

### SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES (SCORE)

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BUILDING BRIDGES, CHANGING LIVES



The picture on our front cover is drawn by Susie\*, a seven-year-old girl whose father is incarcerated.

In the picture, Susie's mother and youth worker are enjoying a day out on an educational trip organised by The Salvation Army - a rare treat, as her mother was usually busy with work. Inspired by the Yellow Ribbon Project, she had written a heartfelt message at the back of her drawing, - "One More Chance - Daddy is still in prison. Please give him a second chance."

Susie participates in "Kids in Play Activities Under Salvation Army" (Kids In PAUS) by The Salvation Army. The programme is a beneficiary of the Yellow Ribbon Fund, and is aimed at reaching out to children at Prisons' visit centres.

<sup>\*</sup>Susie's name has been changed in order to protect her identity.











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The Singapore Corporation of Rehabilitative Enterprises (SCORE) was established on I April 1976 to take on the role of providing employment and vocational training for inmates. Over the years, SCORE has expanded its role in aftercare support to include areas like employment assistance service for offenders and ex-offenders and the co-ordination of aftercare services through the CARE Network.

As part of Singapore's correctional system, SCORE sees its role in enhancing the employability of offenders and creating a seamless throughcare environment for the effective reintegration of offenders back to society.

Increased employability is crucial to lowering recidivism rates. Gainful employment gives ex-offenders the opportunity to earn a living, support their families and occupy their time in meaningful ways. SCORE aims to increase the employment potential of inmates and ex-offenders by equipping them with the necessary knowledge, employability skills, good work attitudes, and by encouraging more employers to employ ex-offenders.

In partnership with our community partners, SCORE helps to bring awareness of the difficulties faced by ex-offenders on their journey of rehabilitation. Through greater awareness, SCORE hopes to create a conducive environment for ex-offenders to reintegrate back to society, a community that actively participates in helping ex-offenders, and a society that believes in giving second chances to those who desire to change.

### **Our Mission**

We rehabilitate and help reintegrate offenders to become responsible and contributing members of society.

### **Our Vision**

We build bridges of hope for offenders and their families.

We contribute to a safer community by successfully reintegrating offenders.

We exemplify and lead in creating a more compassionate society that offers second chances.

### **Mr Kong Mun Kwong** Chairman, SCORE BBM(L), PBM, JP

### In Partnership with the Business Sector

Last year, SCORE continued to receive strong support from our industry partners. This was the result of our strategy to seek collaboration with small and medium-sized enterprises (SMEs) and to play a role to help in their development and growth by offering ourselves as a key partner in the outsourcing of their labour-intensive manufacturing processes.

One way is through our subcontracting business. In fact, subcontracting services has been targeted as the next growth area in SCORE as it is mutually beneficial for SCORE and the SMEs. This business has created a steady stream of employment for inmate workers. By working with SME partners to bring subcontracting work into the prisons, we are also importing the latest in market trends, skills and equipment. This helps inmates keep abreast of developments in the external industries and maintain the relevance of their skills and knowledge so that they may reintegrate more easily into the workforce later.

I am happy to report that the Food Hub in Changi Prison Complex's (CPC) Cluster A has been successfully set up. The workshops are fully occupied by local SMEs for processing of food products, serving both the retail and commercial markets. Inmates who work at the Food Hub also receive training in marketable skills. The success of the Food Hub in Cluster A has convinced SCORE to replicate a substantial part of the concept in the upcoming Cluster B. This will further establish food as another core industry of SCORE.

Besides the Food Hub, SCORE Bakery also fared well last year. In May 2005, the bakery achieved HACCP certification, which is a recognition of our high standards in food hygiene and safety. Last year, SCORE made a foray into the retail loaves market by taking on OEM manufacturing for a NTUC FairPrice private label, SuperValue Bread.

"Last year, SCORE made a foray into the retail loaves market by taking on OEM maunfacturing for a NTUC FairPrice private label, Super Value Bread."

### In Partnership with the Public Sector

On the vocational training front, SCORE succeeded in obtaining support from the national training fund for the training of inmates after many years of discussion. Last year, SCORE piloted a 'Place & Train' scheme in collaboration with NParks, WDA and NTUC. The new scheme matched pre-release inmates with employers in the landscaping industry and trained them while they were still in prison. Upon release, the inmates were placed with their respective employers. WDA funded the training cost and NTUC provided the Re-employment Support Scheme incentive to encourage the participants to stay on the job. The new 'Place & Train' scheme ensures the effective use of the training dollar by directly matching employment with relevant training. The pilot scheme was successful and SCORE intends to expand this mode of training to other vocational skills.

interviews with inmates who would need help reintegrating back to society in the subsequent weeks and months. Being given an opportunity to meet potential employers and receive job offers boosted the confidence of the inmates to stay on the right track after release.

The Yellow Ribbon Fund (YRF) received pledges and donations amounting to \$1.08 million last year. In turn, the Yellow Ribbon Fund Committee disbursed about \$330,000 to programmes that would benefit ex-offenders and their families. For good governance, a Fund Disbursement Sub-Committee was set up to independently evaluate all funding proposals and make recommendations for fund allocations. SCORE's staff heads the secretariat for the CARE Network and YRF

"Being given an opportunity to meet potential employers and receive job offers even before they were released boosted the confidence of the inmates to stay on the right track after release."

### In Partnership with the Community Sector

Building on the success of the Yellow Ribbon Project (YRP), the CARE Network organised an even bigger campaign in 2005. YRP 05 succeeded in reaching out to the wider community with the message of providing a second chance to reformed ex-offenders. About 175,000 people participated in the various YRP events, and 400,000 yellow ribbons were distributed throughout Singapore. We have also begun to see more people moving from Awareness and Acceptance to Action, as many community agencies and organisations came forward to organise events or raise money for the Yellow Ribbon Fund and participate in our job fairs. Indeed, widespread involvement of the community in the provision of employment to ex-offenders should be the long term goal of YRP.

Last year, we scored a first by holding a job fair in a prison. The Yellow Ribbon Job Fair was organised for some 240 pre-release inmates in CPC Cluster A. It was an encouraging sight to see employers conducting

### **New Leadership**

In 2005, SCORE had a change in leadership. In October, Mr Jason Wong, who had been the CEO of SCORE since April 2002, stepped down to return to the Singapore Prison Service (SPS) as its Deputy Director / Chief of Staff. During his stint as CEO of SCORE, Jason had contributed much in the rehabilitation of offenders and ex-offenders. The movies: "Twilight Kitchen", "Coming Home", "One More Chance" and a host of many other Yellow Ribbon related activities were a result of his conviction of creating a ripple effect in the community to do more in giving ex-offenders a second chance. On behalf of the Board and staff of SCORE, I would like to thank Jason for his contributions in leading the organisation for the past three-and-a-half years.

Desmond Chin has since taken over the reins. Desmond is a very capable and personable leader. I am confident that he will take SCORE to the next level. Desmond is also from the SPS. This underlies our commitment to build on the close alignment we have with SPS.

### **Financial**

In 2005, we experienced healthy growth in revenue and this was reflected in an increase of 16% in our gross income. However, our cost of operations continued to remain high which can be largely attributed to the depreciation of our new machinery and the rapid rise in material costs in our workshops. Despite this, the operating deficit was reduced from \$3.81m to \$3.31m due to a greater volume of sales. As at the year's end, we continued to have a healthy cash position with a surplus of \$19.5m. In the coming year, we will explore and implement more cost effective measures in operations. We will also continue to increase our rehabilitative efforts and invest more in improving the employability of inmates.

**Acknowledgements** 

I would like to express my heartfelt appreciation to the members of the Board and the various Committees for their tireless support and contributions, the Ministry of Home Affairs and the Singapore Prison Service for their support and close cooperation, members of the CARE Network, partner organisations of the Yellow Ribbon Project, industry partners and employers for their effort and support in building a more compassionate society. To the staff of SCORE, who are the backbone that make all these possible, my personal thanks for yet another year of dedicated efforts to SCORE.

"We will also continue to increase our rehabilitative efforts and invest more in improving the employability of inmates."

Mr Kong Mun Kwong Chairman

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Chairman Mr Kong Mun Kwong BBM(L), PBM, JP

Mr Kong holds many directorships in both private and public commercial companies in Singapore and Malaysia. Mr Kong also has business interests in Singapore and the region, built up over the past 35 years. Mr Kong is involved in various types of community work for more than 20 years in organisations like the Home Nursing Foundation, Raffles Junior College, NTUC Cooperatives, Changkat CCC, the Tampines Town Council and the North-East Community Development Council. Mr Kong joined SCORE's Board of Directors in 1991 and was appointed Chairman in 1996.



Deputy Chairman
Dr Choong May Ling
PPA(P)

Dr Choong May Ling is Deputy Secretary (Security) in the Ministry of Home Affairs. She began her career in the Ministry of Health, and has held various senior positions in the Ministry of Education, Ministry of Finance, Ministry of Communications and Information Technology, and Ministry of Information, Communications and the Arts before joining Ministry of Home Affairs on I December 2003. She was appointed to the SCORE Board as the Deputy Chairman on 5 January 2004.



Member Mrs Goh Mui Hong

Mrs Goh Mui Hong has been an active member of the Investment & Finance Committee since February 1999 and was appointed as Chairman of the Committee on I February 2004. She is also a member of the Tender Approving Committee since I February 2004.

Mrs Goh is the President and Chief Executive Officer of ST Asset Management Ltd (STAM), a fund management company. She is also the Group President & CEO of Vertex Venture Holdings Ltd (VVH), which is the holding company of Vertex Management which specializes in managing private equity and venture capital funds.

She has been an invaluable member of the Committee with her experience and knowledge of the financial markets. She has a Masters of Business Administration and a Masters of Science (Business). Mrs Goh was appointed to the SCORE Board on 14 November 2003.



Member Mr Koh Juan Kiat

Mr Koh Juan Kiat is the Executive Director of the Singapore National Employers Federation and the Executive Director of the Singapore Business Federation. He was the former Executive Director of the National Productivity Board. With his experience in training and manpower issues, and involvement with companies, he advises and provides inputs in these areas and engages employers to support the goals of SCORE. He has a Bachelor of Engineering (Mechanical) Honours Class I from Monash University. Mr Koh was appointed to the SCORE Board on 14 November 2003.



Member Mr Peter Boo Song Heng

Mr Boo is the Founder/ Director of Songxing Investment Holdings Pte Ltd and Group of companies in Singapore and Malaysia. He has a Diploma in Mechanical Engineering from the Singapore Polytechnic and is a member of the Singapore Institute of Directors. Mr Boo is a member of SCORE's Industry & Development Committee providing directions in industrial matters and a Board Member of Industrial and Services Co-operative Society (ISCOS). He is also the Chairman of RE Holdings Pte Ltd and the Mechanical Engineering Advisory Committee of Ngee Ann Polytechnic and a Council Member of the Singapore Polytechnic Entrepreneur's Club. Mr Boo was appointed to the SCORE Board on 11 December 2000.



