



# Annual Report 2010



Singapore  
Corporation of  
Rehabilitative  
**SCORE** Enterprises  
*Building Bridges, Changing Lives*





## **BUILDING BRIDGES, CHANGING LIVES**

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**VISION  
MISSION  
VALUES**

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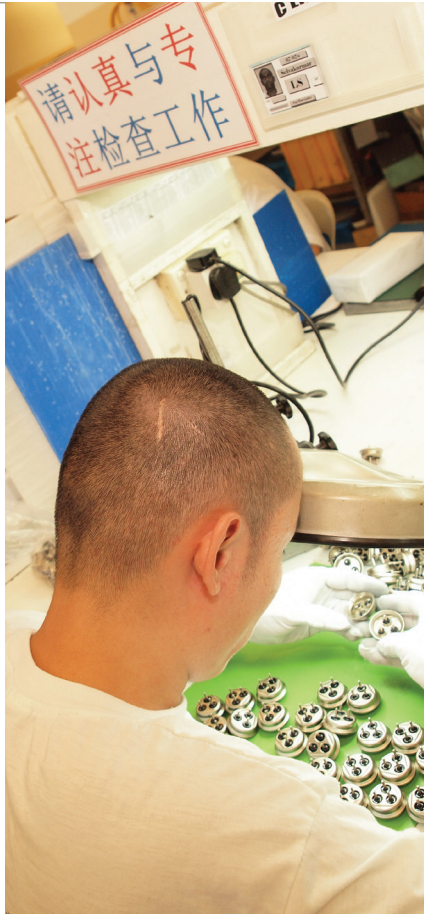
**CORPORATE  
PROFILE**

## 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.



## OUR MISSION

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



## OUR HOPE VALUES

### Honour

We live up to the highest standards of integrity

### Oneness

We work as one team

### People-Oriented

We serve others to the best of our ability

### Enterprising

We thrive in scarcity and see opportunities in crisis



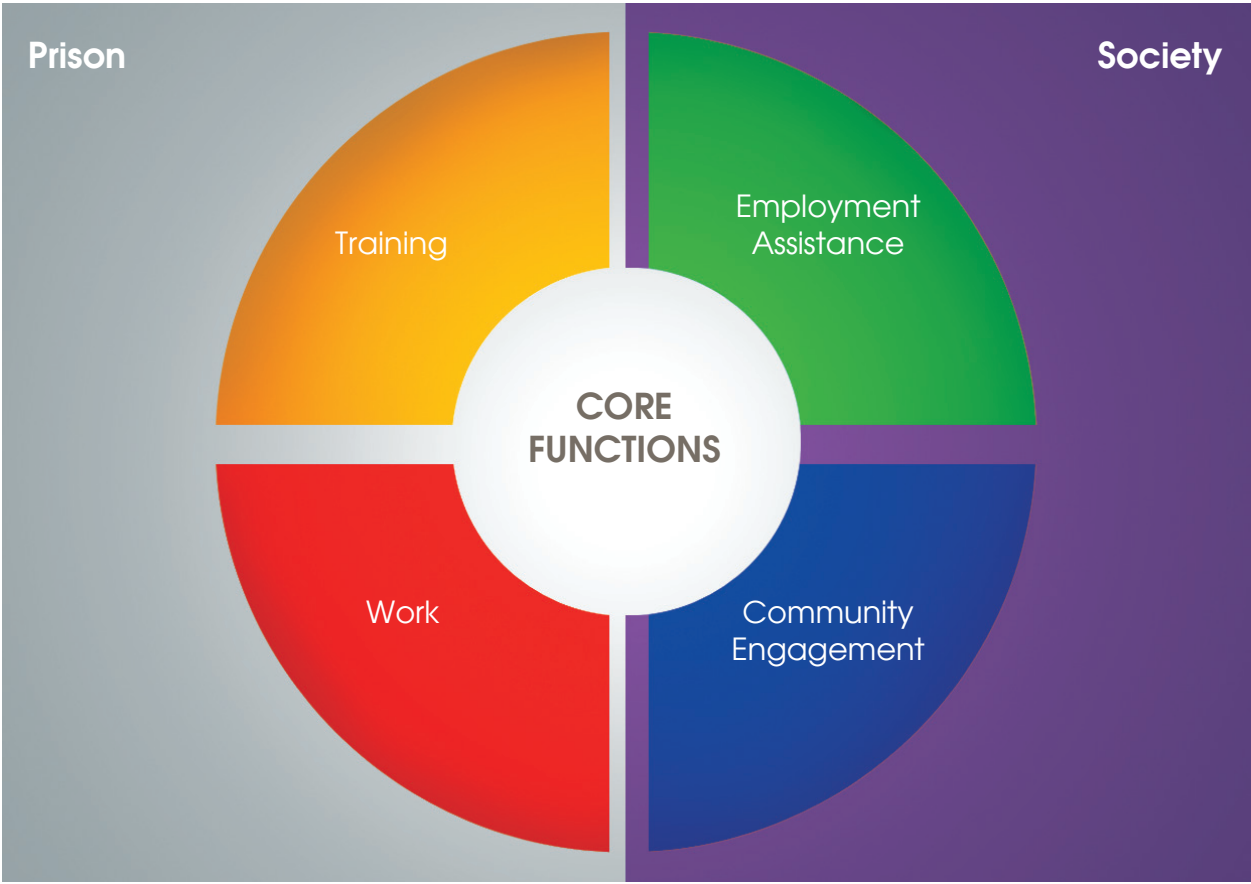
# CORPORATE PROFILE

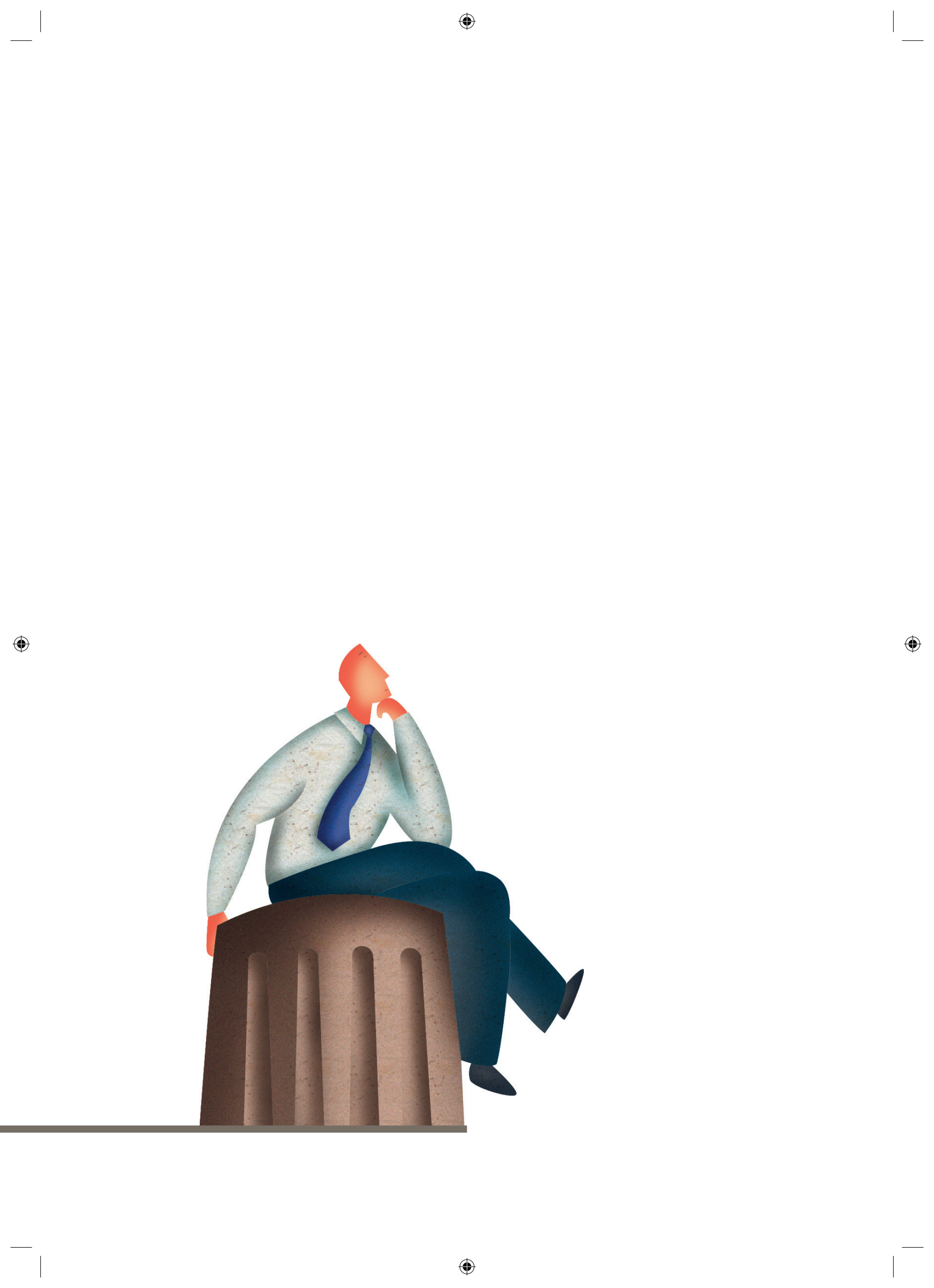
Singapore Corporation of Rehabilitative Enterprises (SCORE) was established as a statutory board under the Ministry of Home Affairs on 1 April 1976.

SCORE plays an important role in the Singapore correctional system by creating a safe and secure Singapore through the provision of rehabilitation and aftercare services to inmates and ex-offenders.

SCORE seeks to enhance the employability of offenders and prepare them for their eventual reintegration into the national workforce by focusing on four main building blocks of training, work, employment assistance and community engagement.

Our Core Functions





# CHAIRMAN'S MESSAGE

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**Mr Kong Mun Kwong**  
BBM(L), BBM, PBM, JP  
Singapore Corporation of  
Rehabilitative Enterprises

## CHAIRMAN'S MESSAGE

SCORE works towards "Building Bridges, Changing Lives" in every offenders' journey from Prisons back to the community. We do this by offering opportunities for skills upgrading and work experience while the offenders are in Prison and finding suitable jobs for them after their release. These efforts are supplemented with integrated aftercare programmes to help ex-offenders overcome the initial challenges they may face after release. However, SCORE cannot accomplish this alone. SCORE is just one of several building blocks on an offender's long road to reintegration. By working closely with the Prison Department and our community partners, SCORE's efforts have managed to multiply over the years.

In 2010, the awards to SCORE of the coveted "Singapore Quality Class" and the "People Developer Award" (among many others) marked a new milestone and vindication for many who have believed in SCORE staff's potential and what our inmate workers can achieve if

given the chance and the right encouragement.

In 2010, we also set up a Strategic Planning Committee (SPC) to chart the new directions for SCORE for the next 10 years. The SPC Report outlined the key challenges and opportunities for SCORE in the coming years. Several important recommendations have been made to guide SCORE to better achieve our mission as the operating landscape will continue to undergo significant changes. It is anticipated that the SPC Report and its final recommendations will be ready for implementation later in 2011.

### Skills Upgrading

Many offenders are lowly skilled and have little work experience in the past. Therefore, helping offenders identify and upgrade their skills before release are essential for successful rehabilitation. SCORE's skills training are aligned with the Singapore Workforce Development Agency's (WDA's) Workforce Skills Qualification (WSQ) Framework. This ensures offenders attend the

**“By working closely with the Prison Department and our community partners, SCORE’s efforts have multiplied over the years.”**

same form of training as other Singaporean job-seekers externally. In 2010, SCORE provided a total of 13,569 training places, which was taken up by 4,346 offenders.

### **Gaining Practical Work Experience and the Right Working Attitude**

In addition to being taught the right work skills, offenders also need to acquire relevant work experience. By participating in the SCORE’s numerous work programmes, designed with production operations inside Prisons, offenders quickly learn to adapt to the rigors of proper production work and to develop positive work ethics. (Every working inmate is made to undergo a course in acquiring good working attitudes when they join SCORE’s production teams.)

In 2010, SCORE engaged an average of about 3,500 offenders daily in a variety of Prison based

industries including food production, digital media designing, general manufacturing, laundry works and warehousing / logistical operations.

### **Employment Support**

At SCORE, we also help offenders secure jobs before release. In 2010, 2,459 employers were registered in our employer database. With this database, SCORE assisted 1,637 offenders to secure jobs in 2010. To ensure we meet employers’ expectations, SCORE also extends “case management services” to help offenders stay on their jobs. This has resulted in significant increases in the job-retention rates (83% and 69% for the 3- and the 6-month employment periods of ex-offenders respectively).

### **Engaging the Community & Beyond**

SCORE and community partners under the leadership of the Prison Department, had planned

in 2010 for the Yellow Ribbon Project to focus on the theme “*This is my Journey. This is my Yellow Ribbon.*” To spread this message and to initiate community action, a total of 11 events were organised. In the process, a sum of \$1.05 million for the Yellow Ribbon Fund was raised, of which \$607,050.20 was then distributed to about 2100 beneficiaries under various charities.

To encourage more active community support for providing inmates with employment in future, SCORE is currently looking at ways in which community partners can be garnered to jointly develop “community located” job-creating initiatives as part of the overall reintegration and continued training efforts for released inmates.

### **Financial Performance**

Unlike most overseas correctional institutions and Prisons industries,

## **“SCORE will seize every opportunity to help make the rehabilitation and reintegration journey a successful one for every offender and his family.”**

SCORE does not receive direct government grants or subvention and continues to rely primarily on the funding from its industrial operations and sponsorships to support its rehabilitation activities.

2010 was a very challenging year for SCORE. We had our fair share of staff changes as the employment market in Singapore tightened in 2010. Yet, SCORE continued to roll out even more rehabilitation programmes. Total revenue for industrial operations managed to improve to \$38.19 million (\$30.62 million for 2009). I am glad to report that we have again managed to emerge stronger and well, with only a small deficit of \$0.52 million (against a budgeted loss of \$1.26 million). The deficit was mainly due to the higher payout to our staff as bonus.

SCORE looks forward to the new challenges and the opportunities in the year 2011. The future of SCORE depends on our staff's ability to exploit the opportunities and meet the ever-changing challenges. SCORE will seize every opportunity to help make the rehabilitation and reintegration journey a successful one for every offender and his family.

In 2010, SCORE had a change in leadership. Mr Desmond Chin, who had been CEO of SCORE from 1 Oct 2005 to 1 Jul 2010, returned to the Singapore Prison Service as the Deputy Director of Prisons. Mr Teo Tze Fang had since then taken over the reins of SCORE. On behalf of SCORE's Board, I would like to thank Desmond for his contributions in the past 5 years. We will all miss Desmond for his steadfastness and his leadership while he was with us.

SCORE looks forward to Tze Fang's new leadership. We are confident that with Tze Fang's past working relationship with SCORE as Deputy Director (Prison), he will be most suited to guide SCORE through the new challenges ahead.

