



# AUDITED FINANCIAL STATEMENTS

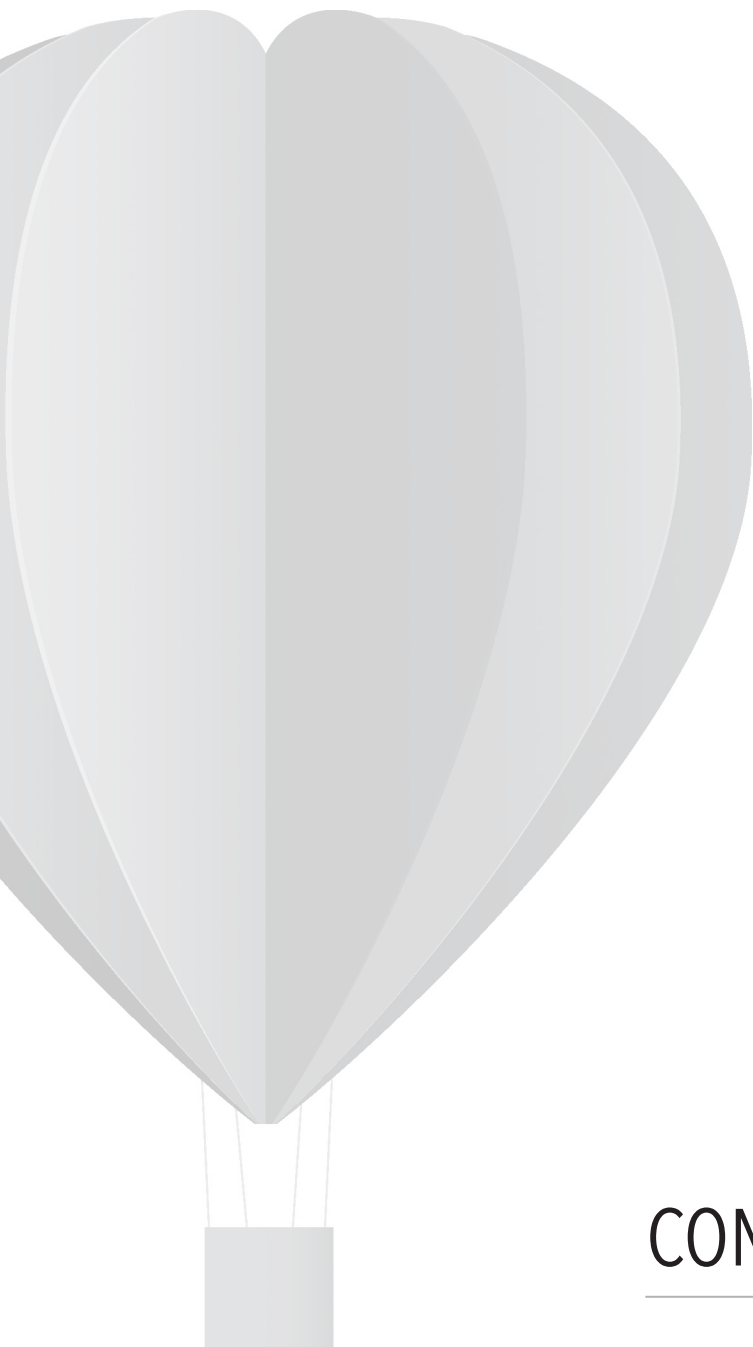
FOR THE YEAR ENDED  
31 MARCH 2016

**PERSATUAN PEMUDI ISLAM SINGAPURA**

[UEN. S64SS0011K]

[Registered under the Societies Act (Chapter 311)  
in the Republic of Singapore]





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## STATEMENT BY BOARD OF MANAGEMENT

In the opinion of the Board of Management, the accompanying financial statements as set out on pages 5 to 42 are drawn up so as to give a true and fair view of the financial position of Persatuan Pemudi Islam Singapura (the "Association") as at 31 March 2016 and the financial performance, and cash flows of the Association for the year then ended.

At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

The Board of management, comprising the following, authorised the issue of these financial statements on 31 August 2016

Madam Rahayu Mohamad	President
Madam Kamariah Adnan	Vice President I
Madam Siti Habibah Siraj	Vice President II
Madam Khuzaima Raja Kamarul Den	Honorary Treasurer
Madam Noor'aini Abdul Hamid	Assistant Honorary Treasurer
Ms Dahliyah Hamid	Honorary Secretary
Dr Noorul Fatha As'Art	Assistant Honorary Secretary
Dr Bibi Jan Mohd Ayyub	Member
Ms Hazlina Abdul Halim	Member
Madam Masmunah Abdullah	Member
Ms Nadia Yeo	Member
Madam Nur Amalina Abdul Gani	Member
Madam Salina Samion	Member
Ms Suree Rohan	Member
Ms Jummaida Rusdon	Member

**For and on behalf of the Board of Management,**

.....  
Madam Rahayu Mohamad  
President

.....  
Madam Khuzaima Raja Kamarul Den  
Honorary Treasurer

Singapore, 31 August 2016

**FIDUCIA LLP**

Public Accountants and  
Chartered Accountants of Singapore

71 Ubi Crescent #08-01  
Excalibur Centre,  
Singapore 408571  
T: (65) 6846.8376  
F: (65) 6725.8161

Independent auditor's report to the members of:

**PERSATUAN PEMUDI ISLAM SINGAPURA**

[UEN. S64SS0011K]  
[Registered under the Societies Act (Chapter 311)  
in the Republic of Singapore]

## REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **Persatuan Pemudi Islam Singapura** (the "Association") set out on pages 5 to 42, which comprise the statement of financial position as at 31 March 2016, statement of financial activities, and the statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act (Chapter 311) (the "Act"), the Singapore Charities Act (Chapter 37) (the "Charities Act") and Charities Accounting Standard, and for 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 financial statements and to maintain accountability of assets.

**Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**FIDUCIA LLP**

Public Accountants and  
Chartered Accountants of Singapore

71 Ubi Crescent #08-01  
Excalibur Centre,  
Singapore 408571  
T: (65) 6846.8376  
F: (65) 6725.8161

Independent auditor's report to the members of:

**PERSATUAN PEMUDI ISLAM SINGAPURA**

[UEN. S64SS0011K]  
[Registered under the Societies Act (Chapter 311)  
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**Opinion**

In our opinion, the financial statements of the Association are properly drawn up in accordance with the provisions of the Act, the Charities Act and Charities Accounting Standard, so as to give a true and fair view of the financial position of the Association as at 31 March 2016, and the financial performance, and cash flows of the Association for the financial year ended on that date.

**Other Matter**

The financial statements of the Association for the financial year ended 31 March 2015 were audited by another auditor who expressed an unmodified opinion on those statements on 25 August 2015.

**Report on other Legal and Regulatory Requirements**

In our opinion,

- (a) the accounting and other records required by the Societies Regulation under the Act to be kept by the Association have been properly kept in accordance with the provisions of those Regulations; and
- (b) the fund-raising appeals conducted by the Association during the year ended 31 March 2016 have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Act and proper accounts and other records have been kept of the fund-raising appeals.