Member Mr Chua Chin Kiat PPA(E), PPA(P) (L), PPA(P), PBS

Mr Chua was appointed as Director of Prisons and a SCORE Board Member on I November 1998. He had an illustrious career in the Singapore Police Force, which he joined in 1977. Prior to his appointment as Director of Prisons, Mr Chua had been the Director of the Criminal Investigation Department. A President's cum SAF Scholar, he holds a Mathematics and Computer Science Degree from the University of Aston in England. With Mr Chua on the SCORE Board, the Prisons Department and SCORE will continue to work hand in hand, in combining efforts to rehabilitate inmates.



Member Mr Eddie Yong

Mr Eddie Yong is the Deputy Chief Operating Officer of Ventures & Industrial Business Group and Director of Marketing and Business Development at Far East Organization. He is presently the Deputy Chairman of SCORE's Committee on Industry and Development. Mr Yong was appointed to the Board in 1997. He is a veteran and has been a key member of the consultancy team of many landmark industrial developments in Singapore. His experience in marketing puts him in a good position to contribute to SCORE's own marketing efforts. He has a Bachelor of Science (Honours) in Urban Estates Management and a Master of Science (Property) from the National University of Singapore. He is currently a member of the Management Council of Real Estate Development Association in Singapore and member of many professional bodies in Singapore and UK. He is also a certified Property Manager by the USA Institute of Real Estate Management (IREM).



Member Mr Ahmad Khalis Bin Abdul Ghani

Mr Ahmad Khalis was a lawyer before he left legal practice to co-found an Islamic finance consultancy firm, IFIS Business Advisory Pte Ltd. He was appointed to be on the SCORE board with effect from 14 November 2000. Mr Ahmad Khalis is a Member of Parliament for Hong Kah GRC since 3 November 2001 and serves as adviser to Keat Hong Grassroots Organization. He also co-chairs the Education Network of the Community Leaders Forum and was appointed as Vice-Chairman for the GPC for Law and Home Affairs in 2004.



Member Mr Tan Gek Suan

Mr Tan is the Managing Director of the Hussmann Tempcool Group of Companies. He was the President of the Association of Small and Medium Enterprises (1994 – 1996). He is currently the Chairman of the School Advisory Committee of Sembawang Secondary School and also Chairman of SCORE's Committee on Industry and Development. Mr Tan also cochaired the Ad-hoc Committee for the Restructuring of Industries Division. He is a graduate of the Singapore Polytechnic with a Diploma in Mechanical Engineering and he is a Life Member of the American Society of Heating, Refrigeration and Air-conditioning Engineers (ASHRAE), the Refrigeration Service Engineers Society (RSES) of USA and the International Institute of Refrigeration (IIR). He is also a member of the International Institute of Ammonia Refrigeration (IIAR). Mr Tan has been a SCORE Board Member since 14 November 1997.



Member Dr Chua Yong Hai IP, BBM, PBM

Dr Chua Yong Hai is the Chairman of Allco (Singapore) Ltd and Asia Pacific Investment Company Ltd. He holds a Bachelor of Science degree (1st Class Honours) in Applied Chemistry and a graduate diploma in Business Administration from the then University of Singapore, and a PhD in Chemical Engineering from the University of New South Wales. He is Singapore's nonresident High Commissioner to Maldives. Dr Chua was appointed to the SCORE Board on 14 November 2003.



Member Mr Siew Heng Kwok

Mr Siew Heng Kwok was appointed to the SCORE Board on 14 November 2003. He has been a member of SCORE's Establishment Committee since February 2001 and is currently its Chairman. Mr Siew co-chaired the Ad-hoc Committee for the Restructuring of Industries Division. Mr Siew was the Vice-President for Personnel and Industrial Relations at the Overseas Union Bank before he left in mid 2001. Currently, he is an independent management/training consultant and an associate lecturer with the Singapore Institute of Management (SIM) University. He also volunteers his services at various VWOs. He has a Bachelor of Engineering (Mechanical) from the University of Singapore, a Masters of Business Administration from St Mary's University (Canada) and a Graduate Diploma in Social Work from the National University of Singapore.



Member Mr Lau Wah Ming PPA(P), PBS

Mr Lau is the Secretary to the Cabinet and Secretary to the Prime Minister. He also holds the concurrent appointment of Deputy Secretary (Special Duties) in the Ministry of Law. Mr Lau studied engineering in New Zealand as a Colombo Plan scholar, and has a Bachelor of Engineering (Electrical) Honours, from the University of Canterbury, New Zealand. He also holds a Masters Degree in Business Administration from the University of Singapore and has attended the Executive Management Programme at INSEAD, France.

He had worked previously in the Economic Development Board and the Ministries of Finance, Defence, Education, National Development and Communications. Mr Lau has served more than 30 years in the public service and is keen to share his experience and expertise with SCORE. He was appointed to the SCORE Board on 11 December 2000.



Member Mr Tan Hup Foi PMB

Mr Tan has extensive experience in the public transport industry. He was the Chief Executive of Trans-Island Bus Services Ltd and the Deputy President of SMRT Corporation Ltd.

He is the Chairman of the Industrial and Services Co-operative Society (ISCOS), which was set up by SCORE in 1989. Appointed to the Board in 1997, Mr Tan has made invaluable contributions, including the successful business and marketing collaboration between SCORE and ISCOS.

Concurrently, he also holds appointments in various councils/boards, amongst which are the Chairman of Ngee Ann Polytechnic, Honorary Vice President of UITP (International Public Transport Association) and Honorary Chairman of UITP Asia Pacific Division and Board member of National Environment Agency (NEA).

A Colombo Plan Scholar, Mr Tan has a First Class Honours degree in Engineering from Monash University in Australia and a Master of Science (Industrial Engineering) degree from the National University of Singapore.

He was awarded the Public Service Medal (PBM) in 1996.

### SCORE'S COMMITTEES

I SEPTEMBER 2005 - 31 AUGUST 2006

### **ESTABLISHMENT COMMITTEE**

### Terms of Reference

- To advise the Board on human resource policies and practices with a view to develop staff potential and to attract new talents and expertise;
- To approve manpower requirements, terms of employment, recruitment, promotion and conditions of services: and
- To exercise the powers of the Corporation in relation to termination of appointment, dismissal and disciplinary control of officers of the Corporation.

### Chairman:

Mr Siew Heng Kwok Management / Training Consultant

### **Secretary:**

Mrs Ling-Saw Wei Ying Manager (Human Resource) Singapore Corporation of Rehabilitative Enterprises

### **Members:**

Mr Chua Eu Liam Retired Human Resource Professional

Mr Koh Siong Ling Senior Director, Human Resource Ministry of Home Affairs

Mrs Peggy Quah Senior Vice-President, Human Resources DBS Bank

Mr Simon Sim General Manager, Touch Community Services

Mr Rohaizan Mustaffa HR Director (ASEAN), DuPont Company (Singapore) Pte Ltd

Mr Desmond Chin Chief Executive Officer Singapore Corporation of Rehabilitative Enterprises

### INVESTMENT AND FINANCE COMMITTEE

### Terms of Reference

- To advise on SCORE's financial and funding policies;
- To manage SCORE's investments in shares and bonds: and
- To advise and monitor SCORE's investments in Rehabilitative Enterprises and other industries.

### **Chairperson:**

Mrs Goh Mui Hong President & CEO, ST Asset Management Pte Ltd

### **Secretary:**

Ms Helen Lee Finance Manager Singapore Corporation of Rehabilitative Enterprises

### **Members:**

Mr Tan Jee Say Managing Director, Diesel Power Pte Ltd

Mr Freddie Yeo Eng Hock CEO & Director, ISCO Group

Mr Chua Joo Hock Executive Vice President, Vertex Management (II) Pte Ltd

Mr Desmond Chin Kim Tham
Chief Executive Officer
Singapore Corporation of Rehabilitative Enterprises

### **COMMITTEE ON TRAINING**

### Terms of Reference

- To identify and recommend training programmes for offenders that will facilitate their reintegration into the national workforce taking into account:
  - (a) current and future jobs in SCORE industries and the employment opportunities in the external private and public sectors;
  - (b) the national plans and initiatives on continuing adult education and training; and
  - (c) SCORE's training, the adult training programmes currently offered by public and private organisations as well as Prisons academic programme and to form them into an integrated system for offender training;
- To advise on the set-up of an Adult Learning Centre for offenders in Changi Prison Complex;
- To assist in securing employment opportunities in the various sectors of the Singapore economy that matches the competencies of the offenders and their training;
- To advise on national and other funding schemes that SCORE could tap on to fund its training programme for offenders.

### Chairman:

Mr Koh Juan Kiat Executive Director, Singapore National Employers Federation

### **Deputy Chairman:**

Mr Lee Van Chong Managing Director, Seacare Manpower Services Pte Ltd

### **Secretary:**

Mr Achuthappa K
Divisional Manager, (Community & Vocational Rehabilitation)
Singapore Corporation of Rehabilitative Enterprises

### **Members:**

Mrs Jeanette Barth-Chan Managing Director, Corplan Pte Ltd

Ms Angie Khoo Deputy Head Programme, (Incare Planning & Development) Singapore Prison Service

Mr A C Ho Director, Organisational Consulting Centre For Effective Leadership

Mr Lim Pan Hong Assistant Engineer, Hitachi Cable (S) Pte Ltd

Mr Tan Suan Kuan Asst General Manager Regional Investment Keppel Land International Ltd

Mr Abdul Halim Bin Abdul Kader Chief Executive Officer, Taman Bacaan Singapore

### SCORE'S COMMITTEES

I SEPTEMBER 2005 - 31 AUGUST 2006

### COMMITTEE ON INDUSTRY AND DEVELOPMENT

### Terms of Reference

- To assist in the identification and establishment of external mirror industries so as to ensure continued employment and training for inmates and their families;
- To advise on the infrastructural development of the Changi Prison Complex (CPC) in view of the industries' needs and requirements given the security and operational constraints;
- To review existing industries and to propose new industries that SCORE can develop so as to provide relevant work training and experience to inmates;
- To assist in identifying suitable industries for the purpose-built halfway house and to advise on the development of workshops and facilities for such industries; and
- To advise on the development and growth strategy of its core industries i.e. the laundry, sub-contracting and food services.