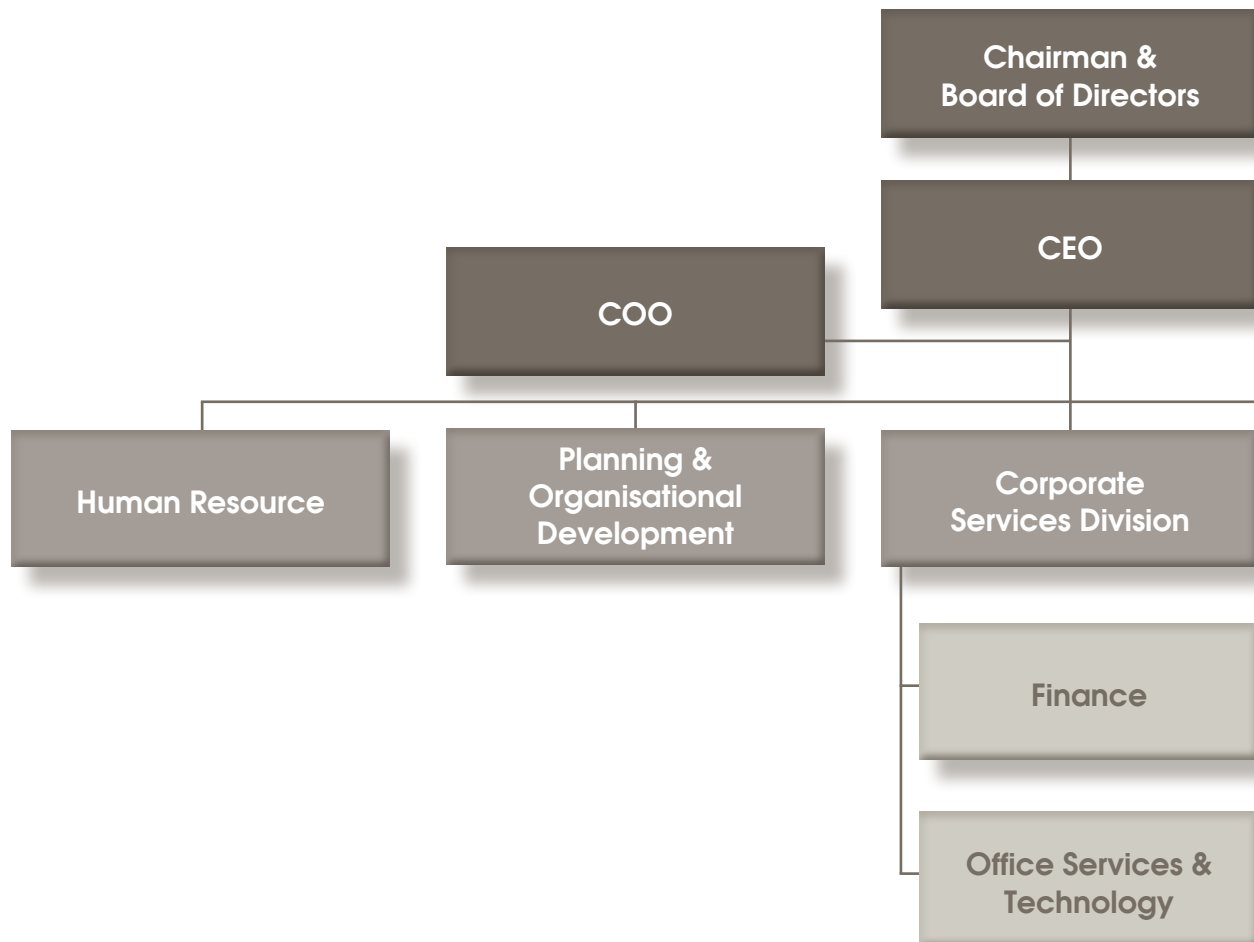
On the behalf of SCORE, I would like to extend our appreciation to the Ministry of Home Affairs, the Singapore Prison Service, members of the Board, SCORE's various Committees, CARE Network members, voluntary welfare organisations, employers, industry and community partners and our Yellow Ribbon Project supporters for all their assistance. Without your support and encouragement, SCORE would not have been able to achieve so much and reach out successfully to so many offenders, ex-offenders and their families.

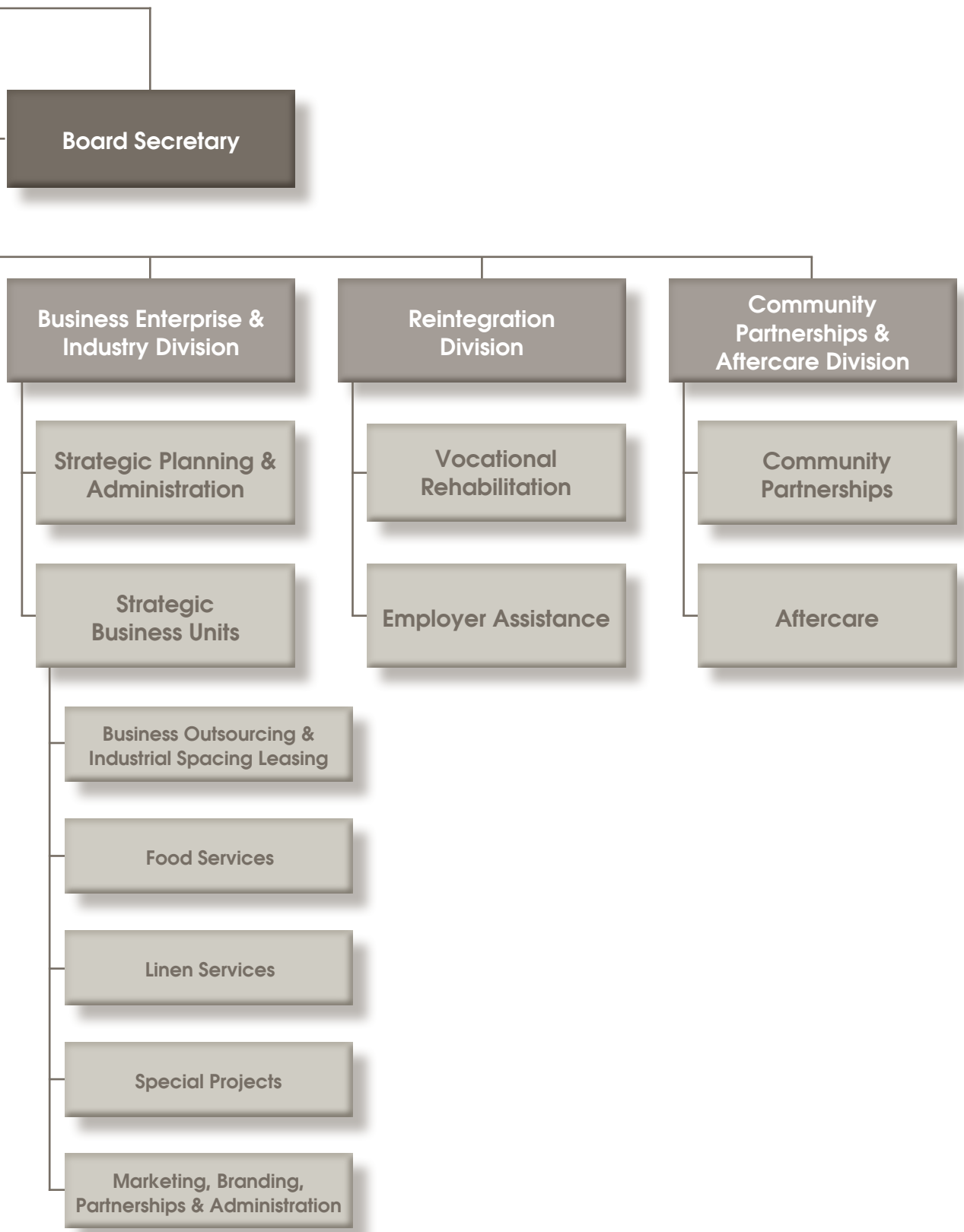
**MR KONG MUN KWONG**  
CHAIRMAN

# ORGANISATIONAL CHART

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# ORGANISATIONAL CHART







# BOARD OF DIRECTORS

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## BOARD OF DIRECTORS



**Mr Kong Mun Kwong**  
BBM(L), BBM, PBM, JP  
Chairman  
(Appointed in 1996 and  
Board Member since 1991)

Mr Kong Mun Kwong is the Chairman of Seacare Holdings Pte Ltd. Additionally, he is the Deputy Chairman of Cathay Organisation Pte Ltd, Foodfare Catering Pte Ltd and the director of other public and private companies. Mr Kong also holds trustee positions on several public and private organisations.

Mr Kong is a Justice of Peace, appointed by the President of the Republic of Singapore since 2000. In addition, Mr Kong had received many awards, including Singapore's Public Service Medal, the Public Service Star; the Public Service Star (Bar); the

Distinguished Service Award in 2005 (Ministry of Home Affairs); the Friend of Labour Award by NTUC and the Friend of the Co-operatives Award by SNCF. The NCADA Star Award in 2006 and the Education Service Awards of 2000, 2002 & 2005 were given in recognition of his various contributions to the community and grassroots organisations.

Mr Kong graduated from the University of Singapore in 1971 and is a Fellow member of two professional Institutes in Singapore.



**Mr Tai Wei Shyong**  
Deputy Chairman  
(Appointed in 2010)

Mr Tai Wei Shyong is currently Deputy Secretary (Security) of the Ministry of Home Affairs.

In addition, Mr Tai is a Board Member of the Defence Science and Technology Agency and the Odyssey Dance Theatre.

Mr Tai started his career as a solicitor in London in 1997. He has since then held positions in the Supreme Court, Attorney-General's Chambers and the Ministry of Manpower, before joining the Ministry of Home Affairs as Senior Director (Policy and Operations) in 2007. He assumed his current appointment in May 2010.

Mr Tai graduated with a Bachelor of Jurisprudence and Bachelor of Civil Law in the University of Oxford. He also holds a MPhil in Criminology.



**Mr Soh Wai Wah**  
PPA(E), PPA(P), PBS  
Member  
(Appointed in 2010)

Mr Soh Wai Wah is the Director of the Singapore Prison Service.

Mr Soh began his service in the Singapore Police Force in 1982, and was Chief-of-Staff there before he became Director of Prisons on 1 Jan 2010. He was awarded the Public Administration (Silver) medal in 2000 and the Public Administration (Gold) medal in 2009.

Mr Soh graduated with a Bachelor of Arts degree in Economics from the University of Cambridge, UK in 1985 on a Singapore Police Force Overseas Scholarship. He obtained a Master of Science (Criminal Justice) from Michigan State University in USA in 1995.



**Mr Abdul Halim Bin Selamat**  
Member  
(Appointed in 2009)

Mr A. Halim Bin Selamat is the Director of UPS, Asia Pacific Strategy, Planning and Development since 2008. His portfolio centers on strategic planning and growth in Asia Pacific.

Mr Halim is actively involved in community work at Tampines West Constituency as a regular volunteer at the weekly Meet-the-People Session. He is also the Vice Chairman of the CCC's Welfare Sub-Committee and serves as an Exco member of Persatuan Jawa Al-Masakin (a local community self-help organisation).

Mr Halim graduated with a Bachelor of Accountancy from the National University of Singapore and a Masters in Business Administration from the Nanyang Technological University.



**Mr Chay Wai Chuen**  
Member  
(Appointed in 2009)

Mr Chay Wai Chuen is currently the non-resident High Commissioner to Sri Lanka and advisor to the Housing and Development Board Staff Union.

Mr Chay was in the private sector as a senior management executive for many years. He was also an elected Member of Parliament for 18 years.

He graduated with a Bachelor in Social Science (Hons) in Economics and Statistics from University of Singapore. He graduated with a Masters of Art (Development Economics) from the University of Sussex (1975) and a Masters in Social Science (International Economics) from the then-University of Singapore (1978). He had also attended the Advanced Management Program at Harvard Business School (2005).



**Mr Chng Hwee Hong**  
Member  
(Appointed in 2009)

Mr Chng Hwee Hong is an Executive Director of Haw Par Corporation Limited. He also serves as a member of the Singapore Sichuan Trade and Investment Committee and was a Board Member of Singapore Television Twelve Pte Ltd.

Mr Chng holds a Bachelor of Science Degree (1st Class Honours) in Applied Chemistry and a Graduate Diploma in Business Administration from University of Singapore. He also holds a Graduate Diploma in Business Studies from University of Chicago and Singapore National Productivity Board.

Mr Chng is the Chairperson of SCORE's Training Committee.



**Dr Chua Yong Hai**  
JP, BBM, PBM  
Member  
(Appointed in 2003)

Dr Chua Yong Hai is the Chairman of Asia-Pacific Investment Company Ltd, Frasers Centrepont Asset Management (Commercial) Ltd and Cambridge Industrial Trust Management Ltd. Dr Chua also sits in the board of various organisations and is Singapore's non-resident High Commissioner to Maldives since January 2006.

Dr Chua was a Singapore Government scholarship and an Australian Commonwealth Government fellowship holder, and holds a Bachelor of Science (1st Class Honours) in Applied Chemistry and a Graduate Diploma in Business Administration from the University of Singapore and a PhD in Chemical Engineering from the University of New South Wales.



**Mrs Goh Mui Hong**  
Member  
(Appointed in 2003)

Mrs Goh Mui Hong is currently the President and Chief Executive Officer of ST Asset Management Ltd and concurrently the Director of ST Trustees Ltd and AF-ST Trustees Pte Ltd. She also serves as a board member for the Singapore Workforce Development Agency.

Mrs Goh holds a Bachelor of Accountancy (2nd Class Honours) from University of Singapore, Masters in Business Administration from National University of Singapore and Masters in Science (Business) from Nanyang Technological University of Singapore. She has completed Harvard's Advanced Management Program and is also a member of CFA Institute.

Mrs Goh is the Chairperson of SCORE's Investment and Finance Committee.



**Mr George Huang  
Chang Yi**  
Member  
(Appointed in 2006)

Mr George Huang is the Managing Director of Amoy Canning Corporation (S) Ltd.

Mr Huang is also actively involved in several committees and holds key appointments which include, Honorary Consul-General of the Federal Democratic Republic of Ethiopia; Honorary Business Ambassador, Queensland Government-Australia to Singapore; President, Singapore Manufacturers' Federation; Chairman, Business Practices Committee, Consumer Association of Singapore; Council Member, Singapore

Business Federation; and Committee Member, Enterprise Development Advisory Council, SPRING Singapore.

Mr Huang holds a Bachelor of Arts from the University of Canterbury, New Zealand.



**Dr Kee Kirk Chin**  
Member  
(Appointed in 2010)

Dr Kee Kirk Chin is the Chairman and Chief Executive Officer of publicly-listed Apex Healthcare Berhad, a regional pharmaceutical manufacturer and distribution group with operations in Singapore, Malaysia, China and Indonesia. Apart from pharmaceuticals, his work experience includes hospital support services, chain retail pharmacy, medical equipment and private hospital management.

A keen supporter of the arts, Dr Kee was appointed Chairman of the Management Board of the Singapore National Youth Orchestra, a National Project of Excellence under the auspices of the Ministry of Education.

Dr Kee graduated as a medical doctor in 1987 from the University of Cambridge, and is registered as a medical practitioner with both the Singapore and UK medical councils. He also holds a Master of Arts and a Master of Business Administration.



**Mr Alvin Lim  
Choon Tee**  
Member  
(Appointed in 2009)

Mr Alvin Lim Choon Tee is the Chief Executive Officer of Bizlink Centre Singapore Ltd. He is also an active Council Member of the North East CDC and chairs the NE Comcare Local Network.

Mr Lim is a well-experienced entrepreneur who has successfully started several business ventures.

Mr Lim graduated as the overall top student with a Bachelor in Business Administration (with Distinction) from Royal Melbourne Institute of Technology (RMIT) in conjunction with Singapore Institute of Management (SIM).



**Mr Roy Quek  
Hong Sheng**  
PPA(P)  
Member  
(Appointed in 2006)

Mr Roy Quek is Deputy Secretary in the Ministry of Health. Prior to his current appointment, Mr Quek was with the Ministry of Defence, the Ministry of Education, Ministry of Community Development, Youth & Sports and Prime Minister's Office.

Mr Quek is currently a member of the Boards of St Joseph's Institution International School, Alexandra Health Pte Ltd, Jurong Health Services and National University Health System. Mr Quek had previously served on the Boards of Ngee Ann Polytechnic and the Nanyang Academy of Fine Arts, as well as the National Youth Council.

Mr Quek holds a Bachelor of Science in Economics, Comparative Economics from the London School of Economics and Political Science. He also holds a Master in Public Administration from the Peking University.



**Mr Siew Heng Kwok**  
Member  
(Appointed in 2003)

Prior to his current position as an independent management and training consultant, Mr Siew Heng Kwok was the Vice-President for Personnel and Industrial Relations at the Overseas Union Bank before leaving in mid-2001. He also actively volunteers his services at various voluntary welfare and social service organisations.