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

- (a) the use of the donation moneys was not in accordance with the objectives of the Association as required under regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) the Association has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

**Fiducia LLP**

Public Accountants and  
Chartered Accountant

Singapore, 31 August 2016

Partner in charge: Lee Choon Keat  
PAB No: 01721

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016**

		<b>2016</b>	<b>2015</b>
	Note	S\$	S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	10,519,385	7,747,928
Fee receivable	6	82,486	101,876
Other receivables	6	<u>1,400,965</u>	<u>1,461,164</u>
		<u>12,002,836</u>	<u>9,310,968</u>
<b>Non-current assets</b>			
Property, plant and equipment	7	905,458	392,384
Investment property	8	705,482	720,180
Construction in progress	9	-	371,564
Goodwill	10	<u>73,297</u>	<u>87,957</u>
		<u>1,684,237</u>	<u>1,572,085</u>
<b>Total assets</b>		<u>13,687,073</u>	<u>10,883,053</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables	11	1,466,545	1,770,395
<b>Total liabilities</b>		<u>1,466,545</u>	<u>1,770,395</u>
<b>NET ASSET</b>		<u>12,220,528</u>	<u>9,112,658</u>
<b>FUNDS</b>			
<b>Unrestricted funds</b>			
<i>General fund</i>		(1,137,075)	(1,665,044)
<i>Designated Funds</i>			
- Childcare Fund		3,307,772	2,311,001
- Project Fund		360,819	363,780
- Family Therapy Institute Fund		(68,358)	(78,586)
- Student Care Centre Fund		(177,663)	(195,600)
- Training and Consultancy Fund		<u>(58,511)</u>	<u>(36,947)</u>
		<u>2,226,984</u>	<u>698,604</u>
<b>Restricted funds</b>			
- As-Salaam Family Support Centre Fund		1,779,562	1,671,930
- Building Fund		-	278,163
- Capital Grant Fund		111,794	86,196
- Care and Share Grant		233,292	150,146
- Clients Assistance Fund		592,842	548,782
- Family Service Centre Fund (East)		1,960,423	1,509,017
- Family Service Centre Fund (West)		2,765,249	2,241,462
- Inspirasi Fund		608,062	573,976
- Vista Sakinah Fund		<u>1,942,320</u>	<u>1,354,382</u>
		<u>9,993,544</u>	<u>8,414,054</u>
<b>TOTAL FUNDS</b>	12	<u>12,220,528</u>	<u>9,112,658</u>

The accompanying notes form an integral part of these financial statements.

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

		<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	Note	S\$	S\$	S\$
<b>2016 INCOME</b>				
<i>Voluntary Income</i>				
- Donations	4	352,651	296,482	649,133
- Grants and subsidies				
• Corporate funding		230,931	-	230,931
• Government funding		666,694	5,848,725	6,515,419
• MMCDF funding		33,800	(17,993)	15,807
• NCSS funding		185,385	1,181,073	1,366,458
		<u>1,469,461</u>	<u>7,308,287</u>	<u>8,777,748</u>
<i>Income from generating funds</i>				
- Fund-raising project		<u>100,000</u>	-	<u>100,000</u>
<i>Income from charitable activities</i>				
- Programme fees		549,291	167,482	716,773
- School fees/workshop fees		4,463,751	-	4,463,751
		<u>5,013,042</u>	<u>167,482</u>	<u>5,180,524</u>
<i>Other income</i>				
- Membership fees		23	-	23
- Interest income		125	-	125
- Management fees		952,407	-	952,407
- Miscellaneous income		131,680	52,570	184,250
		<u>1,084,235</u>	<u>52,570</u>	<u>1,136,805</u>
<b>TOTAL INCOME</b>		<u>7,666,738</u>	<u>7,528,339</u>	<u>15,195,077</u>

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016 (CONT'D)**

	Note	Unrestricted	Restricted	Total
		funds	funds	funds
		S\$	S\$	S\$
<b>2016</b>				
<b>EXPENDITURE</b>				
<i>Cost of generating fund</i>				
- Fund-raising expenses		92,048	-	92,048
<i>Cost of charitable activities</i>				
- Advertising		20,161	112	20,273
- Amortisation of goodwill	10	14,660	-	14,660
- Bank charges		4,909	10	4,919
- Computer expenses		5,810	27,380	33,190
- Depreciation	7	183,260	79,009	262,269
- Depreciation for investment property	8	14,698	-	14,698
- Refund of government subsidy		10,765	-	10,765
- Financial assistance and subsidies		2,923	233,738	236,661
- Functions and meetings		58,685	20,515	79,200
- Insurance		9,653	1,379	11,032
- Maintenance fees - investment property		4,620	-	4,620
- Membership fee		150	-	150
- Miscellaneous		36,259	10,788	47,047
- Printing, postage and stationery		42,576	28,428	71,004
- Programme expenses		746,001	506,340	1,252,341
- Profit sharing with MERCU	13	156,837	-	156,837
- Refreshment		8,118	7,031	15,149
- Relocation expenses		6,271	-	6,271
- Rental of equipment		19,853	9,115	28,968
- Rental of premises		221,662	56,454	278,116
- Repairs and maintenance		93,863	110,648	204,511
- Staff costs				
CPF - employer's contribution		555,417	378,441	933,858
Salaries and bonuses		4,244,465	2,723,897	6,968,362
Staff recruitment and training		60,100	72,770	132,870
Staff welfare		16,473	2,284	18,757
- Telephone and facsimile		27,471	17,397	44,868
- Transport expenses		20,419	26,477	46,896
- Utilities		76,144	38,613	114,757
		<u>6,662,223</u>	<u>4,350,826</u>	<u>11,013,049</u>
<i>Governance costs</i>				
- Audit fee		11,218	17,995	29,213
- Management fee		292,973	659,434	952,407
- Property Tax		490	-	490
		<u>304,681</u>	<u>677,429</u>	<u>982,110</u>
<b>TOTAL EXPENDITURE</b>		<u>7,058,952</u>	<u>5,028,255</u>	<u>12,087,207</u>
<b>NET INCOME</b>		<u>607,786</u>	<u>2,500,084</u>	<u>3,107,870</u>

The accompanying notes form an integral part of these financial statements.