### Chairman:

Mr Tan Gek Suan Managing Director, Hussmann Tempcool (S) Pte Ltd

### **Deputy Chairman:**

Mr Eddie Yong Director, Marketing & Business Development Far East Organization

### **Secretary:**

Mr Patrick Lau
Divisional Manager (Industries)
Singapore Corporation of Rehabilitative Enterprises

### **Members:**

Mr Peter Boo Song Heng Director, Songxin Investment Holdings Pte Ltd

Mr Chan Tien Lok Daniel
Chairman, IPS Group of Companies

Mr Richard Chia Consultant

Ms Angie Khoo Deputy Head Programme, (Incare Planning & Development) Singapore Prison Service

Mr Huang Kok Kee Michael Marketing Consultant

Mr Lau Wah Ming Secretary to Cabinet / Secretary to Prime Minister Office /Deputy Secretary (Special Duties), Ministry of Law

Dr Benji Ng Executive Director, Financial Planning Association of Singapore

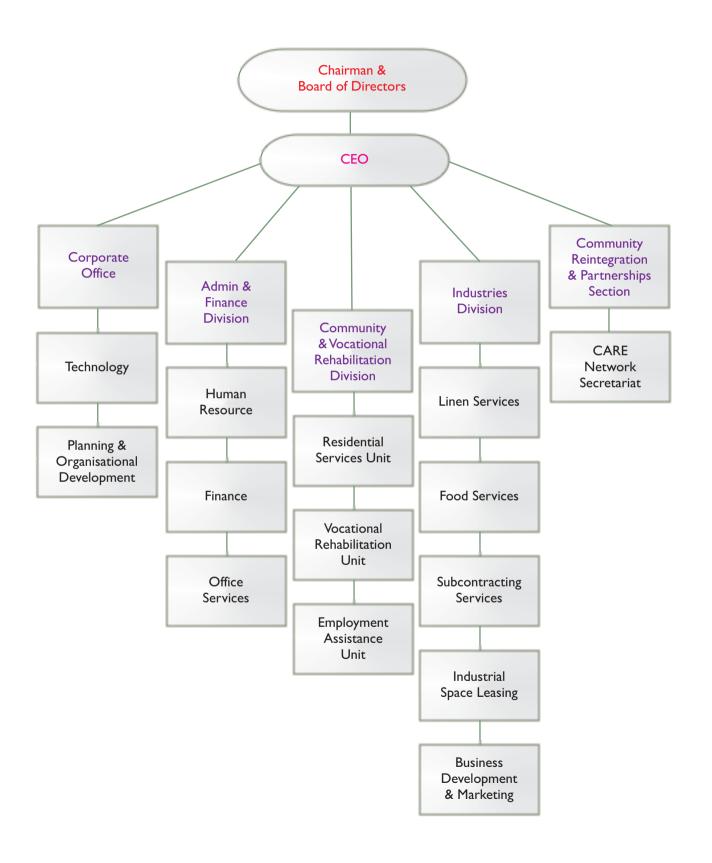
Mr Tan Chor Khoon, Vincent Managing Director, Select Catering Services Pte Ltd

Mr Tan Khieng Sin Managing Director, Frezfruta Jam Manufacturing Pte Ltd

Mr Tay Eng Hoe Managing Director, ECS Computers (Asia) Pte Ltd

Mr Desmond Chin Kim Tham
Chief Executive Officer
Singapore Corporation of Rehabilitative Enterprises

### SCORE ORGANISATIONAL CHART





Mr Jason Wong Chief Executive Officer (Term of service was from 1 April 2002 to 30 September 2005)



Mr Desmond Chin Kim Tham Chief Executive Officer (Term of service starts from 1 October 2005)



**Mr Stephen Goh**Secretary



Mr Vincent Chan
Senior Manager
(Community
Reintegration &
Partnerships)



Mr Tan Theng Liang Senior Manager (Leased & Food Hub Workshop)



Mr Tham Wing Kheong Senior Manager (Linen Services)



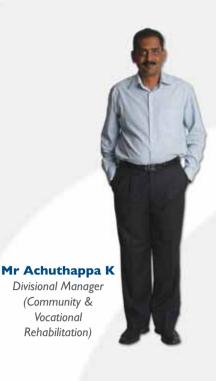
**Mr Jimmy Lee**Manager
(Vocational Rehabilitation)



Ms Esther Chong Manager (Food Services)



Mr Cher Choon Hing Manager (Linen Services)



















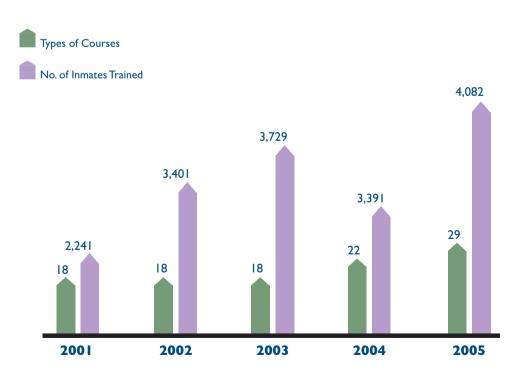
**Mr Kenny Lee** Assistant Manager (Linen Services)

## PERFORMANCE INDICATORS

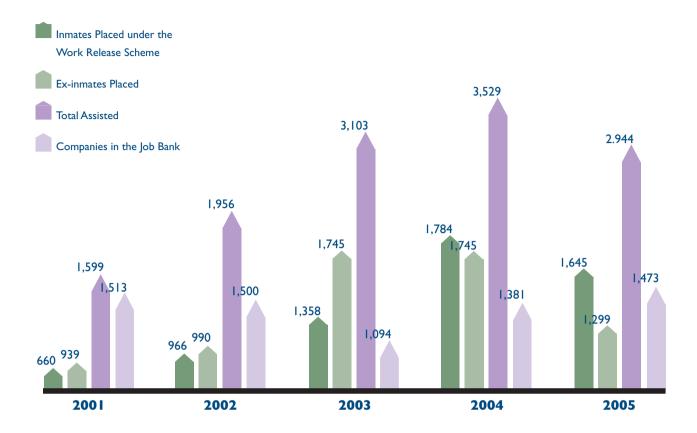
### **PROFITABILITY**



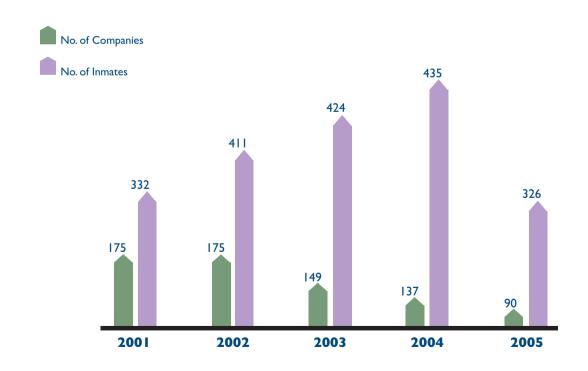
### **TRAINING FOR INMATES**



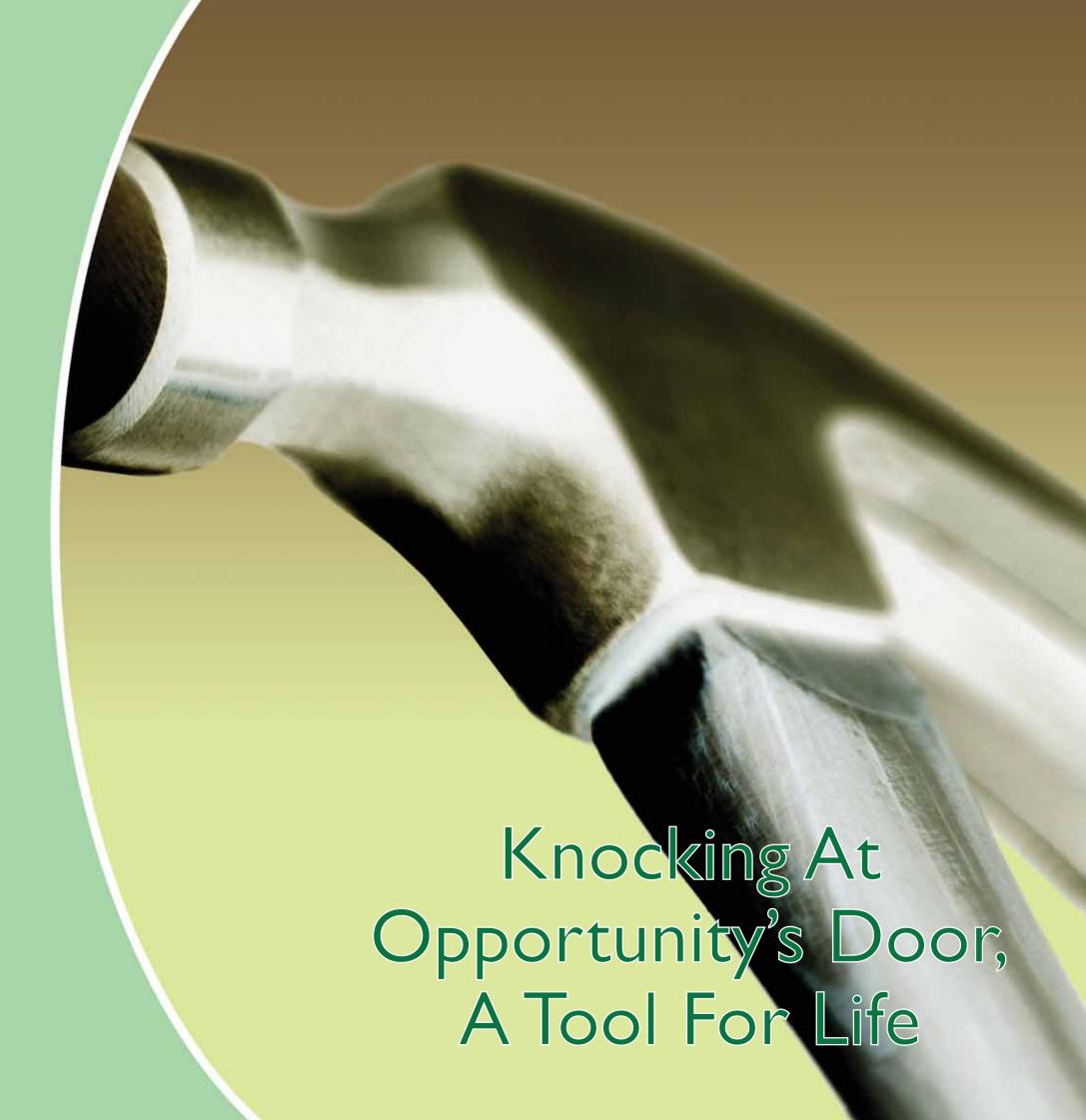
### **JOB/PLACEMENT EMPLOYMENT ASSISTANCE**



### **CORPORATE ADOPTION SCHEME**



OUR COMMUNITY PARTNERS





The Yellow Ribbon Project (YRP) was one of the initiatives pioneered by CARE Network.

Many of our community partners have provided our clients with the Hope of a brigher future.