Mr Siew holds a Bachelor Degree in Engineering (Mechanical) from the University of Singapore, a Masters in Business Administration from St Mary's University (Canada) and a Graduate Diploma in Social Work from the National University of Singapore.

Mr Siew chairs SCORE's Establishment Committee.



**Mr Tan Gek Suan**  
PBM  
Member  
(Appointed in 1997)

Mr Tan Gek Suan is the Managing Director and CEO of Hussmann Tempcool, a member of the Ingersoll-Rand Group of Companies. He also chairs the School Advisory Committee of Sembawang Secondary School.

Mr Tan is a Life Member of the American Society of Heating, Refrigeration and Air-Conditioning Engineers (ASHRAE), the International Institute of Refrigeration (IIR) and is a member of the International Institute of Ammonia Refrigeration (IIAR). Currently, he is the President of the Board of Governors of ASHRAE Singapore Chapter.

Mr Tan holds a Diploma in Mechanical Engineering from Singapore Polytechnic. Mr Tan is a recipient of the President's National Day Award (PBM) in 2008.

Mr Tan chairs SCORE's Industry and Development Committee.



**Ms Tan Poh Hong**  
PPA(P), PBM, PBS  
Member  
(Appointed in 2006)

Ms Tan Poh Hong is the CEO of the Agri-Food and Veterinary Authority (AVA).

Prior to her current appointment, she was the Deputy CEO (Estates & Corporate) of the Housing & Development Board (HDB). Ms Tan was also formerly a Board Member of the Central Provident Fund Board, Cleantech Services Pte Ltd and EM Services Pte Ltd.

Ms Tan holds a Bachelor of Science (Honours) Degree in Estates Management from the National University of Singapore, and a Masters in Business Administration (Distinction) from New York University. She also completed the Stanford Executive Program in USA and is a recipient of the International Management Action Award, the Public Service Medal and the Public Administration Medal.

Ms Tan chairs SCORE's Audit and Risk Management Committee.



SCORE sincerely thank **Dr Choong May Ling** (2004 - 2010) and **Mr Koh Juan Kiat** (2003 - 2010) who have served invaluable on the SCORE Board. We wish them all the best in their future endeavours.



# COMMITTEES

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# COMMITTEES

## Training Committee

Chairperson

**Mr Chng Hwee Hong**  
Executive Director,  
Haw Par Corporation Ltd

Dy Chairperson

**Mr Lakshmanan s/o Seenivasakan**  
Director,  
Business Development,  
Capital Development Pte Ltd

Members

**Mrs Jeanette Barth-Chan**  
Managing Director,  
Corplan Pte Ltd

**Mr Patrick Lau**  
COO,  
SCORE

**Ms Chong Fung Ping**  
Senior Assistant Director,  
Programme Management,  
Rehabilitation and  
Reintegration Division,  
Singapore Prison Service

**Mr Leow Tze Wen**  
Managing Director,  
Citystate Management  
Group Holdings

**Mr Gary Goh Choon Siah**  
Deputy CEO,  
e2i  
(Employment and  
Employability Institute)

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

**Mr James Ng**  
Divisional Director,  
ITE College West (Dover)

**Mr A C Ho**  
Principal Consultant,  
Gritti Consulting

**Mr Tan Suan Kuan**  
O&O Project Innovations  
Pte Ltd

**Dr Kee Kirk Chin**  
Group Managing Director,  
Apex Healthcare

**Mr Teo Tze Fang**  
CEO,  
SCORE

Secretary

**Mr Ravi s/o Subramanian**  
Deputy Director,  
Reintegration,  
SCORE

## Establishment Committee

Chairperson

Members

Secretary

**Mr Siew Heng Kwok**

**Mr Chua Eu Liam**

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

**Mr Patrick Lau**  
COO,  
SCORE

**Mrs Peggy Quah**  
Retired HR Professional

**Ms Cheryl Lee**  
Senior Assistant Director,  
HR,  
SCORE

**Mr Rohaizan Mustaffa**

Compensation and  
Benefits Director,  
Asia Pacific,  
DuPont Company  
(Singapore) Pte Ltd

**Mr Simon Sim**  
Family Life Coach

**Mr Teo Tze Fang**  
CEO,  
SCORE

## Investment & Finance Committee

Chairperson

Members

Secretary

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

**Mr Patrick Lau**  
COO,  
SCORE

**Mr Tan Jee Say**  
Managing Director,  
Diesel Power Pte Ltd

**Ms Florence Tan-Nguyen**  
Senior Tax Consultant,  
Kinetica Pte Ltd

**Ms Esther Chong**  
Deputy Director,  
Corporate Services,  
SCORE

**Mr Teo Tze Fang**  
CEO,  
SCORE

**Mr Freddie Yeo Eng Hock**  
CEO & Director,  
ISCO Group

## Industry & Development Committee

Chairperson

Dy Chairperson

Members

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

**Mr Eddie Yong**  
Executive Director, Investment Properties & COO,  
Corp Real Estate Far East Organisations,  
Orchard Parade Hotel

**Mr Chan Tien Lok Daniel**  
Chairman,  
IPS Group of Companies

**Mr Richard Chia**  
Consultant

**Ms Chong Fung Ping**  
Senior Assistant Director,  
Programme  
Development,  
Singapore Prison Service

**Mr Huang Kok Kee,  
Michael**  
Marketing Consultant

**Mr Patrick Lau**  
COO,  
SCORE

**Mrs Shirley Loh**  
Director,  
Business Enterprise &  
Industry,  
SCORE

**Dr Benji Ng**  
Head,  
Fund-Raising &  
Volunteer Management,  
Singapore Red Cross  
Society

**Mr Tan Chor Khoon,  
Vincent**  
Managing Director,  
Select Group Pte Ltd

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

**Mr Teo Tze Fang**  
CEO,  
SCORE

Secretary

## Audit and Risk Management Committee

Chairperson

**Ms Tan Poh Hong**  
CEO,  
Agri-food & Veterinary Authority of Singapore

Members

**Mr Chay Wai Chuen**

**Mr Hor Siew Fu**  
Chief Financial Officer,  
Cosmosteel Holdings Limited

**Dr Kee Kirk Chin**  
Group Managing Director,  
Apex Healthcare

**Mr Roy Quek**  
Deputy Secretary,  
(Health Policy)  
Ministry of Health  
Adviser,  
(National Population Secretariat)  
College of Medicine Building

**Mr Tan Seng Chuan**  
Director,  
Agape Employment Services Pte Ltd

Secretary

**Mr Stephen Goh**  
Secretary,  
SCORE



# MANAGEMENT TEAM

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## EXCO MEMBERS



32

Front Row from Left to  
Right (Seated)

**Lau Wei Peng Patrick,**  
Chief Operating Officer

**Teo Tze Fang,**  
Chief Executive Officer

**Goh Siok Seng  
Stephen,**  
Secretary

Back Row from Left to Right (Standing)

**Ker Yin Horng,**  
Assistant Director  
(Planning and  
Organisational  
Development)

**Ravi s/o Subramanian,**  
Deputy Director  
(Reintegration Division)

**Tan Meng Choo  
Leonie,**  
Senior Assistant Director  
(Community Partnership  
and Aftercare Division)

**Chong Har Lin Esther,**  
Deputy Director  
(Corporate  
Services Division)

**Lee Chuen Meing  
Cheryl,**  
Senior Assistant Director  
(Human Resource)

**Loh Chew Eng Shirley,**  
Director  
(Business Enterprise and  
Industry Division)

## UNIT HEADS



Front Row from Left to Right (Seated)

**Yam Chui Mei Rosanna,**  
**Deputy Director**  
(Business Enterprise and Industry Division)

**Cher Choon Hing,**  
**Senior Assistant Director**  
(Business Enterprise and Industry Division - Special Projects)

**Chua Cheok Hwee Paulin,**  
**Assistant Director**  
(Business Enterprise and Industry Division - Food Services)

Back Row from Left to Right (Standing)

**R Vijayan,**  
**Assistant Director**  
(Business Enterprise and Industry Division - Linen Services)

**Lim Hui Koon,**  
**Assistant Director**  
(Community Partnership and Aftercare Division)

**Ng Woon Ming Jason,**  
**Assistant Director**  
(Reintegration Division - Employment Assistance)

**Juliana Binte Abdul Khalik,**  
**Senior Assistant Director**  
(Reintegration Division)

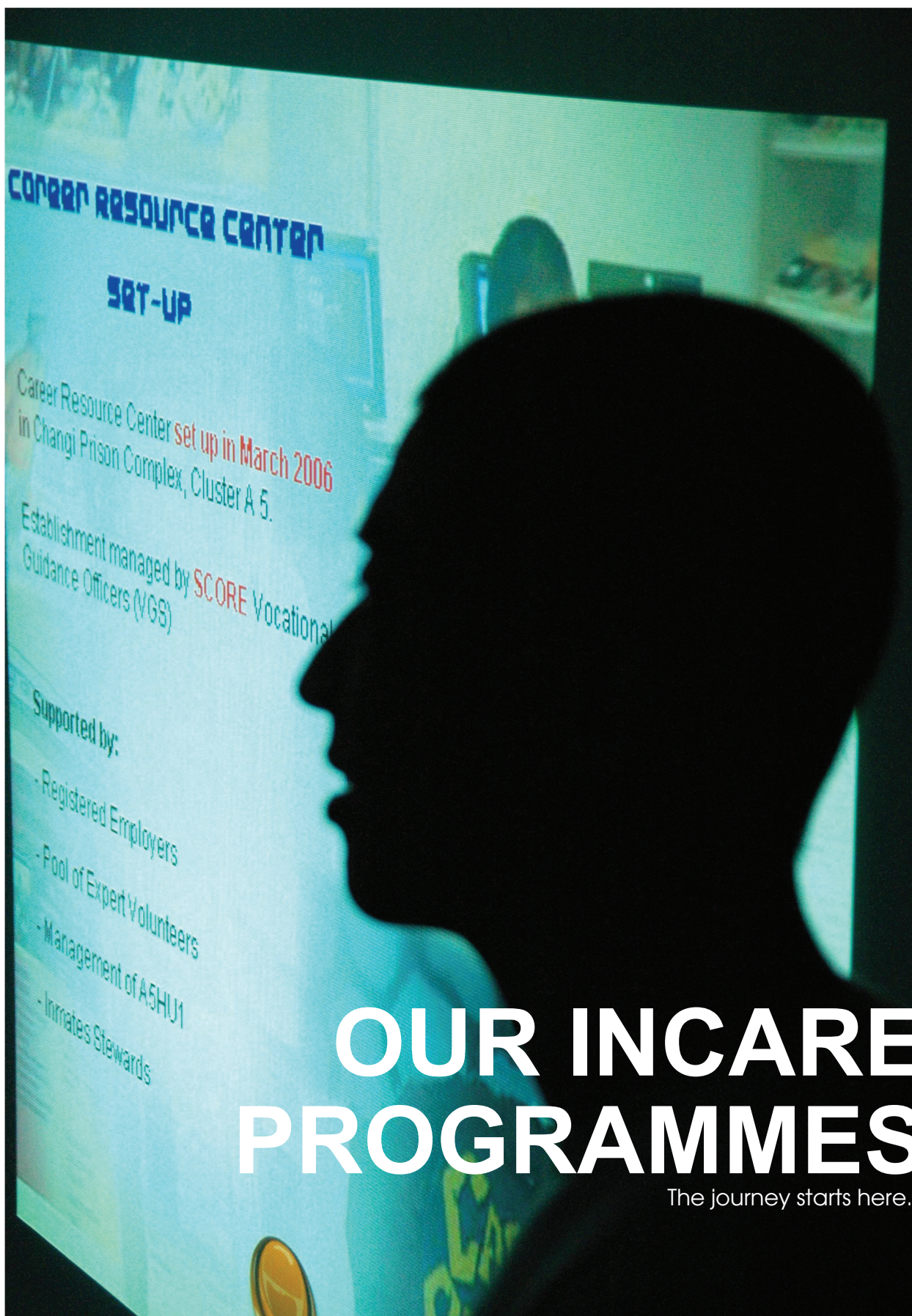
**Lee Ngee Chew Kenny,**  
**Assistant Director**  
(Business Enterprise and Industry Division - Business Development, Strategic Planning and Administration)

Not in photo:  
**Goh Bee Shan,**  
**Assistant Director**  
(Reintegration Division - Vocational Rehabilitation)



# OUR JOURNEY TOGETHER

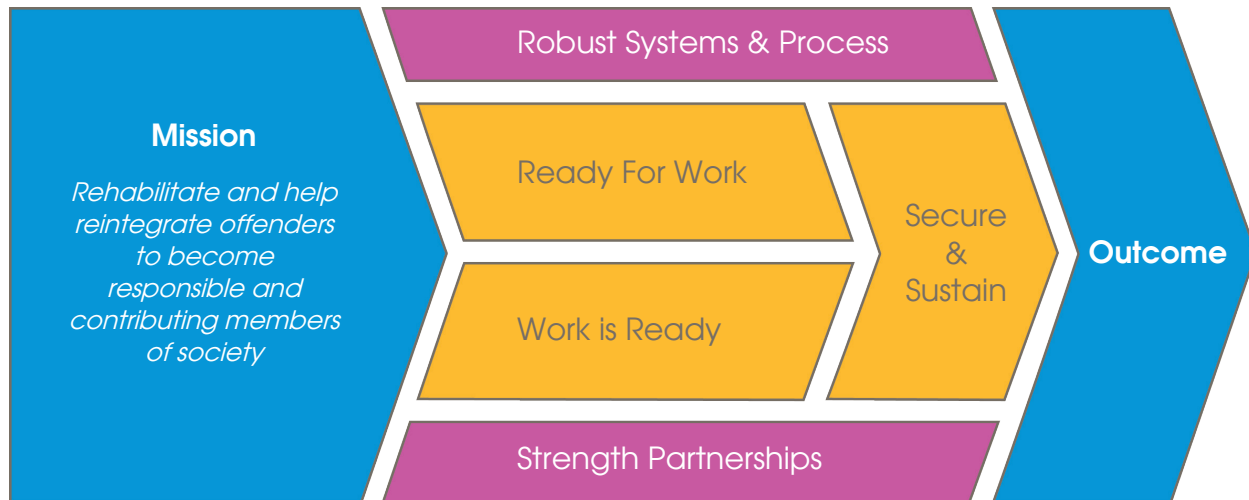
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# OUR INCARE PROGRAMMES

The journey starts here.

An inmate's journey of reintegration begins inside prisons with SCORE's incare programmes. As gainful employment is a key factor in the successful reintegration of offenders, SCORE seeks to enhance the employability of offenders and prepare them for the job market through active collaboration with our partners and a sound strategy.



## Ensuring Offenders are Ready for Work

### Skills Training to Enhance Employability

SCORE equip offenders with relevant training to enhance their employability and facilitate work reintegration. Training courses are offered in 2 broad areas of vocational and employability skills training. In 2010 the courses offered include:

#### Vocational Skills

- Workforce Skills Qualification (WSQ) in Landscaping
- On-Job Training (OJT) in Laundry (Flat Iron)
- Basic Culinary Skills
- ITE Skills Certificate (ISC) in Electrical Wiring
- ISC in Food Preparation
- ISC in Logistics Operations
- Multi-Media Skills

#### Employability Skills

- Employability Skills System Modules
  - ◆ Personal Effectiveness, Communication & Relationship Management
  - ◆ Workplace Health & Safety
  - ◆ Initiative & Enterprise,
  - ◆ Problem Solving & Decision Making
- Workplace Literacy & Numeracy
- Certified Operations Specialist
- Certified Service Professional
- Microsoft Office

A total of 33 courses were conducted, with 13,569 training places taken up by 4,346 offenders.<sup>1</sup>

<sup>1</sup> As most offenders have limited skills and experience, they need to attend multiple courses to enhance their employability.



The inmates' journey begins with the spectrum of training and work programmes that allow them to learn and enhance their employability.