**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

		<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	Note	S\$	S\$	S\$
<b>2015 INCOME</b>				
<i>Voluntary Income</i>				
- Donation	4	252,482	38,680	291,162
- Grants and subsidies				
• Government funding		126,965	2,925,255	3,052,220
• MMCDF funding		22,500	82,250	104,750
• NCSS funding		-	2,652,518	2,652,518
		<u>401,947</u>	<u>5,698,703</u>	<u>6,100,650</u>
<i>Income from generating funds</i>				
- Fund-raising project		<u>74,943</u>	<u>299,058</u>	<u>374,001</u>
<i>Income from charitable activities</i>				
- Programme fees		(37,781)	204,909	167,128
- Sale of workbooks and stationeries		86	-	86
- School fees/workshop fees		707,389	204	707,593
- Zakat commissions		410	-	410
- Profit sharing with MERCU		456,901	-	456,901
		<u>1,127,005</u>	<u>205,113</u>	<u>1,332,118</u>
<i>Other income</i>				
- Membership fees		841	1,525	2,366
- Interest income		5,483	13	5,496
- Management fees		786,541	-	786,541
- Miscellaneous income		22,274	2,301	24,575
		<u>815,139</u>	<u>3,839</u>	<u>818,978</u>
<b>TOTAL INCOME</b>		<u>2,419,034</u>	<u>6,206,713</u>	<u>8,625,747</u>

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016 (CONT'D)**

	Note	Unrestricted	Restricted	Total
		funds	funds	funds
		S\$	S\$	S\$
<b>2015</b>				
<b>EXPENDITURE</b>				
<i>Cost of generating fund</i>				
- Fund-raising expenses		64,945	69,430	134,375
<i>Cost of charitable activities</i>				
- Advertising		51,509	1,615	53,124
- Bank charges		5,522	-	5,522
- Computer expenses		61,533	91,706	153,239
- Depreciation	7	16,605	229,119	245,724
- Depreciation for investment property	8	14,698	-	14,698
- Financial assistance and subsidies		3,208	147,563	150,771
- Functions and meetings		4,977	84	5,061
- Insurance		9,918	11,408	21,326
- Maintenance fees – investment property		5,896	-	5,896
- Membership fee		150	-	150
- Miscellaneous		(10,320)	2,725	(7,595)
- Printing, postage and stationeries		15,392	30,177	45,569
- Programme expenses		182,595	518,753	701,348
- Refreshment		6,536	7,098	13,634
- Relocation expenses		21,923	-	21,923
- Rental of equipment		8,456	11,896	20,352
- Rental of premises		49,218	56,213	105,431
- Repairs and maintenance		36,471	105,763	142,234
- Staff costs				
CPF – employer's contribution		169,581	330,143	499,724
Salaries and bonuses		1,412,263	2,492,916	3,905,179
Staff recruitment and training		13,874	59,114	72,988
Staff welfare		34,132	54,873	89,005
- Supplies and materials		5,325	16,144	21,469
- Telephone and facsimile		9,879	18,095	27,974
- Transport expenses		8,939	20,049	28,988
- Utilities		33,037	54,603	87,640
		<u>2,171,317</u>	<u>4,260,057</u>	<u>6,431,374</u>
<i>Governance costs</i>				
- Audit fee		8,869	8,916	17,785
- Management fee		212,596	573,945	786,541
- Property Tax		4,073	-	4,073
		<u>225,538</u>	<u>582,861</u>	<u>808,399</u>
<b>TOTAL EXPENDITURE</b>		<u>2,461,800</u>	<u>4,912,348</u>	<u>7,374,148</u>
<b>NET (EXPENDITURE)/INCOME</b>		<u>(42,766)</u>	<u>1,294,365</u>	<u>1,251,599</u>

The accompanying notes form an integral part of these financial statements.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES THE FINANCIAL YEAR ENDED 31 MARCH 2016 - UNRESTRICTED FUNDS**

	UNRESTRICTED FUNDS							Total unrestricted funds
	DESIGNATED FUNDS							
	General Fund	Childcare Fund	Designated Project Fund	Family Therapy Institute Fund	Student Care Centre Fund	Training and Consultancy Fund		
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
<b>2016 INCOME</b>								
<i>Voluntary Income</i>								
- Donation	4	338,084	100	-	-	7	14,460	352,651
- Grants and subsidies								
• Corporate funding		43,247	574,489	230,931	-	-	-	230,931
• Government funding		9,000	-	14,034	25,094	-	9,830	666,694
• MMCDF funding		185,385	-	24,800	-	-	-	33,800
• NCSS funding		575,716	574,589	269,765	-	-	24,290	185,385
								<u>1,469,461</u>
<i>Income from generating funds</i>								
- Fund-raising project		-	-	-	60,000	-	40,000	100,000
<i>Income from charitable activities</i>								
- Programme fees		3,161	393,404	73,368	-	-	79,358	549,291
- School fees/workshop fees		-	3,890,126	-	573,625	-	-	4,463,751
		<u>3,161</u>	<u>4,283,530</u>	<u>73,368</u>	<u>573,625</u>	<u>573,625</u>	<u>79,358</u>	<u>5,013,042</u>
<i>Other income</i>								
- Membership fees		23	-	-	-	-	-	23
- Interest income		-	-	-	125	-	-	125
- Management fees		952,407	-	-	-	-	-	952,407
- Miscellaneous income		10,281	99,575	2,789	-	-	6,472	131,680
		<u>962,711</u>	<u>99,575</u>	<u>2,789</u>	<u>125</u>	<u>12,563</u>	<u>6,472</u>	<u>1,084,235</u>
<b>TOTAL INCOME</b>		<u>1,541,588</u>	<u>4,957,694</u>	<u>345,922</u>	<u>125</u>	<u>671,289</u>	<u>150,120</u>	<u>7,666,738</u>



**DETAILED STATEMENT OF FINANCIAL ACTIVITIES THE FINANCIAL YEAR ENDED 31 MARCH 2016 - UNRESTRICTED FUNDS (CONT'D)**

	Note	UNRESTRICTED FUNDS						Total unrestricted funds
		DESIGNATED FUNDS						
		General Fund	Childcare Fund	Designated Project Fund	Family Therapy Institute Fund	Student Care Centre Fund	Training and Consultancy Fund	
		\$	\$	\$	\$	\$	\$	
<b>2016 EXPENDITURE</b>								
<i>Cost of generating funds</i>		92,048	-	-	-	-	92,048	
- Fund-raising expenses								
<i>Cost of charitable activities</i>								
- Advertising		18,286	1,835	-	-	40	20,161	
- Amortisation of goodwill	10	7,330	7,330	-	-	-	14,660	
- Bank charges		4,661	5	163	80	-	4,909	
- Computer expenses		3,250	635	-	1,800	125	5,810	
- Depreciation	7	91,858	78,609	-	6,060	6,527	183,260	
- Depreciation for investment property		14,698	-	-	-	-	14,698	
- Refund of subsidy	8	-	-	-	-	10,765	10,765	
- Financial assistance and subsidies		-	-	2,923	-	-	2,923	
- Functions and meetings		18,508	25,382	-	1,348	11,621	58,685	
- Insurance		3,996	5,004	-	82	571	9,653	
- Maintenance fees - investment property		4,620	-	-	-	-	4,620	
- Membership fee		150	-	-	-	-	150	
- Miscellaneous		10,194	13,627	-	9,218	1,537	36,259	
- Printing, postage and stationeries		11,059	17,964	-	7,358	2,966	42,576	
- Programme expenses		86,334	535,389	-	27,190	59,035	746,001	
- Profit sharing with MERCU	13	-	156,837	-	-	-	156,837	
- Refreshment		5,243	1,971	-	435	469	8,118	
- Relocation expenses		6,140	-	-	131	-	6,271	
- Rental of equipment		1,778	14,436	-	488	2,670	19,853	
- Rental of premises		14,060	172,414	-	-	35,088	221,662	
- Repairs and maintenance		21,493	56,889	-	1,888	12,427	93,863	
- Staff costs								
CPF - employer's contribution		124,290	337,619	-	32,285	49,206	555,417	
Salaries and bonuses		1,029,984	2,537,883	-	231,587	361,375	4,244,465	
Staff recruitment and training		27,450	24,261	-	3,206	3,757	60,100	
Staff welfare		3,972	11,353	-	400	244	16,473	