# OUR COMMUNITY PARTNERS

### PARTNERSHIPS WITH THE COMMUNITY

Community partnerships are forged with government agencies, schools, voluntary organisations and private companies to help ex-offenders and their families cope with incarceration and reintegration.

Through their participation and support towards the various Yellow Ribbon Project events and the Yellow Ribbon Fund, many of our community partners have provided our clients with the HOPE of a brighter future.

### Community Action for the Rehabilitation of Ex-offenders (CARE Network)

The CARE Network was formed in May 2000 and brings together government agencies, like the Ministry of Home Affairs, Singapore Prison Service, National Council of Social Service (NCSS), Singapore Corporation of Rehabilitative Enterprises (SCORE), and voluntary welfare organisations, like the Singapore Anti-Narcotics Association (SANA), Singapore Aftercare Association (SACA) and the Industrial Services and Cooperative Society Limited (ISCOS), in the provision of co-ordinated throughcare for ex-offenders.

Since it took over the CARE Network secretariat function in 2003, SCORE has worked closely with the other CARE Network partners to pioneer several initiatives. One such project is the Yellow Ribbon Project (YRP) that was launched in October 2004.



CARE Network Agencies



Many organisations gave their support by participating in the "Wear-A-Yellow-Ribbon Activity".



Director Jack Neo and the casts of the "One More Chance" movie.



The community representatives from the 5 CDCs getting ready to flag-off the "Tie-A-Yellow-Ribbon Walk".

### **Yellow Ribbon Project 2005**

In its second year, the project managed to garner support from 400,000 people in its annual Wear-A-Yellow-Ribbon Activity and saw participation of over 175,000 people in the events that were organised during September 2005. An additional 125 new employers and 300 new volunteers also registered with various CARE Network agencies to provide employment opportunities and support our programmes. Two new Rehabilitation Ambassadors, Mr Joshua Hua (Employers category) and Mr Glenn Lim (Youth category), were also appointed to help promote the YRP cause.

### Wear-A-Yellow-Ribbon Activity

Through the talks and briefings conducted, the Wear-A-Yellow-Ribbon Activity and roadshows saw great support from various religious organizations, schools and corporate organisations like Baleno, Evergreen Stationery, Cold Storage Group, CapitaLand Malls, SMRT and Golden Village.

### "One More Chance" Movie

Locally acclaimed director Jack Neo, produced the "One More Chance" movie, a light-hearted but meaningful movie on the struggles of ex-offenders. The movie theme song was composed by the winner of the Yellow Ribbon Song-Writing Competition. The song was also included in an album titled "Unlock", which was produced by Universal Music. The guest-of-honour for the gala premiere was Dr Lily Neo, Member of Parliament of Jalan Besar GRC.

### Tie-A-Yellow-Ribbon Walk

The People's Association (PA), various Community Development Councils (CDCs), Home Team agencies, Ministry of Community Development, Youth and Sports (MCYS) and aftercare agencies also lent great support to many of the YRP events. The Tie-A-Yellow-Ribbon Walk made a meaningful impact on the 14,000 participants who witnessed the giving and receiving of yellow ribbons in a special ceremony outside the old Changi Prison by ex-offender representatives to community representatives. The community representatives from the 5 CDCs were as follows:

- MP for Bishan Toa Payoh GRC and Central CDC representative, Mr Zainudin Bin Nordin,
- South-West CDC Mayor Ms Amy Khor,
- North-West CDC Mayor Dr Teo Ho Pin,
- MP for Pasir Ris Punggol GRC and North-East CDC Vice-Chairman, Ms Penny Low and
- South-East CDC Senior Manager, Mr Raja

Other representatives were from the religious, sports, education business and entertainment fields. The event signified society's acceptance of reformed ex-offenders. Members of the public also tied yellow ribbons on trees at the finishing point as a concerted display of support.

### Yellow Ribbon Fair

Members of the public also got the chance to interact and gain first-hand knowledge of inmates' talents and skills acquired during incarceration at the Yellow Ribbon Fair. The 9,000 visitors at the new Prison Link Centre - Changi were also educated about the reintegration process from incarceration into the community and were asked to respond by writing encouraging messages on cards to ex-offenders. The guest-of-honour was Dr Ng Eng Hen, Minister of Manpower and Second Minister for Education.

### Yellow Ribbon Conference

This inaugural Yellow Ribbon Conference inspired community action by showcasing case studies, best practices and research studies on reintegration issues. It increased awareness and raised support for reintegration efforts among the 550 community partners who attended. They included employers, volunteer groups and grassroots organisations. The conference was graced by Minister for Community Development, Youth and Sports and Second Minister for Trade and Industry, Dr Vivian Balakrishnan.

### Yellow Ribbon Job Fair

Jointly organized with the North-East CDC, the first ever Job Fair held within prison walls gave 17 employers and over 230 inmates the opportunity to interact, conduct interviews and offer jobs. The Fair provided inmates with the opportunity to secure jobs prior to their release. It also helped to create awareness amongst inmates of the jobs available in selected industries. Three self-help groups, namely MENDAKI, CDAC and SINDA set up booths to provide information on skills training. About 660 jobs vacancies were available during the Fair and 175 inmates were offered jobs. Ms Penny Low, MP for Pasir Ris-Punggol GRC and North-East CDC Vice-Chairman graced the event and gave out awards to recognise outstanding employers, organisations and individuals who were active in offering second chances to ex-offenders.

### Yellow Ribbon Appreciation

At the Appreciation event for our Yellow Ribbon partners and volunteers, Senior Minister of State for Law and Home Affairs, Assoc Prof Ho Peng Kee, also made the ground-breaking announcement of the amendment to the Registration of Criminal (Amendment) Act 2005. These amendments would potentially benefit 120,000 Singaporeans with minor crimes by rendering their records spent.

As the ripple effect catches on, YRP will continue to adopt the many helping hands approach and partner with all who believe in creating awareness, generating acceptance and inspiring greater community action in offering reformed ex-offenders a second chance.



Dr Ng Eng Hen, Minister of Manpower and Second Minister for Education graced the Yellow Ribbon Fair.



A Job Fair for inmates was held in the prison for the first time.



Senior Minister of State for Law and Home Affairs, Assoc. Prof Ho Peng Kee was the guest of honour for the Yellow Ribbon Appreciation Dinner.

### **Yellow Ribbon Fund**

### Fundraising Report Card

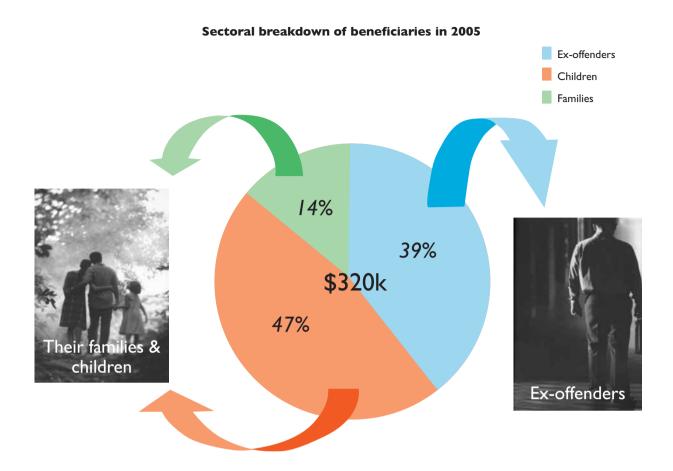
The Yellow Ribbon Fund has raised a gross total of \$1,133,127 since its launch in 2004. 2005 proved to be a sterling year for the young Fund as it garnered \$644,414 from well-wishers, and another \$435,000 worth of pledged/projected contributions.

The Fund was privileged to have been adopted by several national and corporate fundraising efforts. They included National Healthcare Group's Nurses' Day Celebration, The President's Challenge 2005 and The Bull Run 2005 by Singapore Exchange. In addition, companies like Grace Concept, Tiny Box Records and Universal Music helped to raised funds through sale proceeds of their merchandise.

### Fund Disbursement

In 2005, the Yellow Ribbon Fund (YRF) Committee disbursed a total of \$329,927 to 12 programmes from 9 agencies. These programmes cater to the needs of an estimated 1,570 clients. In addition to these 12 programmes, YRF also funded the training fees for the staff of VWOs in the aftercare and rehabilitation sector. Funds raised in 2005 will be disbursed in early 2006.

lo.	Organisation	Program / Service	Allocation
I.	Pertapis Halfway House	Visit and Learn Program	\$7,560
		Residential HWH Program for Non-Mandated Clients	\$9,720
2.	Taman Bacaan Female Halfway House	Women In Recovery	\$10,700
3.	The Turning Point	Residential Program for Women Drug Addicts/ Ex-Prisoners who are not covered under the CBR Scheme of Prisons	\$9,720
		Aftercare Support for Ex-Residents of The Turning Point	\$4,437.50
ŀ.	The Ashram	Individual Counselling	\$6,000
5.	Singapore AfterCare Association	Volunteer Aftercare Program	\$54,891
6.	Singapore Anti-Narcotics Association	Aftercare Family Enrichment Programme	\$23,490
		Family Education and Support Against Drug Abuse Seminar	\$21,830
<b>7</b> .	The Salvation Army	Kids In PAUS	\$129,488.80
3.	Save the Children Singapore	Project Fortis	\$17,840
).	We Foundation	Drop-In Centre	\$34,250



At least 24 programme proposals were received from 14 agencies during the second round of funding application that commenced in September 2005.

### Governance

In keeping with good governance, a fund disbursement sub-committee was formed in November 2005 to independently evaluate all YRF funding proposals and make fund allocation decisions for the final endorsement of the YRF Committee.

The fund disbursement sub-committee comprise representatives from the National Council of Social Service (NCSS), Singapore Prison Service and SCORE.

The fund disbursement sub-committee will consider official supporting documents, such as audited statements of accounts and annual reports of the applicants when evaluating their funding proposals.

### **PARTNERSHIPS WITH EMPLOYERS**

As part of SCORE's continued efforts to engage employers to offer second chances to ex-offenders, several seminars and institutional visits were conducted in 2005. Over 100 employers attended these sessions. The Employment Assistance Unit (EAU) was also successful in adding 496 new employers to their job bank. The number of companies registered in EAU's job bank as at end 2005 was 1,473. The significant number of new companies registered can be attributed to the increased awareness generated by the various events and activities organised as part of the YRP 2005. Ninety of these companies were on the Corporate Adoption Scheme, which encouraged the company to provide a mentor to the ex-offenders emplaced with them.

### PARTNERSHIPS WITH SCHOOLS

Students from the NUS Volunteer Action Committee (NVAC), Singapore Management University, Ngee Ann Polytechnic, Singapore Polytechnic, Temasek Polytechnic and a few secondary schools also embarked upon several community involvement projects (CIP) like the publishing of "Alight Again", a collection of ex-offender stories by a team of SMU students. The National Cadet Corp (NCC) will also be partnering with the CARE Network for the Yellow Ribbon Project in 2006 to raise funds for ex-offenders and their families, and to spread the message of second chances to the wider community.