## Managing Offenders' Expectations

With incarceration, there are many offenders who have unrealistic expectations about work and lack updated knowledge about the employment landscape. To help address this issue and to give offenders a realistic expectation of the work environment, SCORE disseminate information on the employment market to offenders on a weekly basis. We also provide offenders with examples and case studies on how ex-offenders cope at work.

## Pre-Release & Pre-Emplacement Centre

SCORE work closely with Prisons to review the pre-release programme which focuses on offenders' eventual reintegration into community and work. To facilitate the conduct of training at the pre-release centre, SCORE manages a Career Resource Centre, two IT Labs and an ISC Logistics training workshop to help better prepare offenders for release.

“After my release, I found out that many things have changed outside Prison. I realised the importance of education and working hard to earn a living.

As I have only secondary education, I am proud to have learnt a new skill by attending the ITE Skills Certificate (ISC) Electrical Course. It gave me a head start to pursue further electrical courses. I am very happy and satisfied with my job. I am definitely staying on the job as the company is paying me well and they will increase my salary after 3 months.”

**Samuel\***,

An ex-offender who went through the ISC Electrical Course

\* Name has been changed.



Inmates gain practical work experience at SCORE-managed business units.

## Gaining Practical Work Experience

Besides training, SCORE recognises that work experience is also an important part of offenders' journey to reintegration. The work programmes provide offenders with relevant skills, instills positive work ethics and facilitates their eventual reintegration into the Singapore workforce as productive and contributing citizens.

Through the work programme, inmates have opportunities to gain practical work experience in the following areas:

- Baking
- Bulk breaking
- Central Kitchen Operations
- Call Centre
- Data entry
- Digital Media
- Electronic Sub-assembly
- Post print handwork
- Quality Inspection
- Warehousing

The work programme is implemented in 2 ways; through SCORE-managed business units and Private Sector Participation Scheme.

#### SCORE-Managed Business Units

SCORE-managed business units are supervised by SCORE staff to provide goods and services for customers. Inmates are trained in the production process to meet customers' stringent quality requirements and products are ship-to-stock to meet customers' turnaround time. In 2010, SCORE moved up the value chain and ventured into the assembly of LCD panels for an international firm.

#### Private Sector Participation Scheme

SCORE leases workshop to the private sector companies under the Private Sector Participation Scheme (PPS). Under this scheme, private firms set up factories within the prisons and provide management, supervision, equipment, technical expertise and raw materials while SCORE and Prisons Department manage the welfare and discipline of the offenders.

Private companies such as 717 Trading set up workshops inside Prison, giving inmates opportunities to gain work experience.





## One-Stop-Shop for Multimedia Design

SCORE Digital Media (SDM) is a one-stop-shop multimedia design for business collaterals and marketing needs.

In 2010, our work includes poster for the Home Team Convention, collaterals for various schools and others.



**WANT TO SEE MORE?**

Learn more about emergency preparedness and how you can contribute towards safety and security as part of the "Home Team Plus"!  
Don't leave peace and stability to chance.  
Own them!

**Home Team Convention 2010**

15 May 2010 (10am - 8pm)  
16 May 2010 (10am - 6pm)  
SUNTEC Singapore International  
Convention & Exhibition Centre  
Exhibition Hall 603, Level 6

- Visit the HTC 2010 Exhibition & stand to win \$200 during the lucky draws!
- SMS to 93427379 & stand to win an iPod Touch!  
SMS HTC2010PT<space>Name<space>  
NRIC<space>Email Address
- Contest ends at 4pm on 16 May 2010.

**Free Home Team Workshops!**  
Register @ [www.hometeamconvention.sg](http://www.hometeamconvention.sg)  
f Home Team Convention  
http://twitter.com/hometeamsg



In 2010, 3,497 offenders were given work opportunities through our industries. 476 working offenders were also selected for specialised trade skills training related to their areas of industry work.

## Food Services

SCORE Bakery obtained a Grade 'A' from the Agri-Food and Veterinary Authority of Singapore (AVA) for the past 4 years consecutively.

Bakery won a \$154k one year contract for the supply of bread to a local healthcare group.



## Competitive Edge in Linen Services

Prisons' new laundry contract for the washing of inmates' clothing and blankets with an estimated contract value of \$410K.

## Ensuring that Work Is Ready and Awaiting the Offender

### Reaching Out to Employers

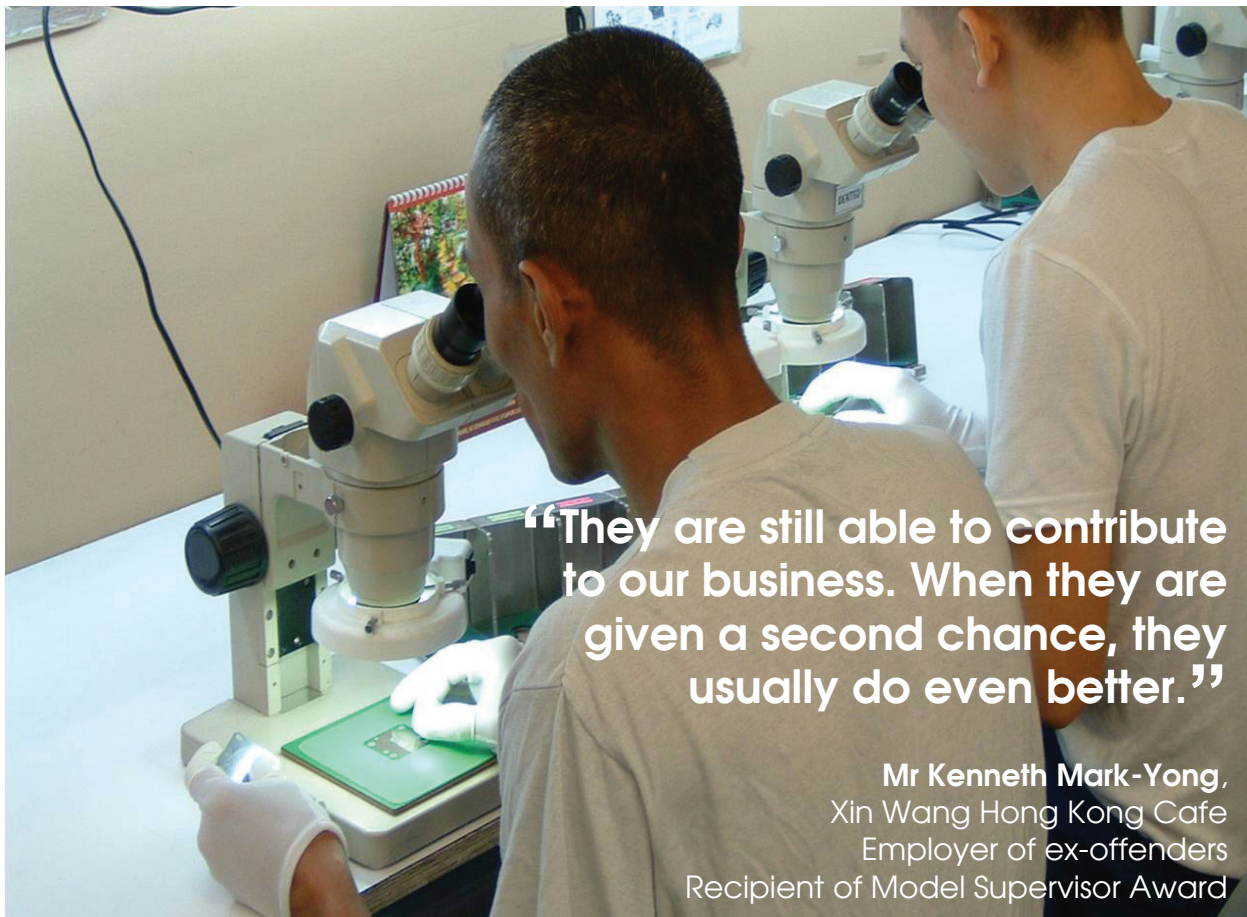
With training and relevant work experience in Prisons, offenders ultimately need to be gainfully employed after their release.

SCORE adopts a targeted approach in recruiting new employers. We collaborate with other government agencies and partners like WDA and e2i to engage

employers at various platforms. In recruiting new employers to sign up with our Employment Assistance Unit (EAU), we emphasise a win-win collaborative relationship built on meeting the employer's hiring needs and adding value to their businesses. We try to meet the needs of employers keen to incorporate Corporate Social Responsibility into their businesses, and provide recognition and publicity opportunities to organisations that work closely with us. SCORE

also organise Employers' Networking Sessions where employers have opportunities to meet their counterparts from various industries.

In 2010, 341 new employers were recruited bringing the total number of employers registered with SCORE to 2,459.



**“They are still able to contribute to our business. When they are given a second chance, they usually do even better.”**

**Mr Kenneth Mark-Yong,**  
Xin Wang Hong Kong Cafe  
Employer of ex-offenders  
Recipient of Model Supervisor Award



SCORE holds networking sessions with employers and partners for them to learn more about our programmes and services.

### Strengthening Partnerships with Employers

27 employers and partners were recognised at the SCORE Appreciation Awards held on 13 Oct 2010 for their contributions to the successful reintegration of offenders into the workforce. Their contributions included partnering SCORE to offer employment opportunities to offenders, donations towards skills training for offenders and supporting SCORE Industries.



# OUR AFTERCARE SUPPORT

A collective effort.

Our journey with the offenders does not end upon their release. It is important that we continue to offer aftercare support to assist their reintegration.

## Secure and Sustain

### Leaving Prisons with a Job

We believe that securing legitimate employment is the key to offenders' successful reintegration. We assist offenders to secure jobs by arranging interviews with suitable employers before their release.

In 2010, 1,390<sup>2</sup> offenders were placed in various industries, which include F&B, Retail, Landscaping, Marine and Manufacturing.

### Case Management Help to Stay on the Job

We initiated Case Management Services in 2006 to help offenders address their work reintegration challenges during the initial 6 months after their release. Our Case Managers (CMs) serve as a single point of contact and work closely with employers and offenders to resolve their work, financial and other social issues.

Of the 1,390 offenders who secured a job in 2010, 82% and 67% stayed on in that job for at least 3 months and 6 months respectively.

## Garnering Community Support

The offenders' journey to reintegrate into society will not be complete without the various partners and agencies that aided them along the way.

### CARE Network

SCORE is the secretariat to the Community Action for the Rehabilitation of Ex-Offenders (CARE) Network which was formed in May 2000 to improve the effectiveness of rehabilitation of ex-offenders in Singapore.

The CARE Network has come a long way in facilitating the reintegration of ex-offenders into the community and in 2010, it celebrated 10 years of transforming lives with our community partners and agencies.

Three new initiatives were introduced under CARE Network in 2010. The proposed strategies would enable CARE Network to mobilise community agencies and partners, facilitate better synergy and utilisation of resources. Specifically, the initiatives are:

- Mapping Exercise of the Aftercare Landscape
- CARE Network Attachment Programme
- CARE Network Volunteer and Aftercare Workers Training.

<sup>2</sup> 1,637 inmates were provided training skills and employment assistance in term of job-matching and interviews. Out of the 1,637 assisted with jobs, 1,390 secured a job.



### Mapping Exercise of Aftercare Landscape

CARE Network conducted a mapping exercise of a total of 60 aftercare agencies. The exercise aimed to:

- Achieve a better understanding of the aftercare programmes and services offered by community partners for better matching of clients to services
- Identify gaps in the aftercare programmes and services
- Examine future aftercare programme developments, training and networking opportunities

The results of the mapping exercise will provide valuable information to enable the CARE Network to develop strategic action plans to redesign the aftercare landscape.

### CARE Network Attachment Programme

The CARE Network Attachment Programme for Rehabilitation Specialist was developed to strengthen partnerships and understanding between the lead agencies at the ground/ operational level. The 3-weeks programme would be piloted in 2011.

### CARE Network Volunteer and Aftercare Workers Training

Developed by Singapore Prisons Service, Social Service Training Institute and Singapore After-Care Association, the structured training framework has been developed to enhance the volunteers and community partners' competencies and professionalism. The Volunteer Development Training, accredited by Social Service Training Institute, would train all volunteers in Basic Volunteer Training and provide them with further skills upgrading and developmental opportunities.



At the CARE Network Community Dialogue and Networking Session on 20 July 2010 held at Hotel Re!, community partners discussed on strategies to better meet the needs of offenders.

## Yellow Ribbon Project 2010

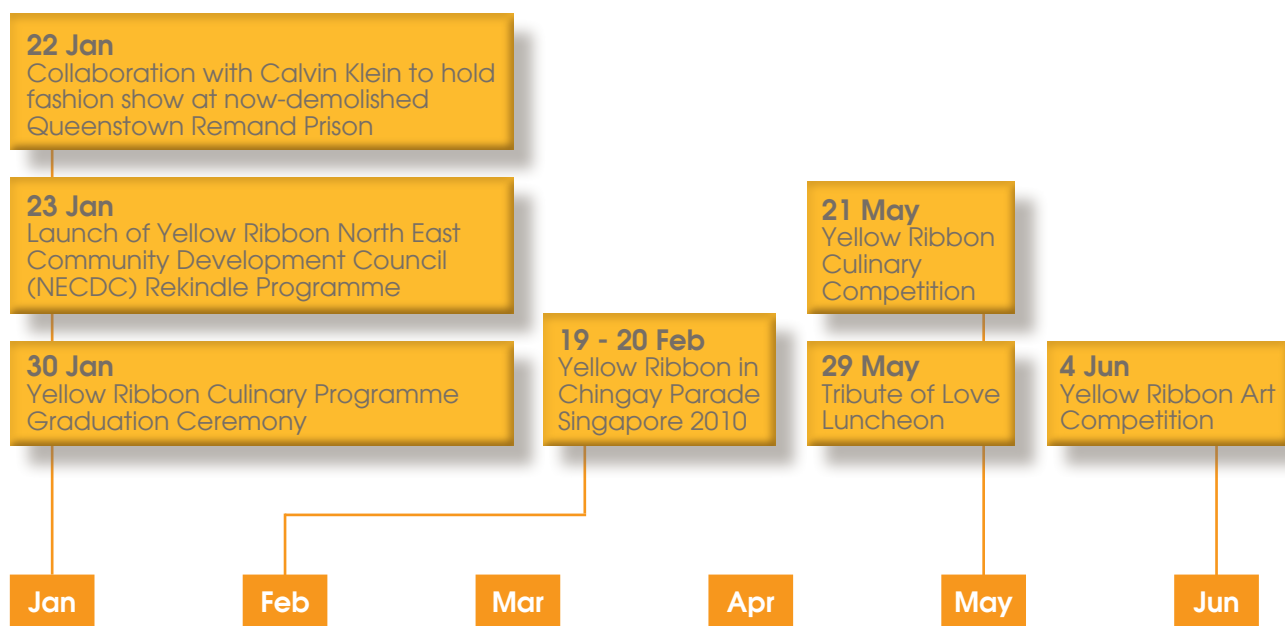
The Yellow Ribbon Project (YRP) was started in 2004 as one of CARE Network's key initiative. It has helped many offenders and ex-offenders find a new lease of life through the high level of awareness and goodwill generated.

2010 marked an important milestone for both CARE Network and YRP. In conjunction with the celebration of CARE Network's 10th Anniversary, YRP acknowledged the commitment of CARE Network members, volunteers, staff and supporters involved in offenders' rehabilitation through our new media campaign -



Despite the rain, the participants' enthusiasm at the Yellow Ribbon Run 2010 were not dampened.

*This is my Yellow Ribbon, This is my Journey.* As the secretariat of the CARE Network and YRP, we are glad to mark this milestone together with our community partners in our journey to help offenders reintegrate back into society.





The Yellow Ribbon Project continues to garner strong community support.

## Providing Financial Assistance

### Yellow Ribbon Fund

To provide more resources for aftercare support and programmes, SCORE, together with the CARE Network set up the Yellow Ribbon Fund (YRF) in June 2004. YRF would contribute to the development and implementation of reintegration programmes for ex-offenders as well as support programmes to strengthen families of ex-offenders.

The Yellow Ribbon Fund is the first national charitable fund devoted to fund and implement reintegration programmes for ex-offenders and their families.