DETAILED STATEMENT OF FINANCIAL ACTIVITIES THE FINANCIAL YEAR ENDED 31 MARCH 2016 - UNRESTRICTED FUNDS (CONT'D)

	UNRESTRICTED FUNDS							Total unrestricted funds
	DESIGNATED FUNDS							
	General Fund	Childcare Fund	Designated Project Fund	Family Therapy Institute Fund	Student Care Centre Fund	Training and Consultancy Fund		
Note	General Fund	Childcare Fund	Designated Project Fund	Family Therapy Institute Fund	Student Care Centre Fund	Training and Consultancy Fund	Total unrestricted funds	
	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	
<b>2016 EXPENDITURE (CONT'D)</b>								
<i>Cost of charitable activities (Cont'd)</i>								
- Telephone and facsimile	3,276	17,515	-	917	4,799	964	27,471	
- Transport expenses	2,489	14,235	-	1,850	1,510	335	20,419	
- Utilities	8,824	50,244	-	-	17,076	-	76,144	
	1,523,943	4,081,437	3,086	326,323	581,339	146,095	6,662,223	
<i>Governance costs</i>								
- Audit fee	(6,248)	14,188	-	909	1,881	488	11,218	
- Management fee	-	-	-	65,652	164,167	63,154	292,973	
- Property tax	490	-	-	-	-	-	490	
	(5,758)	14,188	-	66,561	166,048	63,642	304,681	
<b>TOTAL EXPENDITURE</b>	1,610,233	4,095,625	3,086	392,884	747,387	209,737	7,058,952	
<b>NET (EXPENDITURE)/INCOME</b>	(68,645)	862,069	(2,961)	(46,962)	(76,098)	(59,617)	607,786	
Transfer	596,614	134,702	-	57,190	94,035	38,053	920,594	
Net movement in the funds	527,969	996,771	(2,961)	10,228	17,937	(21,564)	1,528,380	
Balance at the beginning of year	(1,665,044)	2,311,001	363,780	(78,586)	(195,600)	(36,947)	698,604	
Balance at the end of year	(1,137,075)	3,307,772	360,819	(68,358)	(177,663)	(58,511)	2,226,984	

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016 - RESTRICTED FUNDS****RESTRICTED FUNDS**

As-Salaam Family Support Centre Fund	Building Fund	Capital Grant Fund	Care and Share Grant	Clients Assistance Fund	Family Service Centre Fund (East)	Family Service Centre Fund (West)	Inspirasi Fund	Vista Sakinah Fund	Total restricted funds		
										S\$	S\$
1,595	-	-	-	277,334	6,760	9,928	-	865	296,482		
920,648	-	132,487	792,450	-	1,213,103	1,217,219	344,620	1,228,198	5,848,725		
-	-	-	-	-	(12,205)	(8,000)	2,212	-	(17,993)		
37,882	-	-	-	-	385,067	401,512	159,629	196,983	1,181,073		
960,125	-	132,487	792,450	277,334	1,592,725	1,620,659	506,461	1,426,046	7,308,287		
34,862	-	-	-	-	5,850	1,668	16,138	108,964	167,482		
10,778	-	-	-	-	17,272	10,382	9,567	4,571	52,570		
1,005,765	-	132,487	792,450	277,334	1,615,847	1,632,709	532,166	1,539,581	7,528,339		

**2016 INCOME***Voluntary income*

- Donation
- Grants and subsidies
  - Government funding
  - MMCDF funding
  - NCSS funding

*Income from charitable activities*

- Programme fees

*Other income*

- Miscellaneous income

**TOTAL INCOME**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016 - RESTRICTED FUNDS (CONT'D)**

**RESTRICTED FUNDS**

Note	As-Salaam Family Support Centre Fund	Building Fund	Capital Grant Fund	Care and Share Grant	Clients Assistance Fund	Family Service Centre		Family Service Centre Fund (West)	Inspirasi Fund	Vista Sakinah Fund	Total restricted funds
						(East)	(West)				
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
	-	-	-	-	-	112	-	-	-	-	112
	-	-	-	-	-	10	-	-	-	-	10
	-	-	-	27,380	-	-	-	-	-	-	27,380
7	9,004	-	49,889	-	-	6,580	4,775	4,291	4,470	4,470	79,009
	3,492	-	-	-	207,365	24,983	1,390	-	-	-	233,738
	266	-	-	-	-	5,066	6,153	1,763	4,041	4,041	20,515
	2,664	-	-	-	-	296	307	239	271	271	1,379
	4,366	-	-	-	-	1,744	939	1,521	3,920	3,920	10,788
	57,172	-	-	55,717	-	5,007	4,584	3,247	11,224	11,224	28,428
	879	-	-	-	-	102,824	72,932	66,650	151,045	151,045	506,340
	1,778	-	-	-	-	1,992	2,338	737	1,085	1,085	7,031
	7,460	-	-	-	-	2,002	2,311	1,393	1,631	1,631	9,115
	15,534	-	-	-	-	15,110	7,524	9,039	17,321	17,321	56,454
	78,304	-	-	-	-	31,095	31,086	15,473	17,460	17,460	110,648
	564,501	-	-	-	-	98,313	97,998	36,934	66,892	66,892	378,441
	14,394	-	-	-	-	667,278	697,143	288,585	506,390	506,390	2,723,897
	1,071	-	-	-	-	28,993	11,383	6,064	11,936	11,936	72,770
	2,414	-	-	-	-	245	118	567	283	283	2,284
	1,474	-	-	-	-	2,943	4,414	4,355	3,271	3,271	17,397
	4,272	-	-	-	-	8,966	8,607	2,268	5,162	5,162	26,477
	769,045	-	49,889	83,097	207,365	1,016,803	961,748	449,036	813,843	813,843	4,350,826

**2016**

**EXPENDITURE**

*Cost of charitable activities*

- Advertising
- Bank charges
- Computer expenses
- Depreciation
- Financial assistance and subsidies
- Functions and meetings
- Insurance
- Miscellaneous
- Printing, postage and stationery
- Programme expenses
- Refreshment
- Rental of equipment
- Rental of premises
- Repairs and maintenance
- Staff cost
- CPF - employer's contribution
- Salaries and bonuses
- Staff recruitment and training
- Staff welfare
- Telephone and facsimile
- Transport expenses
- Utilities



## DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016 - RESTRICTED FUNDS (CONT'D)

## RESTRICTED FUNDS

	RESTRICTED FUNDS									
	As-Salaam Family Support Centre Fund	Building Fund	Capital Grant Fund	Care and Share Grant	Clients Assistance Fund	Family Service Centre Fund (East)	Family Service Centre Fund (West)	Inspirasi Fund	Vista Sakinah Fund	Total restricted funds
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
	3,453	-	-	-	-	4,946	4,482	1,527	3,587	17,995
	125,635	-	-	-	-	142,692	142,692	114,202	134,213	659,434
	129,088	-	-	-	-	147,638	147,174	115,729	137,800	677,429
	898,133	-	49,889	83,097	207,365	1,164,441	1,108,922	564,765	951,643	5,028,255
	107,632	-	82,598	709,353	69,969	451,406	523,787	(32,599)	587,938	2,500,084
Transfer	-	(278,163)	(57,000)	(626,207)	(25,909)	-	-	66,685	-	(920,594)
Net movement in funds	107,632	(278,163)	25,598	83,146	44,060	451,406	523,787	34,086	587,938	1,579,490
Balance at the beginning of year	1,671,930	278,163	86,196	150,146	548,782	1,509,017	2,241,462	573,976	1,354,382	8,414,054
Balance at the end of year	1,779,562	-	111,794	233,292	592,842	1,960,423	2,765,249	608,062	1,942,320	9,993,544

The accompanying notes form an integral part of these financial statements.