### Games Carnival @ Ngee Ann

Organised by student leaders of Ngee Ann Polytechnic (NP) for the very first time, the Games Carnival marked a step towards greater community involvement in the rehabilitation and reintegration efforts of ex-offenders. Held on 11 December 2005, it was graced by Assoc. Prof Ho Peng Kee, Senior Minister of State for Law and Home Affairs. Participants from halfway houses and SANA competed in futsal, netball and 3-on-3 basketball. A highlight of the games carnival was 'The Amazing Race' in which students from NP formed teams with recovering drug addicts and their family members to complete the tasks at each pit stop.

In the coming year, SCORE will continue to join hands with the community, government, social agencies, business organisations, employers, schools and even individuals to raise awareness and build bridges of hope for ex-offenders.



Senior Minister of State for Law and Home Affairs, Assoc. Prof Ho Peng Kee was the guest-of-honour for the Games Carnival @ Ngee Ann.



One of the NP student leaders welcoming CEO SCORE, Mr Desmond Chin and Divisional Manager (CVR), Mr Achuthappa K. to the Games Carnival.



'Teen Challenge' and 'SANA' competing in futsal.

"Organised by student leaders of Ngee Ann Polytechnic (NP) for the very first time, the Games Carnival marked a step towards greater community involvement in the rehabilitation and reintegration efforts of ex-offenders."

OUR PROGRAMMES





In 2005, industrial workshops employed about 4,000 inmates.



SCORE operates II subcontracting workshops servicing both SMEs and MNCs.

Centres (DRCs). In 2005, industrial workshops employed about 4,000 inmates at any one time. The prison workshops replicates the normal work environment and helps inmates acquire vocational skills and valuable work experience. By meaningfully occupying inmates, the work programme plays an important role in maintaining security in the prison environment.

SCORE's Industries Division administers the work programme for inmates in Prisons and Drug Rehabilitation

### **Subcontracting Services**

**WORK PROGRAMME** 

SCORE operates 11 subcontracting workshops servicing both SMEs as well as MNCs. SCORE's subcontract customers span across a wide range of industries, from construction to fast moving consumer goods.

We specialise in:

- Manufacturing or assembly of electronic products.
- Quality inspection of parts or components.
- Bulk breaking and packaging.
- Data-entry and other administrative processes.

In 2005, Subcontracting Services provided employment for more than 900 inmates. This would not have been possible without the support of the private companies who partnered with us.





Quality inspection of parts by inmates.

### **Linen Services**

SCORE operates one of Singapore's largest laundries serving primarily the restructured hospitals. In March 2005, our main washing system CBW (Continuous Batch Washing) was officially commissioned. With the CBW running at optimum efficiency, we reduced our 3-shift (24 hours) operation to 2-shift (16 hours) in May 2005. This helped free up capacity for new businesses. In 2005, we also successfully secured new contracts from Raffles Hospital, MINDEF and The Singapore Zoological Gardens.

### **Food Services**

SCORE Bakery manufactures white and wholemeal sandwich loaves, buns and dinner rolls for private sector enterprises, hospitals, government institutions, and sandwich manufacturers. It achieved the Hazard Analysis Critical Control Point (HACCP) certification in June 2005. Since May 2005, SCORE Bakery has started to undertake OEM manufacturing for some of the major players in the retail bread market.

In 2005, SCORE continued to manage the Central Kitchen in Changi Prison Complex Cluster A in collaboration with NTUC Foodfare. The kitchen supplies meals to 8,000 inmates from Tanah Merah Prison, Changi Women's Prison/DRC and Cluster A on a daily basis.



Linen Services' main washing system CBW (Continuous Batch Washing) was officially commissioned in March 2005.



SCORE Bakery undertook OEM manufacturing for some of the major players in the retail bread market since May 2005.

SCORE manages the Central Kitchen in Changi Prision Complex Cluster A in collaboration with NTUC Foodfare.

### "It (SCORE Bakery) achieved the Hazard Analysis Critical Control Point (HACCP) certification in June 2005"

### **Leased Workshops**

SCORE workshops are leased to private firms for electrical/electronics assembly, fabrication of metal products, packaging, printing and paper products, embroidery and food preparation/services.

### Food Hub Workshops

SCORE manages a purpose-built food hub in Cluster A of the Changi Prison Complex. The workshops in Institution A3 have been dedicated as the Food Hub. All workshops in the food hub have been leased out to private companies for food production purposes.

### **VOCATIONAL TRAINING PROGRAMME**

Vocational training programme provides inmates with relevant training that will enhance their employability and help them to reintegrate into the work environment. The training provided can be categorised into two broad areas – vocational skills and employability skills training. In 2005, a total of 29 courses were conducted for 4,082 offenders. This represents a 20% increase compared to the previous year.

As part of its continued efforts to keep training relevant to the needs of the job market, the Vocational Rehabilitation Unit (VRU) introduced two new courses namely, 'NSRS in Landscaping' and 'Basic Eastern Vegetarian cooking' and expanded its IT Insource Training.

### **NSRS** in Landscaping

In 2005, SCORE partnered with NParks, Workforce Development Agency (WDA) and NTUC to pilot the 'Place & Train' Scheme in landscaping for 48 pre-release inmates. This project was named 'Project Green Beacon'. WDA provided funding for the training, while NParks provided the technical expertise and helped to source for employers. Upon completion of the training, the offenders were placed to work in the landscaping industry. Each offender was followed up closely by SCORE Case Managers and was also provided with funding under the Re-Employment Support Scheme (RESS) by NTUC to incentivise them to stay on their job.

VRU will continue to explore and implement more 'Place & Train' programmes in partnership with government agencies and the community in the other industries. This will ensure that inmates receive more specialised training and are assured of a job in a related industry upon their release.



Supervisory Skills Training was one of the employability skills training introduced in 2005.



A total of 48 inmates were selected for the pilot "Place & Train" scheme in landscaping.



Upon completion of the training, the offenders were placed to work in the landscaping industry.



IT Insource Training was expanded to 4 other institutions in 2005.

### **Basic Eastern Vegetarian Cooking**

SCORE collaborated with the Singapore Buddhist Federation (SBF) to implement the Basic Eastern Vegetarian Course for inmates. Volunteers from SBF worked closely with VRU's Food Preparation Course trainers to develop the course modules. A total of 37 inmates were trained. Besides providing skills in basic vegetarian cooking, this course also taught participating inmates the benefits of being a vegetarian.

### **Expansion of IT Insource Training**

With the successful implementation of the insourcing initiative which involved using inmates as IT trainers in 2004, VRU expanded the provision of this training to 4 other institutions namely, Sembawang Drug Rehabilitation Centre (DRC), Khalsa Crescent Prison, Selarang Park DRC and Institution AI of Cluster A. The number trained under this project doubled from 716 to 1,437 in 2005.

### **Skills Standards for Central Kitchen**

In January 2005, VRU was tasked to help inmate workers in the Central Kitchen achieve industry standards in their work skills. A set of skills standards were identified for all functional roles in the Central Kitchen. These skills standards were then validated by SCORE's Industries Division. Assessment methods for the skills standards are slated for implementation in 2006.

"In 2005, a total of 29 (vocational and employability skills) courses were conducted for 4,082 offenders."



The fast track programme for the Electronics course was offered by ITE.

### **NITEC** in Electronics – Fast Track

VRU adopted a modified version of the fast track programme for the Electronics course offered by the ITE, which allowed the inmates to complete the course within I year instead of 2 years. This initiative enabled SCORE to train more inmates in the programme and also provide the industry with a ready pool of skilled manpower. VRU successfully commenced the fast track programme in May 2005.

### **VOCATIONAL GUIDANCE SERVICES**

VRU set up a Vocational Guidance Services (VGS) Unit in May 2005 to provide job readiness training and other job related services for inmates. In order to gather more ideas on how to operationalise the VGS, the team went on a 2-week study trip to the USA in July 2005. During the trip, the team learned about the various initiatives undertaken to prepare offenders to be job-ready and facilitate their reintegration into society. The VGS team will be co-located at Cluster A Programme Unit (CAPU) by January 2006. The VGS team has started working closely with CAPU to roll out suitable release preparation programmes for inmates in Cluster A.

In 2006, the VGS plans to expand its services and set up Career Resource Centres (CRC) in Institution A5 of Cluster A, Admiralty West Prison and Changi Women's Prison/DRC. The CRC will offer career guidance and training advice to inmates to help better position themselves in the dynamic job market. At the CRC, inmates can obtain useful information on employment and industry growth trends, receive advice from Vocational Guidance Officers on skills training and obtain referrals to relevant skills upgrading programmes to enhance their employability and career planning. Self-help facilities such as the on-line job portal and other resources on career development will also be available at the CRC to facilitate job searches.

### **EMPLOYMENT ASSISTANCE**

SCORE's Employment Assistance Unit (EAU) helps secure employment for inmates and ex-offenders to aid in their reintegration efforts. In 2005, EAU assisted a total of 2,944 clients as compared to 3,529 in 2004. This 16.6% decrease was due to the drop in the number of walk-in clients and inmates emplaced on work release schemes.

To help inmates better understand what employers expect of them, SCORE organised sharing sessions by employers and ex-offenders on the challenges and experience in reintegrating in the workforce for about 400 pre-release inmates. Two feedback sessions were also organised for Work-Release Scheme (WRS) inmates to enable them to learn from each other's experiences on work-related matters and to encourage them to stay employed. Seventy-one WRS inmates attended the sessions.

### Clients Assisted in 2005

Ex-offenders seeking employment assistance after their discharge

1299

Penal offenders emplaced under the

renai offenders emplaced ur

1277

Home Detention Scheme

Penal offenders emplaced under the

348

Work Release Scheme

Drug offenders emplaced under the Community Based Reintegration

20

Scheme

Total

2944

"An online job portal was launched on 15 September 2005 to enhance SCORE's employment assistance services."

### **Online Job Portal**

An online job portal was launched on 15 September 2005 to enhance SCORE's employment assistance services. Through the portal, employers are able to register their companies and post job vacancies online. Job seekers on the other hand are also able to post their resumes online and seek out job vacancies on their own. Agencies such as SANA, SACA and CDCs, which help their clients find jobs, were also given access to the system. To date, 356 employers have registered and 280 job vacancies have been posted online. 316 ex-offenders have used the portal of whom 265 have posted their resumes online.

EAU will extend the use of its online job portal to pre-release inmates, inmates on community based programmes and aftercare agencies and strategic partners who provide employment and financial assistance to ex-offenders. This would help expedite job matching. Through its online job portal, EAU will streamline the company registration process, and post success stories to encourage employers to continue to provide jobs for ex-offenders.