In 2010, the fund raised \$1.05 million and a record disbursement of \$607,050 was made for programmes and services to help ex-offenders reintegrate successfully into the society, reconcile with their families and find hope in a new beginning.



### Yellow Ribbon Emergency Fund

An ex-offender and his family often face a mountain of difficulties and hurdles even upon his release from prison.

Started in 2006, the Yellow Ribbon Emergency Fund offers a small helping hand in the form of immediate financial assistance to tide the ex-offender and his family over the initial difficult period.

In 2010, the Yellow Ribbon Emergency Fund supported 308 ex-offenders and 213 families, providing them with \$42,128 of emergency cash aid to tide over personal and family crises. Together with five administrators<sup>3</sup>, the Yellow Ribbon Emergency Fund has given \$149,818 over the years to help ex-offenders get back on their feet, and keep families intact.

### Yellow Ribbon Fund Star Bursary Programme

The Yellow Ribbon Fund STAR (Skills Training Assistance to Re-start) Bursary aims to provide bursaries to financially-needy ex-offenders for vocational and skills training to help them achieve employment and self-sufficiency.

Started in 2010, 16 students are currently benefitting from the programme. These students come from all walks of life to obtain certificates and diplomas through courses in arts, design, engineering and social services. A total of \$73,286 has been given out in the form of living allowance and payment of course fees.

<sup>3</sup> Singapore After-Care Association, Singapore Anti-Narcotics Association, Care Community Services Society, Fei Yue Community Services FRC @ Prison Link Centre and Morning Star Community Services FRC @ Prison Link Centre.



The various financial assistance provide support to financially-  
needy inmates and their families.



Halfway houses at the HSM Service Agreement Signing Ceremony during the CARE Network 10<sup>th</sup> Anniversary Conference on 20 Oct 2010.

### New Halfway House Service Model

One key group of strategic partners is the halfway houses on the Prisons Halfway House Scheme, which administer the Halfway House Service Model (HSM). Launched in Oct 2010, this service model provides a framework to enable halfway houses to operate a consistent and dedicated programme based on stipulated service requirements. Structured and professional rehabilitation services would be provided to facilitate inmates' reintegration into the society.

**Key features of HSM include the following:**

- A Transitional Care Framework which details the minimum service requirements for 4 phases of transitional care from pre-halfway house emplacement to post-halfway house support. This is to ensure continuity of care for offenders.
- An outcome-based component which requires halfway houses to help offenders achieve certain client outcomes based on their needs assessment. The 5 key outcome domains identified are namely employment/education, accommodation, social support, coping skills, and positive lifestyle.

There are currently 8 halfway houses, namely, The Ashram, Breakthrough Missions, Green Haven, The Helping Hand, Jamiyah, Pertapis, Teen Challenge and Turning Point that are administering the HSM.

**“Essentially, the HSM marks a paradigm shift in how we conceptualise the strategic role of halfway houses in care management for ex-offenders and their families. For Ashram, the HSM provides us with a significant window of opportunity to innovate, strengthen and professionalise our rehabilitation programmes, set high yet achievable targets, and create greater awareness of the role of HWHs among the various communities in Singapore.”**

The Ashram  
A Halfway House under the new Halfway House Service Model

# OUR PEOPLE

Making change happen.

THE LIVES WE  
TOUCHED. ☺

THE LIVES THAT ARE  
NOW BETTER. ☺

Our journey with the offenders in their reintegration to society is built upon a strong and well managed organisation. In the continuous strive for all round business excellence, SCORE was conferred the Singapore Quality Class (SQC) certification in April 2010.



This rehabilitation journey would also not have been possible without dedicated staff. In SCORE, we recognise that our staff are the most important in realising the mission and vision of helping offenders reintegrate. As such, we continually develop staff to their fullest potential and provide meaningful careers for them. SCORE's human resource systems and policies were given industry recognition when we were conferred the People Developer Standard (PDS) for the second time in 2010. This national benchmark affirms our philosophy in engaging and developing our people and challenging them to scale new heights for the organisation and themselves.



CEO, Mr Teo Tze Fang, receiving the plaque for the Singapore Human Resource Institute (SHRI) Award.

In 2010, we also won the Singapore Human Resources Institute (SHRI) Award for Leading HR Practices in Learning and Human Capital Development and Performance Management. This award recognised the overall effectiveness of our HR and people management functions.

**“Work is a prison only if it does not have meaning. Besides believing in SCORE's mission, the various opportunities available for staff upgrading and exposure also makes work more rewarding.**

**I was blessed with the chance to go for an overseas study trip to Missouri, USA to find out more about Missouri's Department of Corrections and their re-entry system. This certainly gave me a wider perspective of things.”**

**Ms Tan Eng Lee,**

Manager of Community Partnerships and Aftercare Division,  
has been with SCORE for 3 years.  
She was rotated from Placement Services to her current position.

## Developing Our People

Our people are at the core of our journey to social inclusion of offenders. We believe in and live out the HOPE values of Honour, Oneness, People-oriented and Enterprising. These

values drive the way we work and interact with one another.

Being a diverse workforce, we respect and care for each other as individuals. We offer a wide array of benefits and programmes such as flexible working hours, flexible benefits,

study leave, birthday day-off, time-off for sports, health care services as well as recreational activities to help our staff achieve work-life harmony.



**“The good part is the part where we see them grow.”**

**Mr Adhha Jimari,**  
Case Manager,  
whose job satisfaction comes from helping offenders work towards a better future.

In SCORE, the holistic development of our staff as well-rounded individuals is one of our primary goals. We provide our officers with opportunities to take their career to further heights and offer them different platforms to maximise their potential. These platforms include leadership assessment and programmes, job rotation, overseas study trips, education sponsorship, as well as targeted learning and development.

## Being a Responsible Corporate Citizen

SCORE strives to cultivate an organisation which is responsible to the society we live in. The Community Outreach Volunteer Experience and Go Green Committees give staff opportunities to volunteer their time and services to help the less fortunate as well as to protect our environment.

### Community Outreach Volunteer Experience (COVE)

This committee drives initiatives to build a culture of volunteerism and community concern in SCORE.

In 2010, SCORE adopted Ang Mo Kio Family Services Centre (AMKFSC) as its main beneficiary. Our staff volunteered to bring children from low-income families to Singapore Discovery Centre, distributed food packs to the needy families, and held a party for the elderly.



SCORE staff rediscovered the joy of putting a smile on someone's face as children from AMKFSC enjoyed themselves at Singapore Discovery Centre.



The elderly from AMKFSC enjoyed the sumptuous food from SCORE Catering and had fun at the party.



SCORE staff got closer to nature at Sungei Buloh Wetland Reserve.

## Go Green

This committee organises and implements events and programmes to encourage staff to take positive action for the environment.

One such event is the learning journey to Sungei Buloh and Farm Market in July 2010. While enjoying themselves, our staff and their families gained knowledge on the importance of Singapore environmental conservation efforts.

## Caring for Our People

Besides developing professional excellence in our staff, SCORE also looks into their physical, mental and social well-being. Two committees, namely the Staff Well-Being Committee (SWBC) and Safety Committee, were set-up for this purpose.



### Staff Well-Being Committee

This committee promotes work-life integration programmes to help staff form friendships and attain work-life balance. Opportunities for bonding are created through family day events and team-building activities. The committee also organises joint activities with Singapore Prisons Service and the Home Team. A total of 16 activities were held this year, allowing staff from different Divisions/Departments to come together beyond work.

### Safety Committee

This committee oversees workplace safety and health.

Besides conducting safety audits in our workshops, headquarters and halfway houses, the committee also organised an emergency preparedness training programme at SCDF for staff to learn safety techniques.

## Recognising Our Staff

In appreciation of their efforts and dedication, the following staff were recognised with the following awards:

National Day Award  
(Pingat Kepujian -  
Commendation Medal)

National Day Award  
(Pingat Berkebolehan -  
Efficiency Medal)

25 Years Long Service Medal  
(Pingat Bakit Setia)

Minister for Home Affairs  
National Day Award

MHA Star Service Award

HOPE Award

SCORE Special  
Commendation Award

Star Service Award

NUH Sparks Reward

Esprit De Corp Award

Innovative Project Award

Celebration of WINs

25 Years Long Service Award

15 Years Long Service Award

10 Years Long Service Award

Patrick Lau Wei Peng

Chin Foo Khuin

Pauline Chan Poh Chee

Ramli Bin Anan

Peh Beng Huat

Ong Hock Kin  
Ko Kar Inn

See Yong Hock  
David Tan  
Karen Leow

Shawilah Bte Amat  
Siti Hawa Khamis  
Firdaus Ahmad

Tan Eng Lee

Adam Bin Ahmad  
Mohd Said Bin Aman

SCORE Appreciation Awards 2010  
CARE Network 10th Anniversary Celebrations  
Profitability of SCORE Bakery

Yellow Ribbon GIGATT/QUANTA Tattoo Removal Programme  
Water Recycling Plant

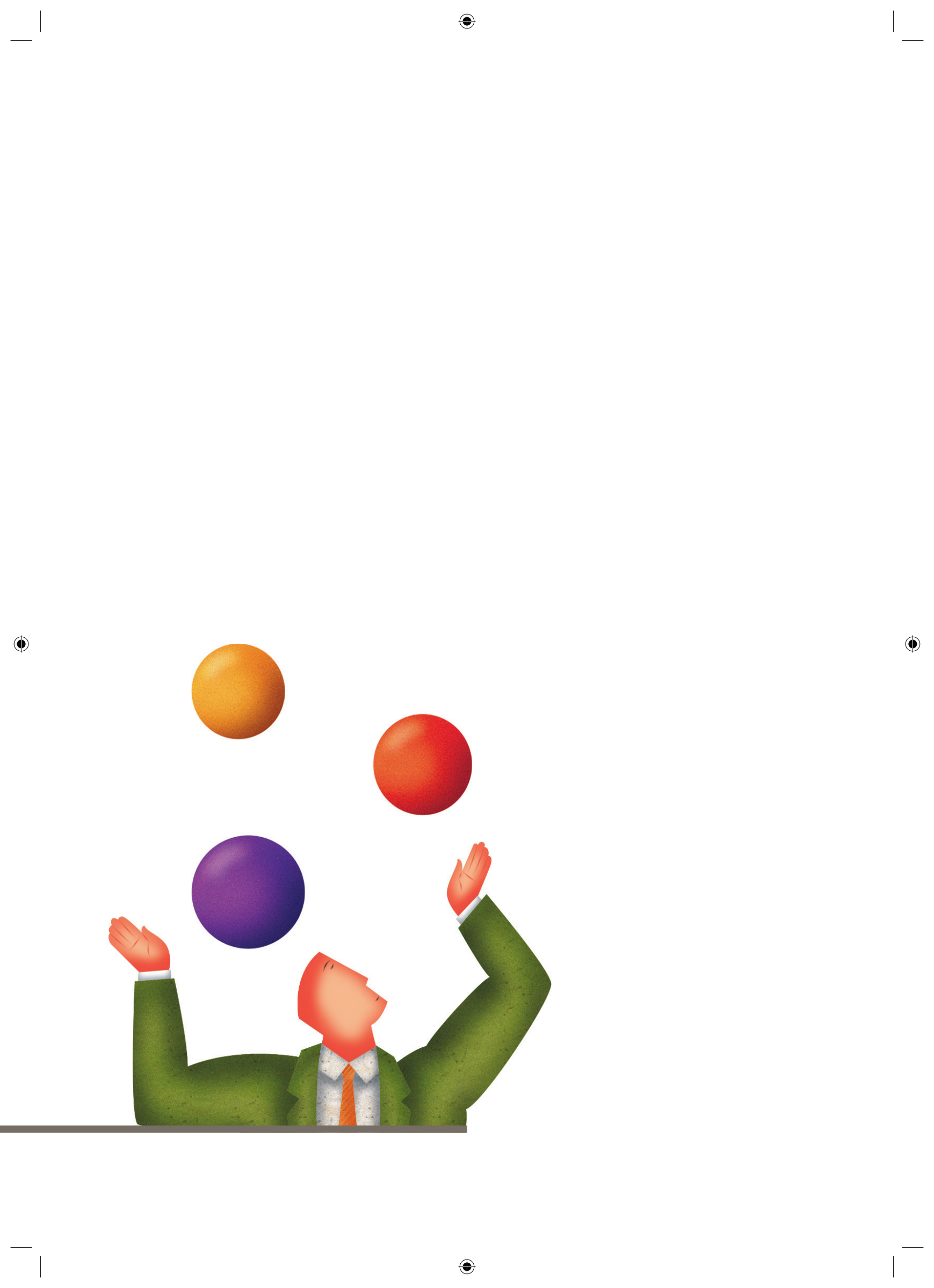
Setting up of Flextronics Workshop  
AVA Grade 'A' for 4 Years Running  
Engagement of Resort World Sentosa  
Yellow Ribbon Prison Run 2009  
Yellow Ribbon Culinary Programme  
Contingency Food Exercise

Shawilah Bte Amat

Roger Michael Boon

Patrick Lau  
Alvin Goh  
Sekher S/O Balakrishnan

Rajaynthran S/O Kasinathan  
David Chang Kwang Poon  
Sabariah Md Noor

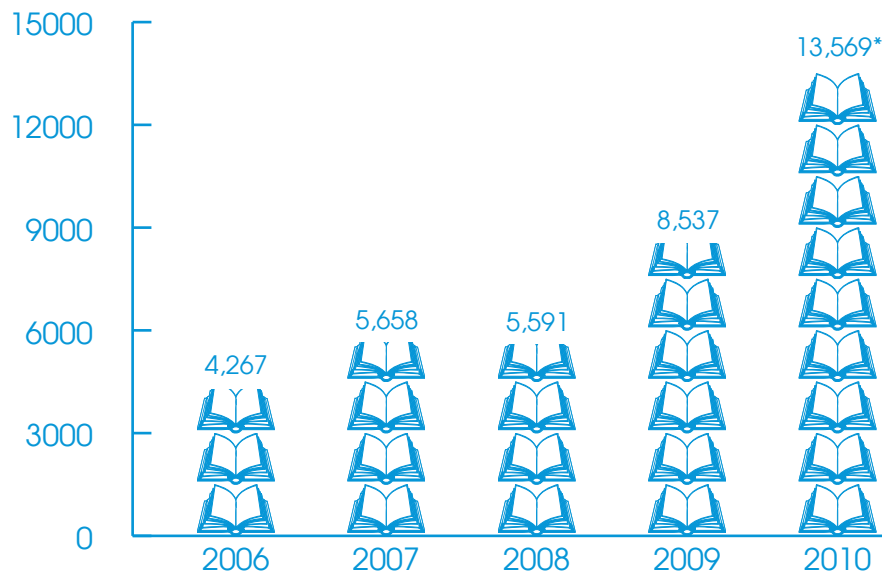


# 2010 PERFORMANCE HIGHLIGHTS

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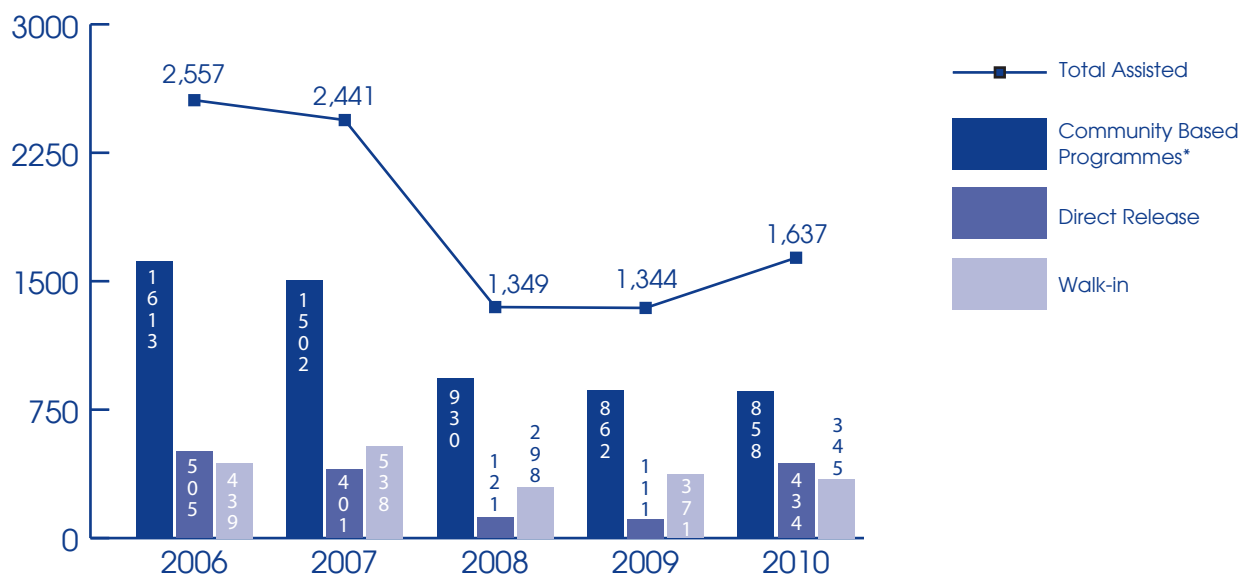
## 2010 PERFORMANCE HIGHLIGHTS

### Training Places



\* SCORE was able to increase the training places due to national funding.