**DETAILED STATEMENT OF FINANCIAL ACTIVITIES THE FINANCIAL YEAR ENDED 31 MARCH 2015 - UNRESTRICTED FUNDS**

		UNRESTRICTED FUNDS						
		DESIGNATED FUNDS						
Note	General Fund	Childcare Fund	Designated Project Fund	Family Therapy Institute Fund	Student Care Centre Fund	Training and Consultancy Fund	Total unrestricted funds	
								S\$
<b>2015 INCOME</b>								
<i>Voluntary Income</i>								
4	249,176	-	-	-	3,306	-	252,482	
	14,145	57,854	-	21,120	29,837	4,009	126,965	
	-	-	-	-	22,500	-	22,500	
	263,321	57,854	-	21,120	55,643	4,009	401,947	
	74,943	-	-	-	-	-	74,943	
<i>Income from generating funds</i>								
	-	-	-	-	-	-	-	
	2,739	-	-	1,200	94	(39,075)	(37,781)	
	410	-	-	-	86	-	86	
	-	-	-	-	549,732	154,918	707,389	
	-	-	-	-	-	-	410	
13	3,149	456,901	-	-	-	-	456,901	
	-	456,901	-	-	-	-	456,901	
	841	-	-	-	-	-	841	
	5,452	-	31	-	-	-	5,483	
	786,541	-	-	-	-	-	786,541	
	20,810	-	-	-	1,464	-	22,274	
	813,644	-	31	-	1,464	-	815,139	
	1,155,057	514,755	31	22,320	607,019	119,852	2,419,034	
<b>TOTAL INCOME</b>								

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES THE FINANCIAL YEAR ENDED 31 MARCH 2015 - UNRESTRICTED FUNDS (CONT'D)

	UNRESTRICTED FUNDS							Total unrestricted funds
	DESIGNATED FUNDS							
	General Fund	Childcare Fund	Designated Project Fund	Family Therapy Institute Fund	Student Care Centre Fund	Training and Consultancy Fund		
Note	\$	\$	\$	\$	\$	\$	\$	
<b>2015 EXPENDITURE</b>								
<i>Cost of generating funds</i>								
- Fund-raising expenses		64,945	-	-	-	-	-	64,945
<i>Cost of charitable activities</i>								
- Advertising		51,509	-	-	-	-	-	51,509
- Bank charges		5,342	-	-	-	-	-	5,522
- Computer expenses		47,285	-	180	-	-	-	61,533
- Depreciation	7	11,112	-	-	110	11,148	2,990	16,605
- Depreciation for investment property	8	14,698	-	-	146	4,246	1,101	14,698
- Financial assistance and subsidies		-	-	3,208	-	-	-	3,208
- Functions and meetings		3,620	-	-	-	1,342	15	4,977
- Insurance		6,496	-	-	-	3,127	295	9,918
- Maintenance fees - investment property		5,896	-	-	-	-	-	5,896
- Membership fee		150	-	-	-	-	-	150
- Miscellaneous		(11,147)	-	-	-	537	290	(10,320)
- Printing, postage and stationeries		8,252	-	-	273	3,581	3,286	15,392
- Programme expenses		25,693	-	3,922	-	71,415	81,565	182,595
- Refreshment		4,672	-	-	194	10	1,660	6,536
- Relocation expenses		21,923	-	-	-	-	-	21,923
- Rental of equipment		4,991	-	-	-	3,465	-	8,456
- Rental of premises		14,130	-	-	-	35,088	-	49,218
- Repairs and maintenance		23,936	-	-	-	12,535	-	36,471
- Staff costs								
CPF - employer's contribution		108,008	-	-	8,774	43,072	9,727	169,581
Salaries and bonuses		930,112	-	-	63,928	333,041	85,182	1,412,263
Staff recruitment and training		7,233	-	-	321	1,609	4,711	13,874
Staff welfare		11,900	-	-	-	14,929	7,303	34,132
Supplies and materials		746	-	-	-	4,579	-	5,325
- Telephone and facsimile		5,708	-	-	15	4,156	-	9,879
- Transport expenses		5,735	-	-	55	1,566	1,583	8,939
- Utilities		11,729	-	-	800	20,508	-	33,037
		1,319,729	-	7,310	74,616	569,954	199,708	2,171,317



**DETAILED STATEMENT OF FINANCIAL ACTIVITIES THE FINANCIAL YEAR ENDED 31 MARCH 2015 – UNRESTRICTED FUNDS**

	UNRESTRICTED FUNDS							Total unrestricted funds
	DESIGNATED FUNDS							
	Note	General Fund	Childcare Fund	Designated Project Fund	Family Therapy Institute Fund	Student Care Centre Fund	Training and Consultancy Fund	
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
<b>2015 EXPENDITURE</b>								
Governance costs								
- Audit fee	7,426	-	-	-	-	1,098	345	8,869
- Management fee	-	-	-	26,290	137,447	48,859		212,596
- Property tax	4,073	-	-	-	-	-	-	4,073
	<u>11,499</u>	<u>-</u>	<u>-</u>	<u>26,290</u>	<u>138,545</u>	<u>49,204</u>	<u>-</u>	<u>225,538</u>
<b>TOTAL EXPENDITURE</b>	<u>1,396,173</u>	<u>-</u>	<u>7,310</u>	<u>100,906</u>	<u>708,499</u>	<u>248,912</u>	<u>-</u>	<u>2,461,800</u>
<b>NET (EXPENDITURE)/INCOME</b>	<u>(241,116)</u>	<u>514,755</u>	<u>(7,279)</u>	<u>(78,586)</u>	<u>(101,480)</u>	<u>(129,060)</u>	<u>-</u>	<u>(42,766)</u>
Balance at the beginning of year	<u>(1,423,928)</u>	<u>1,796,246</u>	<u>371,059</u>	<u>-</u>	<u>(94,120)</u>	<u>92,113</u>	<u>-</u>	<u>741,370</u>
Balance at the end of year	<u>(1,665,044)</u>	<u>2,311,001</u>	<u>363,780</u>	<u>(78,586)</u>	<u>(195,600)</u>	<u>(36,947)</u>	<u>-</u>	<u>698,604</u>