### AFTERCARE PROGRAMMES

### **Halfway House Programme**

SCORE's Residential Services Unit (RSU) facilitates the establishment of halfway houses, coordinates the Prisons Halfway House Scheme, and works towards enhancing the programmes of halfway houses. As at 31 December 2005, there were a total of 296 inmates under this Scheme at the 11 halfway houses.

In 2005, the overall completion and relapse rates of the Halfway Houses Scheme were 98% and 1.92% respectively. Completion rate refers to the proportion of inmates who completed their placement and relapse rate refers to the Halfway House Scheme inmates who relapsed within a year after completing their placement.

RSU also facilitates the financial assistance applications of halfway houses and other aftercare agencies such as the Singapore Anti-Narcotics Association (SANA) and the Singapore After-Care Association (SACA). A total of \$87,221.94 was disbursed to the participating halfway houses under the SCORE Financial Assistance Scheme. In addition, six halfway houses, SANA and SACA received a total of \$448,030 from the President's Challenge in 2005.

Divisional Manager (Community and Vocational Rehabilitation) headed an eight-member team from RSU, halfway houses and the Singapore Prison Service on an overseas study trip from 11 - 24 June 2005 to New York, Ohio and Toronto. The objectives of the study visit was to gain an insight to the approaches adopted by overseas community-based residential facilities in facilitating offender reintegration, and to understand the resource requirements and standards of such facilities. The team visited a total of 16 facilities in New York, Ohio and Toronto.

### **Residential Aftercare Services Retreat**

A two-day retreat was held on 3 and 4 October 2005. Thirty-seven participants comprising committee members, heads and key staff of halfway houses, representatives from Singapore Prison Service, SANA, SACA, and SCORE attended the session organised to envision the future of residential aftercare services for offenders and identify strategic focal areas to achieve this. Key initiatives and broad action plans under the four strategic focal areas of Funding, Offender Reintegration Capability, Staff Development and Strategic Partnership were also discussed.



Divisional Manager (Community and Vocational Rehabilitation) headed an eight-member team from RSU, halfway houses and the Singapore Prison Service on an overseas study trip from 11 - 24 June 2005 to New York, Ohio and Toronto.

### CASE MANAGEMENT FRAMEWORK

The Case Management Framework (CMF) is one of the first initiatives pioneered by the CARE Network. This programme, provided by full time Aftercare Case Managers (ACMs) from the Singapore After-Care Association (SACA) and the Singapore Anti-Narcotics Association (SANA), offers assistance to ex-offenders in dealing with reintegration issues such as family, financial, employment, accommodation and other concerns.

Ex-offenders who had completed the programme indicated that they had benefited from the programme. With the help of the ACMs, they were also more prepared to deal with their recovery issues. Apart from getting support and encouragement, ex-offenders were more aware of the resources available to help them cope with their aftercare needs.

Since implementation, more than 2,500 inmates have opted for the CMF and more than 1,200 ex-offenders have since completed the programme. For 2005, the average take-up rate was about 74%. The average completion rate was about 59%.

### Footnote:

- \* The take-up figures were tracked from the Jan Dec 05 release cohorts.
- \*\* The completion figures were tracked from the Jan Jul 05 release cohorts, as cohorts after Jul 05 have not reached their 6-month completion date at the point of data collation in Oct 05.

A Sturdy Support Provides A Strong Foundation For The Organisation

OUR PERSONNEL



Knowledge is shared through the "Learning and Sharing sessions".

SCORE invested about \$150,232.30 (3% of payroll) on staff training programmes.

# OUR PERSONNE

# STAFF STRENGTH / CHANGES IN MANPOWER

The staff strength of SCORE as at 31 December 2005 was 126 compared to 132 as at 31 December 2004. Mr Jason Wong, who was CEO SCORE from 1 May 2002 to 30 September 2005, returned to Prisons Department on 1 October 2005 as its Deputy Director/ Chief of Staff. Mr Desmond Chin Kim Tham was appointed as CEO of SCORE from 1 October 2005.

## STAFF TRAINING/LEARNING FOCUS FOR 2005

In 2005, each staff underwent an average of 39.5 learning hours. SCORE invested about \$150,232.30 (3% of payroll) on staff training programmes. As we continue to build a learning organization, staff were sent for training based on their individual learning plan. Besides the training programmes, there were other learning opportunities, for instance, Learning & Sharing Sessions, Unit Sharing Sessions, Learning Visits, Study Trips and Project Work.

To improve the coaching and appraisal skills of reporting officers, a two-day Performance Management Workshop was arranged for all reporting officers.



Performance Management Workshop was arranged for all the reporting officers.

#### **Study Trips**

In 2005, staff went on overseas study trips to share, learn and gather ideas on how to improve our industries, rehabilitation and aftercare services. Details are as follows:

No.	Month / Year	Name	Location	Objectives
I	March 2005	Mr Eruandee Prayitna	Hannover, Germany	Attended the 'CeBIT 2005' Exhibition where latest information on IT was showcased.
2	March 2005	Mr Anthony Chng  Ms Jessie Wong	Qingdao, China	Attended the 'International Conference on Prison and Society' to share on community reintergration efforts.
3	June 2005	Mr Achuthappa K Ms Suraya Sudhi Ms Jessie Wong Ms Maelynne Wong	USA and Canada	To gather ideas adopted by overseas community-based residential facilities in facilitating offender reintegration and to understand the resource requirements and standards of facilities.
4	August 2005	Mr Jimmy Lee Mr Gary Lee Mr Gilbert Soh Ms Audrey Chua	USA	To gain knowledge on how vocational guidance services are carried out in the correctional services in USA
5	September 2005	Mr Patrick Lau Mrs Shirley Loh Ms Puah Ping Hui Mr Lin Sh Liang	Sydney, Australia	Attended the 'Correctional Industries Association of Australia Conference'
6	September 2005	Mr Jason Wong Ms Goh Bee Shan	Seoul, Korea	Attended the 'Asian & Pacific Conference of Correctional Administrators'

#### **INNOVATION & CREATIVITY**

#### **Prisons – SCORE WITS Convention**

On 19 July 2005, Prisons and SCORE held a joint WITs Convention. Three out of the six current SCORE teams were selected to participate in this joint convention. One of the teams, 'The Shapers' impressed the judges and the audience with their presentation style and won the Gold Award. The other two teams, 'C.A.T.' and 'Collaborators' clinched the Silver and the Bronze Awards respectively. It was also an excellent opportunity for SCORE to learn from Prisons. The WITs teams from Prisons had come up with innovative ways to present their projects through video, drama, and showcasing the actual product.

#### **MHA 3Idol Convention 2005**

The MHA 3Idol Convention 2005 was held at Civil Defence Academy on 6 Sep 2005 with a Carnival showcasing the various HT Departments' innovations. SCORE's team from Linen Services won the Consolation Prize with their project on "High Number of Unproductive Hours in SCORE Laundry Workshop". Other than participating in the competition, SCORE's innovation booth showcased ICON's (Inmates Creative Outfit and Network) expertise in programming.

#### **AWARD RECIPIENTS FOR 2005**

#### Ministry for Home Affairs National Day Award 2005

Ms Najimunnisa Shahabuddin and Mr Ong Chwee Seng were the recipients of the Minister for Home Affairs National Day Award 2005. This award recognise officers for outstanding efficiency and competency in administrative and/or operational areas of work.

#### Singapore Labour Foundation Educational Tours Model Employee Award 2005

The Singapore Labour Foundation Educational Tours Model Employee Award is presented to workers in recognition of their outstanding work performance, exemplary conduct, good work attitude and contributions to the labour movement and the community. In 2005, the award recipient was Ms Najimunnisa Shahabuddin. She joined the other award recipients on an educational tour to China in mid-September 2005.

#### Star Service Award

The Star Service Award was implemented to recognize and reward officers who have consistently demonstrated high standards of service excellence in the public service. By identifying role models who display exemplary performance in service delivery, the Star Service Award hopes to encourage quality customer service, thereby raising the public service's standards.

Ms Goh Bee Shan was awarded the Star Service Award 2005 for her relentless support as secretariat of the Yellow Ribbon Project 2004 Main Organising Committee. She went on to be nominated and won the Ministry of Home Affairs Star Service Award at Ministry level.

#### **Chairman SCORE's Award**

The Chairman SCORE's Award was created to recognise and reward staff that have consistently displayed excellent work performance in their area of work. It is an award for staff that significantly contributes to efficiency and productivity in SCORE. In 2005, Ms Grace Vincent, Ms Shariffa Bagham and Mr See Yong Hock received the award.



Mr Ong Chwee Seng was the recipient of the Minister for Home Affairs National Day Award 2005.



Ms Najimunnisa Shahabuddin was the recipient of the Singapore Labour Foundation Educational Tours Model Employer Award 2005.



Ms Goh Bee Shan was awarded the Star Award 2005.

#### **CEO's Team Award**

CEO's Team Award was introduced in 2004 to confer recognition to staff who worked as teams towards the accomplishment of a common departmental/ organisational goal. A total of 10 teams were conferred the CEO's Team Award (see table on the right):

In addition, three teams that truly excelled were awarded the CEO's Team (Star) Award. The projects managed by the three teams were the Hazard Analysis Critical Control Point (HACCP) Project", the "Yellow Ribbon Charity Concert 2004" and the "Yellow Ribbon Fund".

#### **Long Service Award**

The Long Service Award 2005 was given to staff in recognition for their years of dedicated service and the award recipients were as follows:

No.	Project / Event
I	Talent Quest
2	Staff Dinner & Dance 2004
3	Wear a Yellow Ribbon/Street Sales
4	Yellow Ribbon Project Song Writing
	Competition 2004
5	Flag Day 2005
6	Setting up of Food Hub
7	Setting up of ICON
8	Implementation of Eastern Vegetarian
	Cooking Course
9	IT Insource Training
10	Employer Seminar

No.	Name	Division	Number of Years
I	Mr Toh Teng Ser	Office Services	35
2	Mr Chong Kwong Fun	Office Services	28
3	Mr See Yong Hock	Industries	25
4	Mr Ho Kok Beng	Industries	20
5	Mr Fong Kah Foon	Industries	20
6	Ms Chan Poh Chee Pauline	Finance	20
7	Mr Arputhsamy Nathan	Community & Vocational	
		Rehabilitation	15
8	Mr Zulkiflee Bin Ahmad	Community & Vocational	15
		Rehabilitation	
9	Mr Stanley Allen Chowdhurie	Industries	15
10	Mr Kamisan Bin Md Hashim	Industries	15
- 11	Mr So Kai Hok	Community & Vocational	10
		Rehabilitation	
12	Mr Khoo Eng San	Industries	10
13	Ms Renuka Devi D/O Moses	Industries	10

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# Audited Financial Statements

# AUDITORS' REPORT TO THE CHAIRMAN OF SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES

( Established under the Singapore Corporation of Rehabilitative Enterprises Act )

We have audited the financial statements of the Singapore Corporation of Rehabilitative Enterprises (the "Corporation") for the year ended 31 December 2005 set out on pages 44 to 56. These financial statements are the responsibility of the Corporation's management. 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 plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation.

