Tel: 6223 7979 Fax: 6222 7979

MORNING STAR COMMUNITY SERVICES LTD.
(UEN: 201617675H)

STATEMENT OF FINANCIAL POSITION
As at 31 December 2016

	S\$
ASSETS	-
Total assets	<u>-</u>
FUNDS AND LIABILITIES	
Restricted fund	-
Unrestricted fund	-
Total funds	<u>-</u>
Liabilities	-
Total liabilities	<u>-</u>
Total funds and liabilities	<u>-</u>

The notes set out on pages 9 to 11 form an integral part of and should be read in conjunction with this set of financial statements.

MORNING STAR COMMUNITY SERVICES LTD.
(UEN: 201617675H)

STATEMENT OF FINANCIAL ACTIVITIES
For the period from 29 June 2016
(date of incorporation) to 31 December 2016

	S\$
Income	-
Less: Expenditure	-
Net surplus	-

The notes set out on pages 9 to 11 form an integral part of and should be read in conjunction with this set of financial statements.

MORNING STAR COMMUNITY SERVICES LTD.
(UEN: 201617675H)

STATEMENT OF CHANGES IN GENERAL AND SPECIFIC FUNDS
For the period from 29 June 2016
(date of incorporation) to 31 December 2016

	Accumulated Fund S\$
Balance as at 29.06.2016 (date of incorporation)	-
Net surplus for the period	-
Balance as at 31.12.2016	-

The notes set out on pages 9 to 11 form an integral part of and should be read in conjunction with this set of financial statements.

MORNING STAR COMMUNITY SERVICES LTD.
(UEN: 201617675H)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2016

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

1. GENERAL

The company is incorporated as a private company limited by guarantee under the Companies Act, Chapter 50 and domiciled in the Republic of Singapore.

The company has been registered as a charity under the Charities Act, Chapter 37 with effect from 31 August 2016.

The principal activities of the company are to provide student care services as well as activities to improve and strengthen family life in Singapore. It had been granted IPC status for the period from 1 October 2016 to 30 September 2018.

The company is set-up to take over the entire business and operations of Morning Star Community Services. The effective date of transfer will be on 1 February 2017. The company did not carry out any activities during the current financial period.

The registered office of the company is located at 4 Lorong Low Koon, Nativity Parish Centre, Singapore 536450.

Each member of the company has undertaken to contribute such amounts not exceeding S\$1 to the assets of the company in the event the company is wound up and the monies are required for payment of the liabilities of the company. The company has 7 members at the end of the reporting period.

The financial statements of the company for the period from 29 June 2016 (date of incorporation) to 31 December 2016 are authorised for issue in accordance with a resolution of the directors on 15 June 2017.

The financial statements of the company are expressed in Singapore dollar.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements of the company have been prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up in accordance with the Singapore Financial Reporting Standards ("FRS").

b) Significant Accounting Estimates and Judgements

Estimates, assumption concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the company's accounting policies, reported amounts of assets, liabilities, income and expense and disclosures made. Although these estimates are based on management's best knowledge of current events and actions, management are of the opinion that there are no critical judgements involves that have a significant effect on the amounts recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) 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 the amount of the obligation can be estimate reliably.

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

d) Contingent Liabilities and Assets

A contingent liability is:-

A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company; or

A present obligation that arises from past events but is not recognised because:

- i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

Contingent liabilities and assets are not recognised on the statement of financial position of the company.

e) Key Management Personnel

Key management personnel of the company are those having authority and responsibility for planning, directing and controlling the activities of the company. The directors are considered as key management personnel.

MORNING STAR COMMUNITY SERVICES LTD.
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NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Functional and Presentation Currency

Functional and Presentation Currencies

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates (“the functional currency”). The financial statements of the company are presented in Singapore dollar, which is the functional currency of the company.

Transactions and Balances

Monetary assets and liabilities in foreign currencies are translated into Singapore dollar at rates of exchange closely approximating those ruling at the end of reporting period. Transactions in foreign currencies are converted at rates closely approximating those ruling at transaction dates. Exchange differences arising from such transactions are taken to profit or loss.

4. TAXATION

The company has been registered as a charity under Charities Act and is exempted from income tax for the financial period under the provisions of Income Tax Act Cap. 134.

5. FINANCIAL RISK MANAGEMENT

The company does not have written financial risk management policies and guidelines. The company’s overall risk management is carried out by the directors on an informal basis.

6. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards, amendments and interpretations to existing standards have been published that are mandatory for accounting periods beginning on or after 1 January 2017. The directors expect that the adoption of these standards will have no material impact on the financial statements in the period of initial application.

7. COMPARATIVE FIGURES

There are no comparative figures as this is the company’s first set of financial statements since its incorporation.

8. STATEMENT OF CASH FLOWS

There was no cash flow movement during the financial period. As a result, no statement of cash flows has been presented.