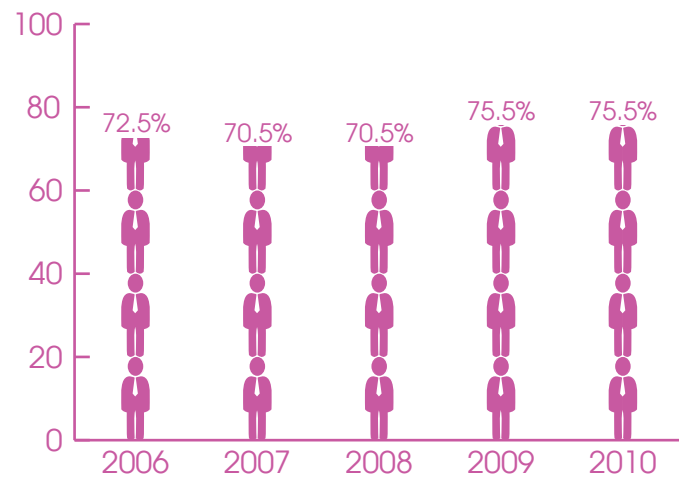
### Inmates Assisted with Jobs\*



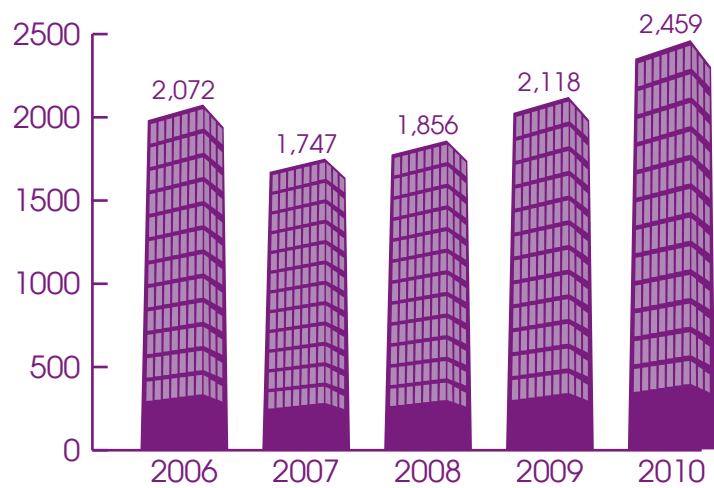
\* Inmates were provided training skills and employment assistance in terms of job-matching and interviews.

\*\* Community Based Programmes refers to Home Detention Scheme, Work Release Scheme and Halfway House Scheme.

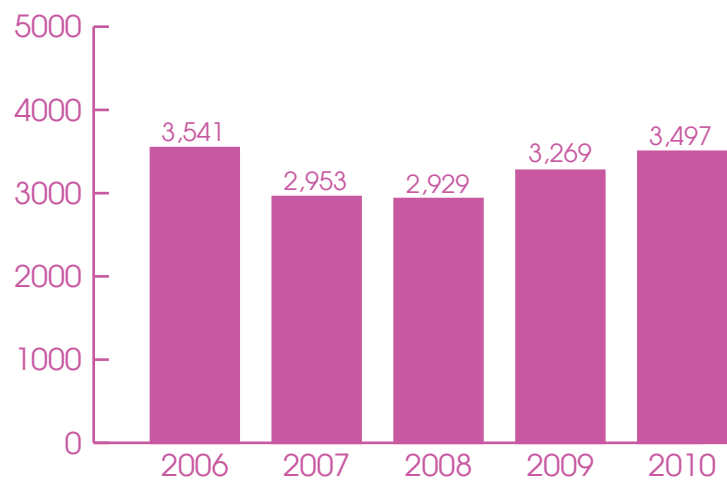
## Offenders Secure Jobs



## Companies in Job Bank



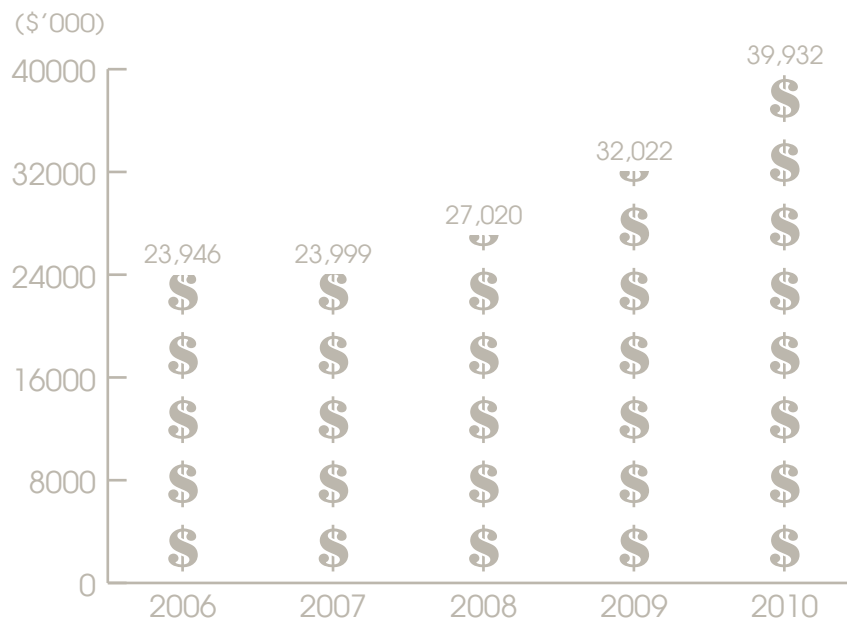
## No. of Inmates in Work Programme\*



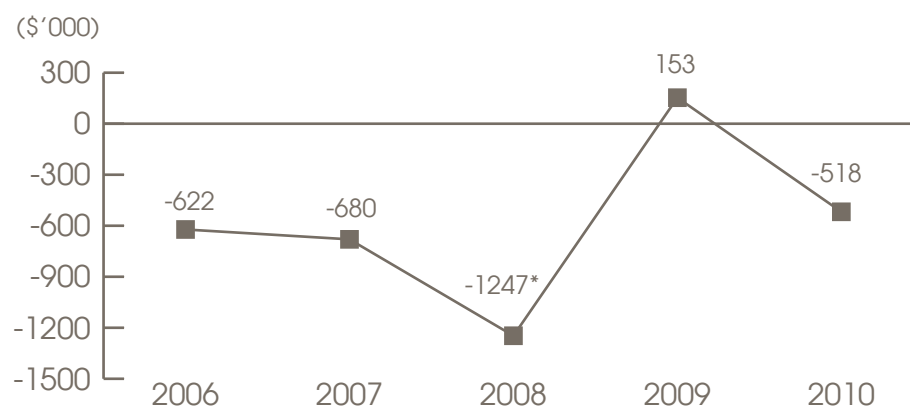
\* Work opportunities in Prisons.

## Profitability

### Operating Income

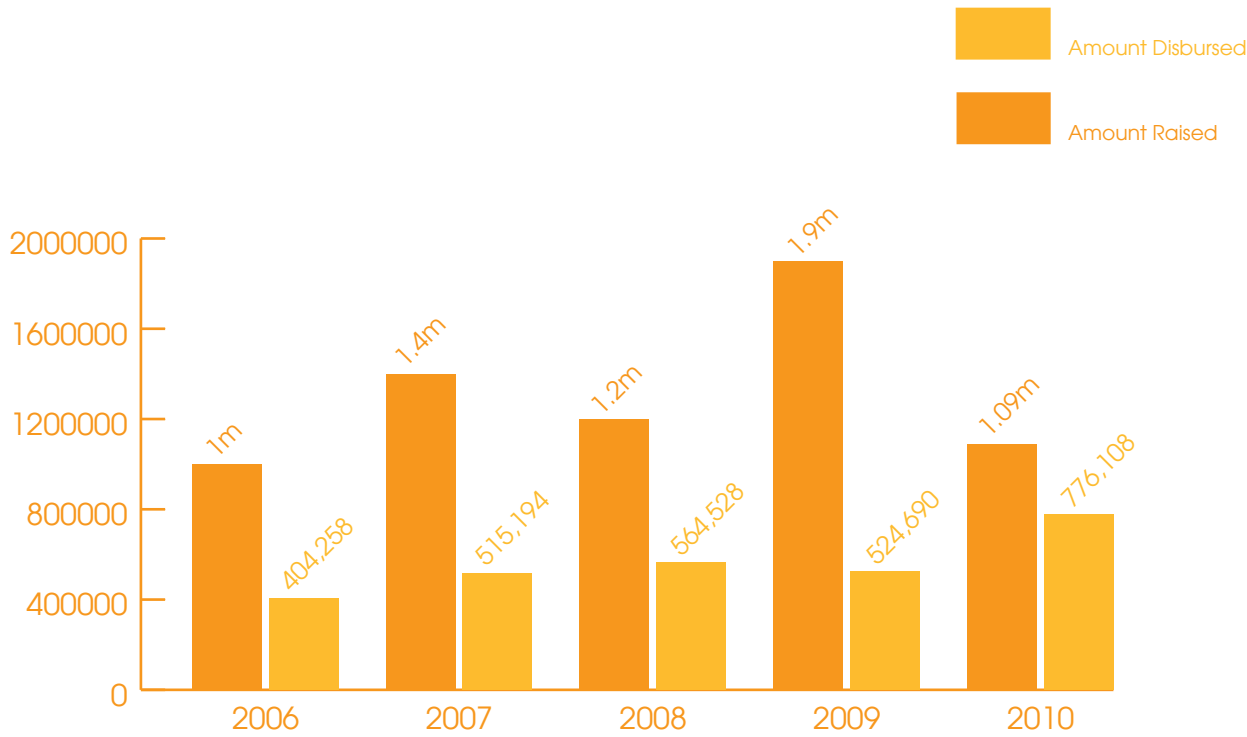


### Surplus/Deficit

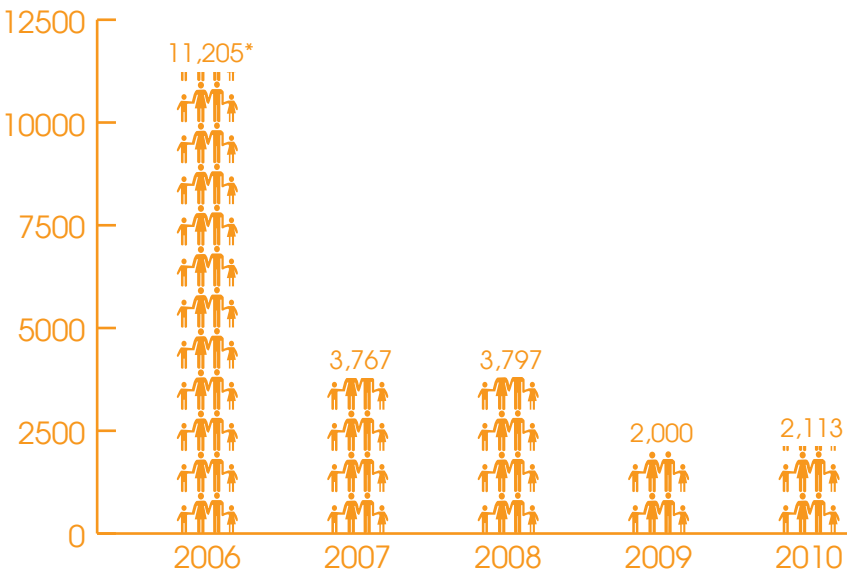


\* Due to a one-time adjustment in accounting treatment for performance bonus amounting to \$643,000.  
 NB : Certain comparative figures have been reclassified to conform to the current year's presentation

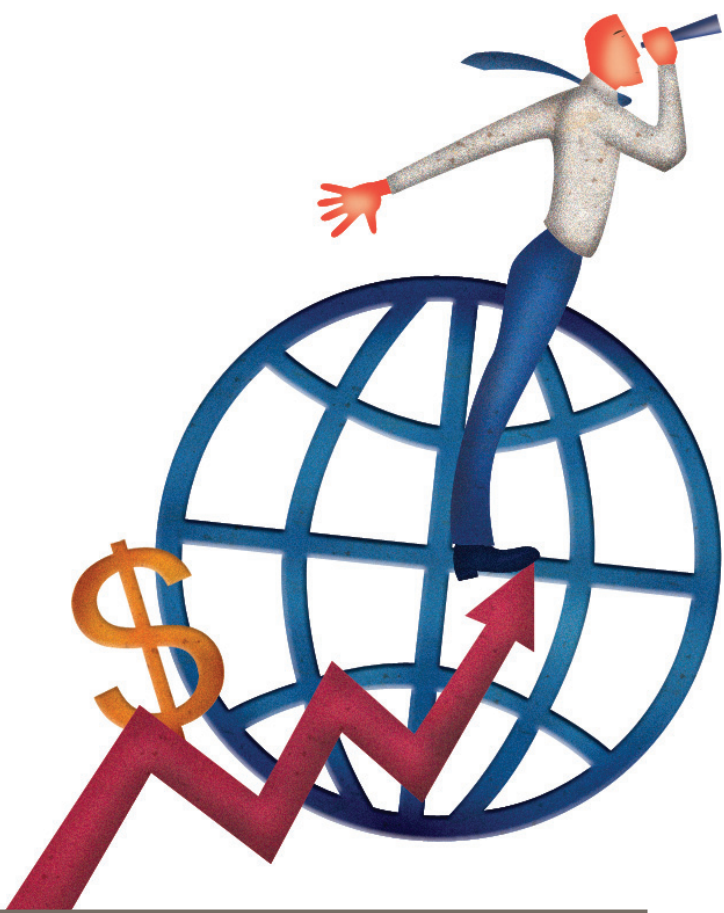
Yellow Ribbon Fund



No. of Beneficiaries from Yellow Ribbon Fund



\* Figure includes repeat clients.



# FINANCIAL STATEMENTS

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**SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES  
("CORPORATION")**

**FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2010*

# SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

## FINANCIAL STATEMENTS

*For the financial year ended 31 December 2010*

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Statement of Changes in Equity	81
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Notes to the Financial Statements	83

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### STATEMENT BY THE BOARD

*For the financial year ended 31 December 2010*

We, the undermentioned board members of the Corporation, state that, in our opinion of the financial statements set out on pages **4 to 26** are drawn up in accordance with Statutory Board Financial Reporting Standards and the provisions of the Singapore Corporation of Rehabilitative Enterprises Act (Chapter 298) so as to give a true and fair view of the state of affairs of the Corporation as at **31 December 2010** and the results, changes in equity and cash flows of the Corporation for the year then ended and there are reasonable grounds to believe that the Corporation will be able to pay its debts and when they fall due.