In our opinion,

- (a) the financial statements are properly drawn up in accordance with the provisions of the Singapore Corporation of Rehabilitative Enterprises Act (Chapter298) and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Corporation as at 31 December 2005 and the results, changes in capital and reserve accounts and cash flows of the Corporation for the year ended on that date;
- (b) proper accounting and other records have been kept;
- (c) the financial statements are prepared on a basis similar to that adopted for the preceding year; and
- (d) the financial statements are in agreement with the accounting and other records.

During the course of our audit, nothing came to our notice that caused us to believe that the receipt, expenditure and investment of moneys and the acquisition and disposal of assets by the Corporation during the year have not been in accordance with the provisions of the Singapore Corporation of Rehabilitative Enterprises Act (Chapter 298).

Singapore, 31 March 2006

LO HOCK LING & CO.
CERTIFIED PUBLIC ACCOUNTANTS

# **BALANCE SHEET**

#### as at 31 December 2005

	Notes	<b>2005</b> \$	<b>2004</b> \$
APITAL ACCOUNT	4	1,661,262	1,661,262
AIR VALUE RESERVE	5	(140,034)	-
CCUMULATED SURPLUS	6	35,496,139	36,937,348
otal capital and reserves		37,017,367	38,598,610
EPRESENTED BY			
ION-CURRENT ASSETS			
roperty, plants and equipment	7	13,660,866	14,660,084
vestments	8	12,839,901	11,472,203
URRENT ASSETS			
ventories	9	127,512	102,044
rade receivables	10	6,880,687	5,651,981
Other receivables	П	315,165	314,275
nort term investments		501,217	6,756,877
xed deposits with financial institutions	12	5,550,543	2,651,730
ash and bank balances		663,102	173,253
ESS CURRENT LIABILITIES		14,038,226	15,650,160
rade payables		1,829,552	1,557,283
ade payables Other payables	13	1,692,074	1,626,554
raici payables	13	3,521,626	3,183,837
1.4			
let current assets		10,516,600	12,466,323
otal net assets		37,017,367	38,59

KONG MUN KWONG

lhall.

**CHAIRMAN** 

31 March 2006

**DESMOND CHIN**CHIEF EXECUTIVE OFFICER

31 March 2006

# **INCOME AND EXPENDITURE STATEMENT**

for the year ended 31 December 2005

	Notes	2005	2004
		\$	\$
OPERATING INCOME			
Leased workshops' labour charges	14	2,833,480	2,406,855
Miscellaneous		20,257	24,581
Rental income		747,220	572,972
Sale of goods Sale of services		1,993,356 17,463,561	1,842,758 14,995,342
		23,057,874	19,842,508
LESS: OPERATING EXPENSES			
Advertising		58,717	32,892
Audit fee		28,500	38,500
Bad debts written off - trade Board members' allowance		179,181 38,973	1,474   42,500
Community awareness project		131,442	40,374
Depreciation on property, plant and equipment	7	2,225,529	1,465,549
Distribution cost		938,210	980,944
Entertainment General office expenses		22,678 544,399	25,276 471,800
Grant, contributions and donations		172,114	303,668
Inmates earnings		3,191,075	2,773,773
Inmates training costs		248,145 73,470	236,006 98,630
Liquidated damages Maintenance of office and workshops		324,996	184,972
Manpower costs	15	7,083,385	6,522,239
Material costs		6,935,235	6,325,711
Obsolete stocks written off		681 111,150	67,416
Office rental Other operating expenses		447,510	132,799
Property, plant and equipment written off		70,458	913,078
Staff training		237,976	157,065
Staff welfare		94,153 83,634	101,410 85,920
Travelling Utilities		3,133,013	2,540,927
Othities		26,374,624	23,653,089
Operating deficit		(3,316,750)	(3,810,581)
NON-OPERATING INCOME			
Gain on disposal of property, plant and equipment		89,240	346,787
Income from investments	16	754,623	1,269,526
Interest income from bank deposits		64,850	22,741
Sponsorship for strategic partner	8(b)	20,000	11,024 557,244
Reversal of impairment loss on investments	0(0)	928,713	2,207,322
LESS: NON-OPERATING EXPENSES			
Consultation fees (project)		61,363	179,596
Loss on sale of equity shares		55,367	-
Relocation cost		-	179,928
		116,730	359,524
Non-operating surplus		811,983	1,847,798
Deficit for the year		(2,504,767)	(1,962,783)
,			

# STATEMENT OF CHANGES IN CAPITAL AND RESERVE ACCOUNTS

for the year ended 31 December 2005

	Capital account	Fair value reserve \$	Accumulated surplus	Total \$
Balance as at 31 December 2003	1,661,262	-	38,900,131	40,561,393
Deficit for the year		-	(1,962,783)	(1,962,783)
Balance as at 31 December 2004 as previously reported	1,661,262	-	36,937,348	38,598,610
Effects of adopting FRS 39		(1,063,558)	1,063,558	
Balance as at 1 January 2005 restated	1,661,262	(1,063,558)	38,000,906	38,598,610
Available-for-sale investments: - Reversal of fair value adjustment	-	408,212	-	408,212
<ul> <li>Transferred to income and expenditure account on disposal</li> </ul>	-	515,312	-	515,312
Deficit for the year		-	(2,504,767)	(2,504,767)
Balance as at 31 December 2005	1,661,262	(140,034)	35,496,139	37,017,367

# **CASH FLOW STATEMENT**

for the year ended 31 December 2005

	Note	<b>2005</b> \$	<b>2004</b> \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Deficit for the year		(2,504,767)	(1,962,783)
Adjustment for:			
Amortisation of bonds Depreciation on property, plant and equipment Loss on disposal of equity shares Property, plant and equipment written off Provision for linen loss Gain on disposal of property, plant and equipment Income from investments Interest income from bank deposits Reversal of impairment on investments (Reversal)/provision for unutilised leave		160,554 2,225,529 55,367 70,458 72,000 (89,240) (754,623) (64,850)	(13,828) 1,465,549 - 913,078 85,000 (346,787) (1,269,526) (22,741) (557,244) 17,144
Operating deficit before working capital changes		(838,722)	(1,692,138)
(Increase)/decrease in inventories Increase in trade receivables Decrease in other receivables Increase in trade payables Increase/(decrease) in other payables		(25,468) (1,228,706) 6,423 272,269 2,670	151,209 (1,419,636) 377,169 1,040,108 (36,915)
Cash used in operations		(1,811,534)	(1,580,203)
Liquidated damages paid for linen loss		-	(92,430)
Net cash used in operating activities		(1,811,534)	(1,672,633)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend income Interest income Proceeds from maturity of bonds and disposal		219,366 590,494 8,606,325	418,584 693,403
of investments Proceeds from disposal of property, plant and equipment Purchase of bonds Purchase of property, plant and equipment		89,240 (3,007,650) (1,297,579)	346,787 - (8,389,681)
Net cash from investing activities		5,200,196	3,426,265
Net increase in cash and cash equivalents		3,388,662	1,753,632
Cash and cash equivalents at beginning of the year		2,824,983	1,071,351
Cash and cash equivalents at end of the year	17	6,213,645	2,824,983

### **NOTES TO THE FINANCIAL STATEMENTS**

#### 31 December 2005

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

#### I. CORPORATE INFORMATION

The main office of Singapore Corporation of Rehabilitative Enterprises (the "Corporation"). established under the Singapore Corporation of Rehabilitative Enterpises Act (Chapter 298), is located at 407 Upper Changi Road North, 20km (within Prison HQ Complex), Singapore 507658.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Preparation

The financial statements of the Corporation, expressed in Singapore dollars, have been prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below. The financial statements are prepared in accordance with Singapore Financial Reporting Standards and the provisions of the Singapore Corporation of Rehabilitative Enterprises Act (Chapter 298).

Except for the adoption of FRS 39 – Financial Instruments: Recognition and Measurement, the accounting policieshave been consistently applied by the Corporation and are consistent with those used in the previous financial year.

#### (b) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment loss recognised in accordance with note 2(j) to the financial statements. Depreciation is calculated on the straight line basis so as to write off the cost of the assets over their estimated useful lives. The estimated useful lives have been taken as follows:

Furniture, fixtures and fittings 10 years Plant, equipment and machinery 5 to 10 years Motor vehicles 5 years Computers 3 years

No depreciation is charged for projects-in-progress.

Property, plant and equipment costing less than \$500 each are charged to the income and expenditure statement in the year of purchase.

Fully depreciated assets are retained in the financial statements until they are written off.

#### c) Investment Securities

Investment securities are classified according to the purpose for which the investments were acquired. Management determines the classification at initial recognition and re-evaluates the designation at every reporting date. The investment securities are initially recognised at fair value plus transaction costs.

The Corporation's marketable equity securities are held on a long-term basis and are designated as available-for-sale investments. After initial recognition, available-for-sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the income and expenditure statement.

The Corporation's bonds are held on a long-term basis and are designated as held-to-maturity investments. Held-to-maturity investments are carried at amortised cost using the effective interest method. A gain or loss is recognised in the income and expenditure statement when the held-to-maturity investment is derecognised or impaired, and through the amortisation process.

#### SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (d) Inventories

Inventories are stated at the lower of cost and net realisable value, cost being determined on a weighted average basis. Net realisable value is estimated selling price less anticipated cost of disposal and after making allowance for damaged, obsolete and slow moving items.

In respect of work-in-progress and manufactured inventories, cost includes raw materials, direct labour and appropriate proportion of manufacturing overheads.

#### (e) Trade and Other Receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method.

Trade receivables, which generally have 30-90 days terms, are recognised and carried at original invoiced amount less specific allowance for any uncollectible amounts.

An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

#### (f) Trade and Other Payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

#### (g) Cash and Cash Equivalents

Cash and cash equivalents consist of cash and bank balances and fixed deposits which are subject to insignificant risks of changes in value. Cash equivalents are stated at amounts which they are convertible into cash.

#### (h) Revenue Recognition

- (i) Income from services is taken into account when services have been rendered.
- (ii) Dividend income is recognised when received and refund of dividend tax withheld is recognised upon the receipt of the Annual Dividend Statements or the subsidiary income tax certificates.
- (iii) Interest income on bank deposits is recognised on the accrual basis.
- (iv) Income from sale of goods under the industrial and workshop activities is recognised upon passing title to the customers which generally coincides with the delivery or acceptance.