**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015 - RESTRICTED FUNDS**

**RESTRICTED FUNDS**

	As-Salaam Family Support Centre Fund	Building Fund	Capital Grant Fund	Care and Share Grant	Clients Assistance Fund	Family Service Centre Fund (East)	Family Service Centre Fund (West)	Inspirasi Fund	Vista Sakinah Fund	Total restricted funds
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<i>Voluntary Income</i>										
- Donation	4	8,735	-	-	12,180	6,370	11,010	-	385	38,680
- Grants and subsidies										
• Government funding		186,864	-	168,278	-	690,065	653,500	312,168	914,380	2,925,255
• MIMCDF funding		-	-	-	-	15,000	20,000	47,250	-	82,250
• NCSS funding		1,049,514	-	-	-	698,472	608,651	159,629	136,252	2,652,518
		<u>1,245,113</u>		<u>-168,278</u>	<u>12,180</u>	<u>1,409,907</u>	<u>1,293,161</u>	<u>519,047</u>	<u>1,051,017</u>	<u>5,698,703</u>
<i>Income from generating funds</i>										
- Fund-raising project		-	-	-	299,058	-	-	-	-	299,058
<i>Income from charitable activities</i>										
- Programme fees		23,226	-	-	-	20,971	46,602	18,211	95,899	204,909
- Fees		-	-	-	-	4	200	-	-	204
		<u>23,226</u>				<u>20,975</u>	<u>46,802</u>	<u>18,211</u>	<u>95,899</u>	<u>205,113</u>
<i>Other income</i>										
- Membership fees		1,525	-	-	-	-	-	-	-	1,525
- Interest income		-	-	-	-	-	13	-	-	13
- Miscellaneous income		1,073	-	-	-	1,228	-	-	-	2,301
		<u>2,598</u>				<u>1,228</u>	<u>13</u>			<u>3,839</u>
<b>TOTAL INCOME</b>		<u>1,270,937</u>		<u>168,278</u>	<u>311,238</u>	<u>1,432,110</u>	<u>1,339,976</u>	<u>537,258</u>	<u>1,146,916</u>	<u>6,206,713</u>

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015 - RESTRICTED FUNDS (CONT'D)**

**RESTRICTED FUNDS**

	As-Salaam Family Support Centre Fund	Building Fund	Capital Grant Fund	Care and Share Grant	Clients Assistance Fund	Family Service Centre Fund (East)	Family Service Centre Fund (West)	Inspirasi Fund	Vista Sakinah Fund	Total restricted funds
Note	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<b>2015</b>										
<b>EXPENDITURE</b>										
<i>Cost of generating funds</i>					69,430					69,430
- Fund-raising expenses										
<i>Cost of charitable activities</i>										
- Advertising									1,615	1,615
- Computer expenses	12,732			18,132		17,378	19,684	9,147	14,633	91,706
- Depreciation	9,776		188,547			22,268	(5,874)	4,699	9,703	229,119
- Financial assistance and subsidies	230				120,417	14,769	11,803	344		147,563
- Functions and meetings	84									84
- Insurance	2,059					2,844	3,307	1,265	1,933	11,408
- Miscellaneous	599					419	460	742	505	2,725
- Printing, postage and stationery	6,975					7,953	4,698	3,262	7,289	30,177
- Programme expenses	98,997					89,233	97,807	109,548	123,168	518,753
- Refreshment	1,340					1,900	2,013	656	1,189	7,098
- Rental of equipment	1,971					2,424	3,253	2,424	1,824	11,896
- Rental of premises	7,319					15,010	7,524	9,039	17,321	56,213
- Repairs and maintenance	15,936					32,557	24,342	16,116	16,812	105,763
- Staff costs										
CPF - employer's contribution	65,514					81,383	87,784	36,074	59,388	330,143
Salaries and bonuses	525,438					606,229	673,968	253,976	433,305	2,492,916
Staff recruitment and training	7,443					17,807	19,554	6,027	8,283	59,114
Staff welfare	9,920					14,024	14,285	6,022	10,622	54,873
Supplies and materials	3,195					5,687	1,027	3,133	3,102	16,144
Telephone and facsimile	2,644					3,075	5,667	3,254	3,455	18,095
Transport expenses	2,269					4,097	6,938	2,095	4,650	20,049
Utilities	4,652					17,080	15,831	7,751	9,289	54,603
	<u>779,093</u>		<u>188,547</u>	<u>18,132</u>	<u>120,417</u>	<u>956,137</u>	<u>994,071</u>	<u>475,574</u>	<u>728,086</u>	<u>4,260,057</u>

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015 - RESTRICTED FUNDS (CONT'D)

	RESTRICTED FUNDS									
	As-Salaam Family Support Centre Fund	Building Fund	Capital Grant Fund	Care and Share Grant	Clients Assistance Fund	Family Service Centre Fund (East)	Family Service Centre Fund (West)	Inspirasi Fund	Vista Sakinah Fund	Total restricted funds
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
	1,670	-	-	-	-	2,074	2,142	1,170	1,860	8,916
<i>Governance cost</i>	110,780	-	-	-	-	122,778	125,600	101,750	113,037	573,945
<i>-Audit fee</i>	112,450	-	-	-	-	124,852	127,742	102,920	114,897	582,861
<i>-Management fee</i>										
<b>TOTAL EXPENDITURE</b>	891,543	-	188,547	18,132	189,847	1,080,989	1,121,813	578,494	842,983	4,912,348
<b>NET INCOME/(EXPENDITURE)</b>	379,394	-	(188,547)	150,146	121,391	351,121	218,163	(41,236)	303,933	1,294,365
Balance at the beginning of year	1,292,536	278,163	274,743	-	427,391	1,157,896	2,023,299	615,212	1,050,449	7,119,689
Balance at the end of year	1,671,930	278,163	86,196	150,146	548,782	1,509,017	2,241,462	573,976	1,354,382	8,414,054

The accompanying notes form an integral part of these financial statements.

**STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

		<b>2016</b>	<b>2015</b>
	Note	S\$	S\$
<b>ASSETS</b>			
<b>Cash flows from operating activities</b>			
Net income		3,107,870	1,251,599
Adjustments for:			
- Amortisation of goodwill	10	14,660	14,660
- Adjustment for investment property	8	-	2,309
- Depreciation of property, plant and equipment	7	262,269	355,660
- Depreciation of investment property	8	14,698	14,698
Operating cash flow before working capital changes		<u>3,399,497</u>	<u>1,638,926</u>
Changes in working capital			
- Fees receivables		19,390	(22,856)
- Other receivables		60,199	(64,362)
- Trade and other payables		(303,850)	977,232
<b>Net cash provided by operating activities</b>		<u>3,175,236</u>	<u>2,528,940</u>
<b>Cash flows from investing activities</b>			
Additions to construction in progress	9	-	(371,564)
Purchases of property, plant and equipment	7	(403,779)	(219,983)
<b>Net cash used in investing activities</b>		<u>(403,779)</u>	<u>(591,547)</u>
<b>Net increase in cash and cash equivalents</b>		2,771,457	1,937,393
<b>Cash and cash equivalents at beginning of financial year</b>		<u>7,747,928</u>	<u>5,810,535</u>
<b>Cash and cash equivalents at end of financial year</b>		<u>10,519,385</u>	<u>7,747,928</u>
<b>Cash and cash equivalents comprise:</b>			
Cash on hand	5	14,885	11,400
Cash at banks	5	10,504,500	6,936,528
Fixed deposit	5	-	800,000
		<u>10,519,385</u>	<u>7,747,928</u>

The accompanying notes form an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

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

**1. General information**

Persatuan Pemudi Islam Singapura (the "Association") was registered on 20 April 1964 under the Societies Act (Chapter 311). The Association is registered as a charity under the Charities Act since 30 December 1988. The Association was accorded the Institution of Public Character ("IPC") status for the period from 01 October 2015 to 31 December 2016.