On behalf of the board,

75



Kong Mun Kwong  
Chairman



Tan Poh Hong (Ms)  
Chairperson  
Audit & Risk Management  
Committee

Singapore,

Date: 25 MAR 2011

## INDEPENDENT AUDITOR'S REPORT TO THE CHAIRMAN OF SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

We have audited the accompanying financial statements of the **Singapore Corporation Rehabilitative Enterprises ("Corporation")** set out on pages **4 to 26** which comprise the balance sheet as at **31 December 2010**, and the statement of comprehensive income, the statement of changes in equity and the cash flow statement of the Corporation for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Corporation of Rehabilitative Enterprises Act (Chapter 298) and Statutory Board Financial Reporting Standards. This responsibility includes:

- (a) devising and maintaining a system of internal accounting control 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 profit and loss accounts and balance sheets and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud and error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the financial statements.

We believe that our audit provides a reasonable basis for our opinion.

## INDEPENDENT AUDITOR'S REPORT TO THE CHAIRMAN OF SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### *Opinion*

In our opinion,

- (a) the financial statements are properly drawn up in accordance with the provisions of the Singapore Corporation of Rehabilitative Enterprises Act (Chapter 298) and Statutory Board Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Corporation as at **31 December 2010**, and the results, changes in equity and cash flows of the Corporation for the financial year ended on that date; and
- (b) the 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 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).



Audit Alliance  
Public Accountants and  
Certified Public Accountants

Audit Partner  
Chiew Shang Hui

Singapore,

Date : 25 MAR 2011

# SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

## STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2010

	Note	2010 S\$	2009 S\$
<b>OPERATING INCOME</b>			
Funding from strategic partner		1,744,760	1,399,923
Leasing income	4	3,043,585	2,579,897
Miscellaneous		49,920	3,152
Sales of goods		3,668,690	2,192,453
Sales of services		31,424,752	25,846,204
		<b>39,931,707</b>	<b>32,021,629</b>
<b>LESS: OPERATING EXPENSES</b>		<b>41,467,354</b>	<b>32,504,933</b>
<b>Opening deficit</b>		<b>(1,535,647)</b>	<b>(483,304)</b>
<b>NON-OPERATING INCOME</b>			
Doubtful debts written back	10	1,195	-
Gain on disposal of property, plant and equipment		5,853	2,501
Gain on disposal of associated company		-	27,018
Income from investments	5	557,736	441,524
Income from bank deposits		86,016	85,783
MHA Core Innovation Fund		300,000	-
Sponsorship from strategic partners		152,748	170,264
		<b>1,101,548</b>	<b>727,090</b>
<b>LESS: NON-OPERATING EXPENSES</b>			
Amortization of investment in bonds		76,118	-
Consultation fees (project)		7,588	91,000
		<b>83,706</b>	<b>91,000</b>
<b>Non-operating surplus</b>		<b>1,017,842</b>	<b>636,090</b>
<b>Surplus/(deficit) for the year</b>		<b>(517,805)</b>	<b>152,786</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Financial asses, available-for-sale			
- Faire value gains / (losses)		280,272	117,180
Other comprehensive income, net of tax		280,272	117,180
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(237,533)</b>	<b>269,966</b>

The accompanying notes form an integral part of these financial statements.  
Auditors' Report — Page 76-77

# SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

## OPERATING EXPENDITURE STATEMENT

*For the financial year ended 31 December 2010*

<u>OPERATING EXPENSES</u>		2010 S\$	2009 S\$
	<b>Note</b>		
Advertising		74,236	80,371
Allowance for doubtful debts - trade		1,159	-
Amount due from associated company written off		-	31,376
Audit fees		38,032	52,770
Board members' allowance		60,545	83,326
Depreciation of property, plant and equipment	13	2,180,658	2,218,099
Distribution costs		2,998,189	1,973,830
Entertainment		16,166	12,810
General office expenses		1,296,179	881,431
Grant, contributions and donations		183,928	264,941
Inmates earnings		2,279,896	2,031,003
Inmates training costs		1,367,993	997,466
Liquidated damages		140,666	141,115
Maintenance of office and workshops		1,141,788	753,748
Manpower costs	6	9,778,953	7,642,590
Material / production costs		15,152,447	11,580,720
Office rental		180,940	157,530
Other operating expenses		211,791	176,060
Property, plant and equipment written off		24,010	24,212
Staff training		149,710	134,768
Staff welfare		167,412	122,532
Travelling		60,531	66,895
Utilities		3,962,125	3,077,340
		<b>41,467,354</b>	<b>32,504,933</b>

# SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

## STATEMENT OF FINANCIAL POSITION

For the financial year ended 31 December 2010

	Note	2010 S\$	2009 S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	15,711,461	13,607,702
Financial assets, held-to-maturity	8	2,121,909	4,500,000
Trade and other receivables	10	6,532,972	6,120,476
Inventories	9	474,021	606,143
Other current assets	11	49,503	528,157
		<u>24,889,866</u>	<u>25,362,478</u>
<b>Non-current assets</b>			
Financial assets, available-for-sale	12	2,637,492	1,307,220
Financial assets, held-to-maturity	8	10,865,424	8,714,427
Property, plant and equipment	13	5,482,407	6,042,486
		<u>18,985,323</u>	<u>16,064,133</u>
<b>Total assets</b>		<u>43,875,189</u>	<u>41,426,611</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	14	9,312,524	6,626,413
		<u>9,312,524</u>	<u>6,626,413</u>
<b>Equity</b>			
Capital account	15	1,662,262	1,662,262
Fair value reserve	16	317,492	37,220
Accumulated surplus	17	32,852,911	33,100,716
		<u>34,562,665</u>	<u>34,800,198</u>
<b>Total equity and liabilities</b>		<u>43,875,189</u>	<u>41,426,611</u>

The accompanying notes form an integral part of these financial statements.  
Auditors' Report — Page 76-77

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### STATEMENT OF CHANGES IN EQUITY

*For the financial year ended 31 December 2010*

	Note	Capital account S\$	Fair value reserve S\$	Accumulated surplus S\$	Total S\$
<b>2010</b>					
<b>Beginning of financial year</b>		1,662,262	37,220	33,100,716	34,800,198
Total comprehensive income for the year		-	280,272	(517,805)	(237,533)
<b>End of financial year</b>		<b>1,662,262</b>	<b>317,492</b>	<b>32,582,911</b>	<b>34,562,665</b>
<b>2009</b>					
<b>Beginning of financial year</b>		1,661,262	(79,960)	32,947,930	34,529,232
Capital injection		1,000	-	-	1,000
Total comprehensive income for the year		-	117,180	152,786	269,966
<b>End of financial year</b>		<b>1,662,262</b>	<b>37,220</b>	<b>33,100,716</b>	<b>34,800,198</b>

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### STATEMENT OF CASH FLOW

For the financial year ended 31 December 2010

	Note	2010 S\$	2009 S\$
<b>Cash flows from operating activities</b>			
<b>Surplus / (deficit) for the year</b>		<b>(517,805)</b>	<b>152,786</b>
Adjustments for:			
Depreciation	13	<b>2,180,658</b>	2,218,099
Property, plant and equipment written off		<b>24,010</b>	24,212
Provision for linen loss		-	26,960
Provision for unutilised leave		-	(5,403)
Amortisation of bonds		<b>76,118</b>	(3,791)
Gain of disposal of property, plant and equipment		<b>(5,853)</b>	(2,501)
Gain of disposal of associated company		-	(27,018)
Income from investments		<b>(555,736)</b>	(437,733)
Interest income from bank deposits		<b>(86,016)</b>	(85,783)
Operating surplus before working capital changes		<b>1,115,376</b>	1,859,828
Change in operating assets and liabilities			
Inventories		<b>132,122</b>	(285,445)
Trade and other receivables		<b>(412,496)</b>	798,371
Other current assets		<b>478,654</b>	(497,092)
Trade and other payables		<b>2,686,111</b>	1,559,487
Cash generated from operations		<b>3,999,767</b>	3,436,149
Tax refund		-	-
<b>Net cash generated from operating activities</b>		<b>3,999,767</b>	<b>3,436,149</b>
<b>Cash flow from investing activities</b>			
Dividend income received		<b>112,512</b>	66,985
Interest income received		<b>529,241</b>	456,531
Proceeds from disposal of associated company		-	5,835
Proceeds from disposal of property, plant and equipment		<b>5,853</b>	2,501
Proceeds from maturity of bonds and disposal of investments		<b>3,450,000</b>	6,140,000
Purchase of bonds and investments		<b>(4,349,025)</b>	(7,099,950)
Purchase of property, plant and equipment		<b>(1,644,589)</b>	(287,566)
<b>Net cash used in investing activities</b>		<b>(1,896,008)</b>	<b>(715,664)</b>
<b>Cash flows from financial activity</b>			
Capital injection		-	1,000
<b>Net cash generated from financial activity</b>		<b>-</b>	<b>1,000</b>
<b>Net increases in cash and cash equivalents</b>		<b>2,103,759</b>	<b>2,721,485</b>
<b>Cash and cash equivalents at beginning of the financial year</b>		<b>13,607,702</b>	<b>10,886,217</b>
<b>Cash and cash equivalents at end of the financial year</b>		<b>15,711,461</b>	<b>13,607,702</b>

The accompanying notes form an integral part of these financial statements.  
Auditors' Report — Page 76-77

# SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

## NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2010*

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

### 1. Corporate Information

The main office of Singapore Corporation of Rehabilitative Enterprises (the "Corporation") established under the Singapore Corporation of Rehabilitative Enterprises 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 Corporation presents its financial statements in Singapore dollars, which is also its functional currency. These financial statements have been prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and comply with Statutory Board Financial Reporting Standards ("SB-FRS"), including related Interpretations promulgated by the Accountant-General and the provisions of the Singapore Corporation of Rehabilitative Enterprises Act (Chapter 298).

The preparation of financial statements in conformity with SB-FRS requires management to exercise its judgement in the process of applying the Corporation's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(b).

#### **Interpretations and amendments to published standards effective in 2010**

On 1 January 2010, the Corporation adopted the new or revised FRS and Interpretations to FRS (INT FRS) that are mandatory for application from that date. Changes to the Corporation's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

The following are the new or amended FRS and INT FRS that are relevant to the Corporation:

FRS 1 (revised)	Presentation of financial statements
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The adoption of the above FRS or INT FRS did not result in any substantial changes to the Corporation's accounting policies or any significant impact on these financial statements.

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2010*

#### 2. Significant accounting policies (continued)

##### (b) Significant Accounting Estimated and Judgement

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Corporation's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### *(a) Key sources of estimation uncertainty*

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### *Depreciation on Property, Plant and Equipment*

The costs of property, plant and equipment are depreciated on straight-line basis over their estimated useful lives. Management's estimates of the useful lives of these property, plant and equipment are disclosed in note 2(e). Changes in the expected usage and technological developments could impact the economic useful lives and the residual values of these assets. Therefore, future depreciation charges could be revised. The carrying amount of property, plant and equipment and the depreciation charge for the year are disclosed in note 14 to financial statements.

##### *(b) Critical judgement made in applying accounting policies*

In the process of applying the Corporation's accounting policies, the management has been made certain judgements apart from those involving estimations, which have significant effect on the amounts recognised in the financial statements.

##### *(i) Allowance for Bad and Doubtful Receivables*

The impairment policy for bad and doubtful debts of the Corporation is based on the evaluation of collectability and ageing analysis of the accounts receivables and on management's judgement. At the balance sheet date, the trade receivables, net of allowance, amounted to S\$6,400,744 (2009: S\$5,947,542). A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current credit worthiness and the past condition of these customers were to deteriorate, resulting in an impairment of their ability to make payment, additional allowance will be required.

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2010

#### 2. Significant accounting policies (continued)

##### (b) Significant Accounting Estimated and Judgement (continued)

###### (ii) Impairment of investments and financial assets

The Corporation follows the guidance of SB-FRS 39 in determining when an investment or financial asset is other-than-temporarily impaired. This determination requires significant judgement. The Corporation evaluates, among other factors, the duration and extent to which the fair value of an investment or financial asset is less than its cost; the financial health of and near-term business outlook for the investment or financial asset, including factors such as industry and sector performance, changes in technology and operational and financial cash flow.

##### (c) SB-FRS and INT SB-FRS not yet effective

The Corporation has not applied any new SB-FRS or INT SB-FRS (Interpretations of Statutory Board Financial Reporting Standards) that has been issued as at the balance sheet date but is not yet effective. The management does not anticipate the adoption of the new SB-FRS and INT SB-FRS in future financial periods to have any material impact on the Corporation's financial statements in the period of initial application.

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

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Corporation and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Any estimated costs of dismantling and removing the property, plant and equipment and reinstating the site to its original condition (reinstatement costs) are capitalised as part of the cost of the property, plant and equipment.

Depreciation of property, plant and equipment is calculated using a straight line method so as to write off the cost, less the residual value, of the assets over their estimated useful lives. The annual rates of depreciation are as follows:

<b>Furniture, fixture and fittings</b>	
Furniture, fixtures and fittings	10 years
Computer software, hardware & equipment	3 years
<b>Plant, equipment and machinery</b>	
Plant, equipment and machinery	8 to 10 years
Office equipment	3 years
<b>Motor vehicles</b>	5 years

# SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

## NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2010*

Property, plant and equipment costing less than S\$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 no longer in use.

### 2. Significant accounting policies (continued)

#### (d) Property, Plant and Equipment (continued)

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of assets is included in the income statement in the year the asset is derecognised.

#### (e) Financial assets

##### (a) Classification

The Corporation classifies its financial assets in the following categories: held-to-maturity investments; loans and receivables and available-for-sale financial assets. The classification depends on the purpose for which the investments are acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date, with the exception that the designation of financial assets at fair value through profit or loss is not revocable.

##### (i) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Corporation has the positive intention and ability to hold to maturity.

Held-to-maturity investments are recognised initially at fair value plus transaction costs, and subsequently carried at amortised cost using the effective interest method.

##### (ii) *Loan and receivables*

Loan and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Corporation provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for those maturing later than 12 months after the balance sheet date, which are classified as non-current assets.

Loans and receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Receivables with a short duration are not discounted.

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2010*

#### 2. Significant accounting policies (continued)

##### (e) Financial assets (continued)

###### (a) Classification (continued)

###### *(iii) Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless management intends to dispose of the assets within 12 months after the balance sheet date.

Available-for-sale financial assets are recognised initially at fair value plus transaction costs, and subsequently carried at fair value. Unrealised gains and losses arising from changes in fair value of these financial assets are recognised directly in the fair value reserve within equity.

When available-for-sale investments are sold or impaired, the accumulated fair value adjustments in the fair value reserve within equity is recognised in the income and expenditure statement.

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###### (b) Recognition and derecognition

Financial assets are recognised on balance sheet when the Corporation becomes a contractual party to the contractual provisions of the financial instruments. Purchases and sales of investments are recognised on trade-date — the date on which the Corporation commits to purchase or sell the assets.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Corporation has transferred substantially all risks and rewards of ownership.

###### (c) Determination of fair value

The fair values of quoted financial assets are based on bid price as at balance sheet date. For quoted financial assets without an active market and for unquoted financial assets, the Corporation establishes fair value by using valuation techniques.

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2010*

#### 2. Significant accounting policies (continued)

##### (e) Financial assets (continued)

##### (d) Impairment of financial assets

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

##### (i) *Investments available-for-sale financial assets*

A significant or prolonged decline in the fair value of an available for sale equity investment is considered in determining whether the investment is impaired. If any such evidence exists, the cumulative loss is measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised in the income and expenditure statement - is removed from the fair value reserve within equity and recognised in the income and expenditure statement. The impairment losses recognised in the income and expenditure statement on equity investments are not reversed through the income and expenditure statement until the equity investments are disposed.

If impairment loss has been recognised on debt instruments classified as available-for-sale, and subsequent to the impairment recognition the fair value increases, and the increase can be objectively related to an event occurring after the impairment loss was recognised in the income and expenditure, the impairment loss shall be reversed, with the amount of the reversal recognised in the income and expenditure statement.