#### (i) Employee Benefits

#### (i) Defined Contribution Plans

As requested by law, the Corporation makes contributions to the Central Provident Fund (CPF). CPF contributions are recognised as compensation expenses in the same period as the employment that gave rise to the contributions.

#### (ii) Employee Leave Entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for employee entitlements to annual leave as a result of services rendered by employees up to the balance sheet date.

#### SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (j) Impairment of Non-financial Assets

The carrying amounts of the Corporation's non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated. All impairment losses are recognised in the income and expenditure statement whenever the carrying amount of an asset exceeds its recoverable amount.

An impairment loss is only reversed to the extent that the non-financial 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 are recognised in the income and expenditure statement.

#### (k) Impairment of Financial Assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost and its current fair value, less any impairment loss previously recognised in the income and expenditure statement, is transferred from equity to the income and expenditure statement. Reversals in respect of equity instruments classified as available-for-sale are not recognised in the income and expenditure statement.

If there is objective evidence that an impairment loss on receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset shall be reduced either directly or through use of an amortistion account. The amount of the loss shall be recognised in the income and expenditure statement.

#### (I) Provisions

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

#### (m) Grants

Government grants and contributions from other organisations for the establishment of the Corporation are taken to the capital account.

#### 3. PRINCIPAL ACTIVITIES

The principal activities of the Corporation are to rehabilitate and help reintegrate offenders to become responsible and contributing members of society.

#### 4. CAPITAL ACCOUNT

This amount represents the value of assets amounting to \$1,443,262 taken over from the former Prison Industries and a capital grants of \$218,000 received from the Singapore Government for the establishment of the Corporation.

#### **5. FAIR VALUE RESERVE**

Fair value reserve records the cumulative fair value changes of available-for-sale financial assets until they are derecognised or impaired.

#### **6. ACCUMULATED SURPLUS**

Of the \$35,496,139 (2004: \$36,937,348) in the accumulated surplus \$13,788,378 (2004: \$14,885,676) has been utilised for the purchase of fixed and other non-liquid assets or committed for future projects.

#### 7. PROPERTY, PLANT AND EQUIPMENT

	Furniture, fixtures and fittings \$	Plant, equipment and machinery \$	Motor vehicles \$	Projects work-in- progress Total \$
Cost				
Balance as at 1.1.2005 Additions Disposal	2,488,246 392,238	16,132,780 905,341 (37,397)	257,816 - (186,646)	- 18,878,842 - 1,297,579 - (224,043)
Balance as at 31.12.2005	2,880,484	17,000,724	71,170	- 19,952,378
Accumulated depreciation				
Balance as at 1.1.2005 Depreciation charged for the year	212,432 257,801	3,896,866 1,925,576	109,460 42,152	- 4,218,758 - 2,225,529
Disposal		(21,330)	(131,445)	<u> </u>
Balance as at 31.12.2005	470,233	5,801,112	20,167	- 6,291,512
Net book value				
Balance as at 31.12.2005	<u>2,410,251</u>	11,199,612	51,003	- 13,660,866
Cost				
Balance as at 1.1.2004 Additions Disposal Transfer	4,710,431 2,052,497 (4,274,682)	11,804,604 6,256,832 (7,981,067) 6,052,411	425,348 80,352 (247,884)	6,052,411 22,992,794 - 8,389,681 - (12,503,633) (6,052,411)
Balance as at 31.12.2004	2,488,246	16,132,780	257,816	- 18,878,842
Accumulated depreciation				
Balance as at 1.1.2004 Depreciation charged for the year Disposal	3,555,662 228,492 (3,571,722)	10,488,072 1,189,014 (7,780,220)	300,030 48,043 (238,613)	- 14,343,764 - 1,465,549 - (11,590,555)
Balance as at 31.12.2004	212,432	3,896,866_	109,460	4,218,758
Datatice as at 31.12.2007	<u> </u>	<u> </u>	107,700	<u> </u>
Net book value				
Balance as at 31.12.2004	2,275,814	12,235,914	148,356	- 14,660,084

#### 8. INVESTMENTS

(a) Investments comprise:

Quoted investment (Available-For-Sale) Equity shares at fair value (2004: at cost) Less: Allowance for impairment loss [note 8(b)]

Total equity shares

Quoted investment (Held-To-Maturity) Bonds at amortised cost Less: Unquoted bonds maturing in the next financial year classified as short-term investments

Total bonds

Total investments

2005 \$	<b>2004</b> \$
4,528,520	6,200,246 (1,063,558)
4,528,520	5,136,688
8,812,598	13,092,392
(501,217)	(6,756,877)
8,311,381	6,335,515
12,839,901	11,472,203

Investment consists of equity shares and bonds are managed by the Investment & Finance Committee set up by the Corporation.

Fair values of quoted investments

Equity shares Bonds

2005	<b>2004</b> \$
4,528,520	5,136,688
9,034,581	13,391,506
13,563,101	18,528,194

Details of the bonds are as follows:

Government securities
Corporate securities

<b>2005</b>	<b>2004</b>
\$	\$
4,811,380	6,916,297
4,001,218	6,176,095
8,812,598	13,092,392

The effective interest rate of the Government Securities ranges from 3.50% to 5.07% (2004: 3.50% to 5.07%) and the average maturity date ranges from I March 2007 to I September 2016 (2004: I February 2005 to I September 2016).

The effective interest rate of the Corporate Securities ranges from 3.18% to 5.00% (2004: 2.88% to 5.05%) and the average maturity date ranges from 21 December 2006 to 6 September 2011 (2004: 19 July 2005 to 6 September 2011).

#### **INVESTMENTS** (CONTINUED)

(b) Movement in allowance for impairment in value of equity shares were as follows:

Balance as at 1.1.2004 Reversal to income and expenditure account Balance as at 31.12.2004 as previously recognised Effects of adopting FRS 39

Balance as at 1.1.2005 as restated, and at 31.12.2005

\$	
1,620,802 (557,244) 1,063,558 (1,063,558)	-

#### 9. INVENTORIES

Raw materials, at cost Work-in-progress Manufactured articles, at cost

2005	2004
\$	\$
121,337	92,656
3,141	1,174
3,034	8,214
127,512	102,044

#### **10. TRADE RECEIVABLES**

Accrued receivables
Trade receivables

2005	2004
\$	\$
1,920,839	1,618,732
4,959,848	4,033,249
6,880,687	5,651,981

#### **II. OTHER RECEIVABLES**

Deposits Interest receivables Non-trade receivables Prepayments Tax refundable

2005	2004
\$	\$
9,096	16,098
117,462	150,680
61,369	58,814
20,184	21,350
107,054	67,333
315,165	314,275
315,165	314,275

#### 12. FIXED DEPOSITS WITH FINANCIAL INSTITUTIONS

All fixed deposits mature within one year and bear interest at 2.9375% to 3.1250% (2004: 1.250% to 1.330%) per annum.

#### 13. OTHER PAYABLES

Accruals
Advance from government for payments to halfway houses
Deposits received
Others

2005	2004
\$	\$
1,553,692	1,443,182
20,529	21,243
81,395	114,240
36,458	47,889
1,692,074	1,626,554

#### **14. LEASED WORKSHOPS' LABOUR CHARGES**

These are charges for inmates services rendered to firms under the Private Sector Participation Scheme.

#### **15. MANPOWER COSTS**

Manpower costs included the following for the years ended 31 December:

Central Provident Fund contributions Salaries, wages and bonuses

2005 \$	2004 \$
688,464	647,213
6,394,921	5,875,026
7,083,385	6,522,239

#### **16. INCOME FROM INVESTMENTS**

Dividend income from equity shares Gain on disposal of equity shares Interest from bonds

<b>2005</b>	2004
\$	\$
259,087	388,239
-	288,083
495,536	593,204
754,623	1,269,526

#### **17. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents in the cash flow statement comprise the following balance sheet amounts:

Fixed deposits with financial institutions Cash and bank balances

2005	2004
\$	\$
5,550,543	2,651,730
663,102	173,253
6,213,645	2,824,983

#### **18. CAPITAL COMMITMENTS**

Capital commitments not provided for in the financial statements:

Approved by the Board and contracted for

<b>2005</b>	<b>2004</b>
\$	\$
	123,548

#### 19. CONTINGENT LIABILITIES

Guarantees in respect of sales contracts not provided for in the financial statements

2005	2004
\$	\$
507,209	489,220

#### **20. FINANCIAL RISK MANAGEMENT**

#### (a) Financial risk management policies

The main risks arising from the Corporation's financial statements are market risk, credit risk, interest rate risk and liquidity risk. The Corporation/Investment & Finance Committee reviews and agrees on policies for managing each of these risks and they are summarised below:

#### (i) Market risk

The Corporation has investments in quoted equity shares and bonds, which are subject to market risks as the market values of these investments are affected by changes in market prices. The Corporation manages its exposure to market risks by maintaining portfolio of equities with different risk profiles. These amounts are managed by the Investment & Finance Committee of the Corporation.

#### FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (ii) Credit risk

Credit risk arising from the inability of the counterparty to meet the terms of the Corporation's financial contracts is generally limited to the amounts, if any, by which the counterparty's obligations exceed the obligations of the Corporation. It is the Corporation's policy to enter into financial instruments with a diversity of creditworthy counterparties. Therefore, the Corporation does not expect to incur any material losses on its risk management or other inancial instruments.

The carrying amount of trade and other receivables, fixed deposits and cash and bank balances represent the Corporation's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk. Surplus are placed with reputable banks and/or invested in equity shares and bonds.

#### (iii) Interest rate risk

The Corporation has cash balances placed with reputable banks and financial institutions which generate interest income for the Corporation. The Corporation manages its interest rates risks by placing such balances on varying maturities and interest rate terms.

#### (iv) Liquidity risk

In the management of liquidity risks, the Corporation monitors and maintains a level of cash and cash equivalents deemed adequate by the Management to finance the Corporation's operations and mitigate the effects of fluctuation in cash flows.

#### (b) Fair values

Disclosure on the nature of financial instruments and their significant terms and conditions that could affect the amount, timing and certainty if future cash flow ispresented in respective notes to these financial instruments, where applicable.

The following methods and assumptions are used to determine the fair value of each of these financial instruments for which it is practicable to estimate that value:

- (i) Cash and bank balances, fixed deposits, and other receivables and payables
   The carrying amounts of these amounts approximate fair value due to their short-term nature.
- (ii) Trade receivables and trade payables

The carrying amounts of these amounts approximate their fair value because these are subject to normal trade credit terms.

(iii) Quoted investments

The fair value of quoted instruments is estimated based on quoted market prices for these investments.

#### 21. COMPARATIVE FIGURES

Certain comparative figures in the financial statements have been reclassified to conform with the current year's presentation.