The Association's registered address is at 1 Eunos Crescent, #01-2509, Singapore 400001.

The principal objectives of the Association are to:

- Promote cultivate educational economic, cultural and social awareness and interests among Muslim women in Singapore;
- Enhance and promote the welfare of the Muslim family; and
- Operate and manage early childhood educational centres, social services and student care centres

**2. Significant accounting policies****2.1 Basis of preparation**

The financial statements have been prepared in accordance with the Charities Accounting Standards ("CAS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

These financial statements are presented in Singapore Dollar (S\$), which is the Association's functional currency.

The preparation of these financial statements in conformity with CAS requires management to exercise its judgement in the process of applying the Association's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.





## 2. Significant accounting policies (Cont'd)

### 2.2 Income recognition

Income is included in the statement of financial activities when the following three factors are met:

- The Association becomes entitled to the income;
- Management is virtually certain that they will receive the income; and
- The monetary value can be measured with sufficient reliability.

#### 2.2.1 Grants and donation

The recognition of a promised grant or donation is evidence of entitlement which normally exists when the grant is formally expressed in writing. Where the entitlement is demonstrable, and no conditions are attached, such promises are recognised as income once the criteria of certainty and measurability are met.

When conditions are attached, they must be fulfilled before the Association has unconditional entitlement to the income. The income is deferred as a liability when uncertainty exists as to whether the Association can meet the conditions and are recognised as income when there are sufficient evidence that the conditions imposed can be met.

Donation-in-kind received for continuing use are capitalised and included in the balance sheet at a reasonable estimate or in the event that it is not practicable to do so, a nominal value of S\$1 is assigned to capitalise the usable assets.

#### 2.2.2 School and Programme fee

Revenue received from school fees are recognised on an accrual basis. Programme fees are recognised over the period of the programme conducted.

#### 2.2.3 Zakat

Allocation of zakat and income from fund-raising projects are taken up in the financial statements as income on receipt basis. Grants and subsidies are taken up in the financial statements as income on accrual basis.

#### 2.2.4 Interest income

Interest income on bank current accounts and fixed deposits placed with banks are recognised on a time-proportion basis using the effective interest method.



## 2. Significant accounting policies (Cont'd)

### 2.3 Expenditure

All expenditure is accounted for on an accrual basis, and has been classified under headings that aggregate all costs related to that activity.

#### 2.3.1 Cost of generating funds

The cost of generating funds are those costs attributable to generating income for the Association, other than those costs incurred in undertaking charitable activities in furtherance of the Association's objects.

#### 2.3.2 Cost of charitable activities

Expenditure on charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Association. Those costs, where not wholly attributable, are apportioned between the categories of charitable expenditure.

The total costs of each category of charitable expenditure therefore include an apportionment of support cost, where possible.

#### 2.3.3 Governance costs

Governance costs include the costs of governance arrangements, which relate to the general running of the Association as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. Expenditure on the governance of the charity will normally include both direct and related support costs which include internal and external audit, apportioned manpower costs and general costs in supporting the governance activities, legal advice for governing board members and cost associated with constitutional and statutory requirements.

#### 2.3.4 Other expenditure

Other expenditure includes the payment of any expenditure that the Association has not been able to analyse within the main expenditure categories.

### 2.4 Property, plant and equipment

#### 2.4.1 Measurement

All property, plant and equipment are stated at cost less accumulated depreciation. All items of property, plant and equipment are initially recorded at cost. Fully depreciated assets still in use are retained in the financial statements. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- It is probable that future economic benefits associated with the item will flow to the Association; and
- The cost of the item can be measured reliably.



## 2. Significant accounting policies (Cont'd)

### 2.4 Property, plant and equipment (cont'd)

#### 2.4.1 Measurement (cont'd)

The cost of an item of property, plant and equipment comprises all of the following:

- a) Its purchase price, including legal and brokerage fees, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- b) Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. These can include the costs of site preparation, initial delivery and handling, installation and assembly, and testing of functionality; and
- c) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Association incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during the period.

#### 2.4.2 Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives
Office and kindergarten equipment	3 - 5 years
Furniture, fittings and renovations	5 years
Air - conditioner	5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are recognised in statement of financial activities when changes arise.

#### 2.4.3 Subsequent expenditure

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the statement of financial activities in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of property, plant and equipment.

#### 2.4.4 Disposal

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in the statement of financial activities.



## 2. Significant accounting policies (Cont'd)

### 2.5 Investment property

Investment property is property held either to earn rental income or capital appreciation or both. It does not include a property held for sale in the ordinary course of business, used in the production or supply of goods or services, or for administrative purposes.

Investment property is measured at cost less accumulated depreciation and accumulated impairment losses. Investment property is not revalued or measured at fair value subsequent to initial recognition. Cost includes the purchase price and any directly attributable costs to the acquisition of the investment property such as legal and brokerage fees, property transfer taxes and other transactions costs. Investment property is depreciated using the straight line method at 2% per annum on its costs.

The costs of day-to-day servicing and maintenance of an investment property is recognised as expenses in the Statement of Financial Activities in the period in which the costs are incurred.

On disposal of the investment property, the difference between the disposal proceeds and the carrying amount is recognised in Statement of Financial Activities.

### 2.6 Financial assets

The Association has its financial assets in the following categories: Cash and cash equivalents, and fees receivables and other receivables. The classification depends on the purpose for which the assets were acquired.

Fees receivable and other receivables are presented as current assets, except those maturing later than twelve months after the balance sheet date which are classified as non-current assets.

Fees receivable and other receivables (excluding prepayments) are recognised at their transaction price excluding transaction costs, if any. Transaction costs are recognised as expenditure in the statement of financial activities as incurred. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

After initial recognition, fees receivable and other receivables are subsequently measured at cost less any accumulated impairment losses. Prepayments are subsequently measured at the amount paid less the economic resources received or consumed during the financial year.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets have expired or have been transferred and the Association has transferred substantially all risks and rewards of ownership. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in the statement of financial activities.

The amount of the impairment allowance is the difference between the asset's carrying amount and the undiscounted future cash flows (excluding unearned interest of interest-bearing assets) that the Association expects to receive from the asset. The amount of the allowance for impairment is recognised in the statement of financial activities.



## **2. Significant accounting policies (Cont'd)**

### **2.7 Impairment of financial assets**

The association assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

An allowance for impairment is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables.

In the case of fees receivable and other receivables, the amount of impairment loss is the difference between the financial asset's carrying amount and the undiscounted future cash flows (excluding unearned interest of interest-bearing assets) that the Association expects to receive from the asset.

The recognised impairment loss is subsequently reversed if the amount of the impairment loss decreases and the decrease is related objectively to an event occurring after the impairment is recognised. The reversal shall not result in a carrying amount of the financial assets, net of allowance account that exceeds what the carrying amount would have been had the impairment not previously been recognised. The reversal of impairment loss is recognised in the statement of financial activities.