##### (ii) *Impairment of loans and receivables and held-to-maturity investment*

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried 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 original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). The carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss shall be recognised in the income and expenditure statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed either directly or by adjusting an allowance account. The amount of the reversal shall be recognised in the income and expenditure statement.

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2010*

#### 2. Significant accounting policies (continued)

##### (f) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade receivables is establishing when there is objective evidence that the Corporation will not able to collect all amounts due according to the original terms of the receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance is recognised in the income statement.

##### (g) Inventories

Inventories from food services unit are carried at the lower of cost and net realisable value. Cost is 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.

Linen inventories purchased for the purpose of providing linen leasing services to hospitals are stated at cost determined on a weighted average basis. The cost of linen is amortised, on a first-in-first-out basis, over the period of useful life once it is put into circulation. The amortisation rates are as follow:

Towels	12 months
Other linen	18 months

##### (h) Trade and other payables

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

##### (i) 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.

##### (j) 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 receipts of the Annual Dividend Statement or the subsidiary income tax certificates.

(iii) Interest income on bank deposits is recognised on the accrual basis.

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2010*

#### 2. Significant accounting policies (continued)

##### (j) Revenue recognition (continued)

- (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.

##### (k) Employee benefits

###### (i) Defined contribution plans

The Corporation makes contributions to the state provident fund (Central Provident Fund). Such contributions are recognised as employee compensation expenses in the same period as the employment that gave rise to the contributions.

###### (ii) Short-term compensated absences

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

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

The carrying amounts of the Corporation's non-financial assets subject to impairment 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. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and its value in use. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

An impairment loss is charged to the income and expenditure statement unless it reverses a previous revaluation, in which case, it will be charged to equity. An impairment loss is reversed if there has been a change in the estimate used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2010*

#### 2. Significant accounting policies (continued)

(m) Provision for other liabilities and charges

Provision are recognised when the Corporation has a present obligation (legal or constructive) as a result of past events, 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.

(n) Leases

*Operating leases*

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the income statement on a straight-line basis over the year of the lease.

When an operating lease is terminated before the lease year has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the year in which termination takes place.

(o) Grants

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

(p) Currency translation

*(i) Functional and presentation currency*

Items included in the financial statements of the Corporation are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Singapore Dollars, which is the Corporation's functional and presentation currency.

*(ii) Transactions and balances*

Transactions in a currency other than the functional currency („foreign currency“) are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balances sheet date are recognised in the income statement.

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2010

#### 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. Leasing income

These are charges for inmates services rendered to firms and use of industrial space under the Private Sector Participation Scheme.

#### 5. Income from investments

	2010 S\$	2009 S\$
Amortisation of investment in bonds	-	3,791
Dividend income from equity shares	112,512	66,985
Interest from bonds	443,224	370,748
	<b>555,736</b>	<b>441,524</b>

#### 6. Manpower costs

	2010 S\$	2009 S\$
Manpower cost allocation - funding from strategic partner	415,400	408,580
Central provident fund contributions	950,748	775,663
Salaries, wages and bonuses	8,412,805	6,458,347
	<b>9,778,953</b>	<b>7,642,590</b>

#### 7. Cash and cash equivalents

	2010 S\$	2009 S\$
Cash at bank and with AGD	11,211,461	1,090,049
Fixed deposits with financial institutions	4,500,000	12,517,653
	<b>15,711,461</b>	<b>13,607,702</b>

At the balance sheet date, the carrying amounts of cash and cash equivalents are denominated in Singapore Dollar and approximate their fair value.

All fixed deposits mature within one year and bear interest at 0.88% to 1.10% (2009: 0.29% to 1.10%) per annum.

# SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2010

### 7. Cash and cash equivalents (continued)

Cash with accountant-General's Department (AGD)

- (i) Cash with the AGD refers to cash that are managed by AGD under Centralised Liquidity Management (CLM) as set out in the Accountant-General's Circular No. 4/2009 - Centralised Liquidity Management for Statutory Boards and Ministries.
- (ii) Cash with AGD under CLM are placed with high credit quality financial institutions.
- (iii) The interest rate of cash with AGD is from 0.3202% to 0.7873% (2009: Nil) based on interest earned to the average cash balance.
- (iv) A 50 basis points change in interest rates for Cash with AGD would not have a material impact on the net surplus for the year

### 8. Financial assets, held-to-maturity

	2010 S\$	2009 S\$
Quoted bonds at amortised cost		
Maturing within 1 year	2,121,909	4,500,000
Maturing after 1 year	10,865,424	8,714,427
	<b>12,897,333</b>	<b>13,214,427</b>

The fair values of the bonds at the balance sheet date are as follows:

Quoted bonds	<b>12,989,555</b>	<b>13,219,585</b>
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The Government Securities bear interest ranging from 2.159% to 4.830% (2009: 3.500% to 4.830%) per annum with maturity dates ranges from 1 July 2011 to 26 October 2020 (2009: 1 July 2011 to 31 August 2018).

The Corporation Securities bear interest ranging from 3.010% to 5.600% (2009: 3.010% to 5.000%) per annum with maturity dates ranges from 25 April 2011 to 19 February 2020 (2009: 10 March 2010 to 30 September 2016).

### 9. Inventories

	2010 S\$	2009 S\$
Inventories carried at cost		
- Raw materials	152,655	193,647
- Linen	321,366	412,496
	<b>474,021</b>	<b>606,143</b>

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2010

#### 10. Trade and other receivables

	2010 S\$	2009 S\$
Trade receivables -third party	3,417,250	3,251,832
Accrued receivables	3,101,817	2,815,228
Allowance for doubtful debts:		
Balance brought forward	(119,518)	(173,893)
Current year's allowance	-	-
Bad debts written off against allowance	1,195	54,375
Balance carried forward	(118,323)	(119,518)
Trade receivables - net	6,400,744	5,947,542
Dividend receivables	-	14,275
Interest receivables	132,228	158,659
	6,532,972	6,120,476

Concentrations of credit risk with respect to trade receivables are limited due to the Corporation's large number of customers who are covering a large spectrum of industries and having a variety of end markets in which they sell. Due to these factors, management believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Corporation's trade receivables.

The carrying amounts of current trade and other receivables approximate their fair value.

Trade receivables are non-interest bearing and are generally on 30 days' terms.

Trade and other receivables are denominated in Singapore Dollar.

#### 11. Other current assets

	2010 S\$	2009 S\$
Deposits	7,646	17,646
Prepayments	41,857	510,511
	49,503	528,157

The carrying amounts of other current assets are denominated in Singapore dollar and approximate their fair values.

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2010

#### 12. Financial assets, available-for-sale

	2010 S\$	2009 S\$
Beginning of financial year	1,307,220	1,190,040
Add: Purchase of Financial asset, available-for-sale	1,050,000	-
Fair value gains/(losses) recognised in equity	280,272	117,180
End of financial year	<b>2,637,492</b>	1,307,220

#### 13. Property, plant and equipment

	<u>Furniture, fixtures and fittings</u> S\$	<u>Plant, equipment and machinery</u> S\$	<u>Motor vehicles</u> S\$	<u>Total</u> S\$
<b>2010</b>				
Cost				
At 1 January 2010	2,973,169	16,992,482	71,170	20,036,821
Additions	92,189	1,552,400	-	1,644,589
Disposal	-	(51,460)	-	(51,460)
<b>At 31 December 2010</b>	<b>3,065,358</b>	<b>18,493,422</b>	<b>71,170</b>	<b>21,629,950</b>
Accumulated depreciation				
At 1 January 2010	1,602,026	12,321,139	71,170	13,994,335
Depreciation charge	296,200	1,884,458	-	2,180,658
Disposal	-	(27,450)	-	(27,450)
<b>At 31 December 2010</b>	<b>1,898,226</b>	<b>14,178,147</b>	<b>71,170</b>	<b>16,147,543</b>
<b>Net book value at 31 December 2010</b>	<b>1,167,132</b>	<b>4,315,275</b>	<b>-</b>	<b>5,482,407</b>
<b>2009</b>				
Cost				
At 1 January 2009	2,957,690	17,725,584	71,170	20,754,444
Additions	50,250	237,316	-	287,566
Disposal	(34,771)	(970,418)	-	(1,005,189)
<b>At 31 December 2009</b>	<b>2,973,169</b>	<b>16,992,482</b>	<b>71,170</b>	<b>20,036,821</b>
Accumulated depreciation				
At 1 January 2009	1,314,922	11,379,422	62,869	12,757,213
Depreciation charge	304,853	1,904,945	8,301	2,218,099
Disposal	(17,749)	(963,228)	-	(980,977)
<b>At 31 December 2009</b>	<b>1,602,026</b>	<b>12,321,139</b>	<b>71,170</b>	<b>13,994,335</b>
<b>Net book value at 31 December 2009</b>	<b>1,371,143</b>	<b>4,671,343</b>	<b>-</b>	<b>6,042,486</b>

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2010*

#### 14. Trade payables and other payables

	2010 S\$	2009 S\$
Trade payables	2,578,321	3,054,936
Non-trade payables	338,023	508,597
Accruals	6,288,490	2,973,480
Deposits received	79,974	61,684
Others	27,716	27,716
	<u>9,312,524</u>	<u>6,626,413</u>

The carrying amounts of trade and other payables approximate their fair value at the balance sheet date.

Trade payables are non-interest bearing and are generally on 30 days' terms.

Other payables are unsecured, non-interest bearing and are normally settled on demand.

Included in non-trade payables is a balance of funding from strategic partner amounting to S\$191,967 (2009: S\$457,260).

The funding from strategic partners aims to equip inmates with employability and industry skills and place them into jobs prior to their release.

Trade and other payables are denominated in Singapore Dollar.

#### 15. Capital account

This amount represents the value of assets amounting to S\$1,443,262 taken over from the former Prison Industries and a capital grants of S\$218,000 received from the Singapore Government for the establishment of the Corporation. In financial year 2009, the Corporation received S\$1,000 from the Minister for Finance as capital injection.

#### 16. Fair value reserve

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

#### 17. Accumulated surplus

Of the S\$32,582,911 (2009: S\$33,100,716) in the accumulated surplus S\$5,956,428 (2009: S\$6,648,629) has been utilised for the purchase of fixed and other non-liquid assets or committed for future projects.

# SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

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## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2010

### 18. Contingent Liabilities

As at the balance sheet date, the Corporation has bankers' guarantees which have not been provided for in the financial statements.

	2010 S\$	2009 S\$
Bankers' guarantees issued on behalf of third parties	283,197	288,867
Bankers' guarantees in respect of service contracts	293,490	308,490
	<u>576,687</u>	<u>597,357</u>

### 19. Financial risk management

The main risks arising from the Corporation's financial statements are credit risk, interest rate risk, liquidity risk and equity price risk. The Corporation's management reviews and agrees on policies for managing each of these risks and they are summarised below:

#### (a) 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 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 financial 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.

The Corporation determines concentrations of credit risk by monitoring the business segment profile of its trade receivables on an on-going basis. The credit risk concentration profile of the Corporation's trade receivables by business segments at the balance sheet date is as follows:

	2010 S\$	2009 S\$
By business segments		
Leasing	841,976	699,927
Sub-contracting	740,969	757,278
Bakery	548,395	448,305
Food services	1,367,741	1,449,277
Laundry	2,876,731	2,573,551
SCORE digital media	24,932	19,204
	<u>6,400,744</u>	<u>5,947,542</u>

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2010

#### 19. Financial risk management (continued)

##### (a) Credit risk (continued)

The Corporation has trade receivables that are past due but not impaired.

Of this outstanding amount S\$2,805,600 are owed by institutional clients and hospitals or covered by a Banker's Guarantee (BG). The analysis of their aging balance sheet date is as follows:

	2010 S\$	2009 S\$
Past due 0 to 30 days	1,068,447	1,014,202
Past due 31 to 90 days	489,332	332,027
Past due more than 90 days	183,138	200,551
	<u>1,740,917</u>	<u>1,546,780</u>

##### Financial assets that are impaired

The carrying amount of trade receivables individually determined to be impaired as at the balance sheet date is S\$118,323 (2009: S\$119,518). The movements in the related allowance for impairment are disclosed in note 9 to the financial statement.

	2010 S\$	2009 S\$
Trade receivables - gross amount	118,323	119,518
Less: Allowance for impairment	<u>(118,323)</u>	<u>(119,518)</u>
	<u>-</u>	<u>-</u>

Trade receivables that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant financial difficulties and have defaulted on payments.

##### (b) Interest rate risk

The Corporation does not have any interest-bearing financial liabilities. Its only exposure to changes in interest rates relates to interest-earning bank deposits. 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.

The interest rates and terms of maturity of financial assets of the Corporation are disclosed in the notes to the financial statements except for the bank balances.

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2010

#### (c) 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. Trade and other liabilities are due and payable less than 1 year at the balance sheet date.

### 19. Financial risk management (continued)

#### (d) Equity price risk

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

#### Sensitivity analysis

A 10% increase/(decrease) in the underlying equity shares prices at the reporting date would increase/(decrease) equity by the following amount:

	2010 S\$	2009 S\$
Equity	<u>263,749</u>	<u>130,722</u>

This analysis assumes that all other variables remain constant.

### 20. Related party transactions

The following transactions took place between the Corporation and related party during the financial year:

#### (a) Key management's remuneration

Key management personnel compensation is as follows:

	2010 S\$	2009 S\$
(i) Board members' allowance	60,545	83,326
(ii) Other key management members' remuneration	711,842	596,567
	<u>772,387</u>	<u>679,893</u>

## SINGAPORE CORPORATION OF REHABILITATIVE ENTERPRISES ("CORPORATION")

(Established under the Singapore Corporation of Rehabilitative Enterprises Act)

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2010*

#### 21. Capital Management

The primary objective of the Corporation is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure. The Corporation monitors its cash flow, debt maturity profile, cost of funds and overall liquidity position on a continuous basis.

The Corporation is not subject to externally imposed capital requirements and there were no changes to the Corporation approach to capital management during the year.

#### 22. Fair value of financial assets and liabilities

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 is presented 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 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 and Unquoted investments

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

Unquoted instruments whose fair values cannot be reliably measured are carried at cost subsequent to initial recognition.

#### 23. Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

# SUPPORT US

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## Support Us in Our Journey Together

Support us in our journey together to help offenders and ex-offenders become contributing members of society. You can be their Bridge of Hope. Together, we can make a difference.

How You Can Help?	Contact Person	Tel No.	Email Address
Training and Employment			
Sponsorship of Offenders' Training / Employ Ex-offenders	Ms Juliana Bte Abdul Khalik Senior Assistant Director Work Reintegration Unit	6214 2820 or 9011 9127	Juliana_Abd_Khalik@score.gov.sg
Sponsorship of Offenders' Training	Ms Goh Bee Shan Assistant Director Vocational Rehabilitation	6214 2818 or 9431 1652	Goh_Bee_Shan@score.gov.sg
Employ Ex-offenders	Mr Jason Ng Assistant Director Employment Assistance	6513 1535 or 9643 0628	Jason_Ng@score.gov.sg
SCORE Work Programme			
Laundry & Linen Leasing Services	Mr R. Vijayan Assistant Director Linen Services	6214 2824 or 9297 5846	sales@score.gov.sg
Central Kitchen, Food Catering & Bakery Services	Ms Paulin Chua Assistant Director Food Services	6513 2298 or 9722 1191	For Bakery: sales@score.gov.sg For Catering: score_catering@score.gov.sg
Business Outsourcing & Industrial Space Leasing	Mr Gary Mok Assistant Director Business Outsourcing & Industrial Space Leasing	6214 2823 or 9185 5081	sales@score.gov.sg
Digital Media Services	Mr Derrick Ong Business Account Manager Business Outsourcing & Industrial Space Leasing	6513 2258 or 9173 3341	sales@score.gov.sg
Community Engagement			
Participate in Yellow Ribbon Project Activities, Donate to Yellow Ribbon Fund or Other Joint Collaborations	Mr Kenneth Foo Senior Manager Community Partnership & Aftercare and YRP Secretariat	6513 3597 or 9833 2863	Kenneth_Foo@score.gov.sg



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