### **2.8 Cash and cash equivalents**

Cash and cash equivalents include cash on hand, and deposits with financial institutions that are subject to an insignificant risk of change in value. Cash and cash equivalents are carried at cost.

Fixed deposits that have short maturities of three months or less from the date of acquisition are reported as cash equivalent. All other fixed deposits are reported separately in the statement of financial position.

### **2.9 Financial liabilities**

Financial liabilities are recognised on the balance sheet when, and only when the Association becomes a party to the contractual provisions of the financial instrument. The Association derecognises financial liabilities when and only when, the Association's obligations are discharged, cancelled or expired.

### **2.10 Trade and other payables**

Trade and other payables excluding accruals are normally settled on 30 to 60 days term. These are recognised at their transaction price, excluding transactions costs, if any, both at initial recognition and at subsequent measurement. Transaction costs are recognised as expenditure in the statement of financial activities as incurred. Accruals are recognised at the best estimate of the amount payable.

### **2.11 Provisions for other liabilities and charges**

Provisions for other liabilities and charges are recognised when the Association has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.



## 2. Significant accounting policies (Cont'd)

### 2.12 Fund accounting

Monies received for specific purposes, including transfers from the general fund, are credited directly to the respective fund in the financial statements. These include restricted funds and unrestricted funds. Restricted funds are funds held by the Association that can only be applied for specific purposes. These funds are subject to specific trusts which may be declared by the donors with their authority or created through legal process but are still within the wider objects of the Association. Unrestricted funds are expendable at the discretion of the Board in furtherance of the Association's objects. Designated fund is part of the unrestricted funds earmarked for a particular project. The designation is for administrative purpose only and does not restrict Board's discretion to apply the fund.

Income and expenditure relating to specific funds are accounted for directly in the funds to which they relate. Common expenses, if any, are allocated on a reasonable basis to the funds based on the method suitable to this common expense. Assets and liabilities of the specific funds are pooled in the balance sheet.

Funds received for specific purposes such as purchase of depreciable assets are taken to the relevant restricted fund account. This relevant fund will be reduced over the useful life of the asset in line with its depreciation. Depreciation is charged to the relevant designated funds where the asset is held.

### 2.13 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 statement of financial activities on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Rental on operating lease is charged to statement of financial activities. Contingent rents are recognised as an expense in the statement of financial activities in the financial year in which they are incurred.

### 2.14 Employee compensation

#### Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Association pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The Association has no further payment obligations once the contributions have been paid. The Association's contribution to defined contribution plans are recognised as employee compensation expense when they are due.



## 2. Significant accounting policies (Cont'd)

### 2.15 Related parties

A related party is defined as follows:

- a) A person or a close member of that person's family is related to the Association if that person:
- (i) Has control or joint control over the Association;
  - (ii) Has significant influence over the Association; or
  - (iii) Is a member of the key management personnel of the Association or of a parent of the Association;
- b) An entity is related to the Association if any of the following conditions applies:
- (i) The entity and the Association are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is controlled or jointly controlled by a person identified in (a).
  - (vi) A person identified in a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

### 2.16 Goodwill

Goodwill acquired in a business combination is classified as an asset. Goodwill is initially measured at its cost, being excess of the cost of the business combination over the interest in the net fair value of the identifiable assets, liabilities and contingent liabilities.

After initial recognition, goodwill is measured at cost less accumulated amortisation.

Goodwill is amortised on a straight-line basis over the useful life of 10 years.

Amortisation begins when the intangible asset is available for use, i.e when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortisation ceases when the intangible asset is derecognised.

The residual value of goodwill is assumed to be zero unless:

- a. There is a commitment by a third party to purchase the asset at the end of its useful life ; or
- b. There is an active market for the asset and;
  - Residual value can be determined by reference to that market; and
  - It is probable that such a market will exist at the end of the assets useful life.

The useful lives, amortisation method and residual value are reviewed at the end of each reporting period and revised if necessary, subject to the constraint that the revised useful life shall not exceed 10 years from the date of acquisition.

When a previously acquired business is disposed, the carrying amount of goodwill relating to that business at the date of disposal is included in determining the gain or loss on disposal, except that goodwill recognised previously as a deduction from funds is not recognised in statement of financial activities on disposal.



### 3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### ***Critical judgements in applying the entity's accounting policies***

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position 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.

#### *Estimated useful lives of property, plant and equipment*

The Association reviews annually the estimated useful lives of property, plant and equipment based on factors such as operating plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

#### *Allowance for impairment of receivables*

The Association reviews the adequacy of allowance for impairment of receivables at each closing by reference to the ageing analysis of receivables, and evaluates the risks of collection according to the credit standing and collection history of individual debtor. If there are indications that the financial position of a debtor has deteriorated resulting in an adverse assessment of his risk profile, an appropriate amount of allowance will be provided.

### 4. Tax deductible receipts

Tax deductible receipts have been issued by the Association and its activity centres during the financial year for the donations received amounting to S\$ 283,084 (2015: S\$ 223,002).

### 5. Cash and cash equivalents

	<b>2016</b>	<b>2015</b>
	S\$	S\$
Cash on hand	14,885	11,400
Cash at banks	10,504,500	6,936,528
Fixed deposit	-	800,000
	<u>10,519,385</u>	<u>7,747,928</u>

In 2015, the fixed deposit bore an effective interest rate of 0.83% per annum and for tenures of approximately 180 days. At the reporting date, the carrying amounts of cash and cash equivalent are denominated in Singapore Dollar.



**6. Fee and other receivables**

	<b>2016</b>	<b>2015</b>
	S\$	S\$
Fee receivables	107,614	206,779
Less: Bad debts written off	-	(79,775)
	<u>107,614</u>	<u>127,004</u>
Less: Allowance for impairment of fee receivables	(25,128)	(25,128)
	<u>82,486</u>	<u>101,876</u>
- Amount due from MERCU (Note 13)	-	617,313
- Other debtors	590,417	20,168
- Grant/donation receivable	252,214	485,858
- Deposits	62,583	64,940
- Prepayments	44,311	29,256
- Amount receivable from MUIS - Baitulmal	451,440	239,556
- Staff loan	-	4,073
	<u>1,400,965</u>	<u>1,461,164</u>
Total	<u>1,483,451</u>	<u>1,563,040</u>

Movement in allowance for impairment of fees receivables:

	<b>2016</b>	<b>2015</b>
	S\$	S\$
Balance at beginning of financial year	25,128	104,903
Bad debts written off during the financial year	-	(79,775)
Balance at end of financial year	<u>25,128</u>	<u>25,128</u>

**7. Property, plant and equipment**

	<b>Furniture, fittings and renovation</b>	<b>Office and kindergarten equipment</b>	<b>Air conditioner</b>	<b>Total</b>
	S\$	S\$	S\$	S\$
<b>2016</b>				
<b>At cost</b>				
Beginning of financial year	3,688,592	523,968	49,950	4,262,510
Additions	321,547	80,862	1,370	403,779
Transfers from construction in progress	371,564	-	-	371,564
Written-off	(560)	(22,139)	-	(22,699)
End of financial year	<u>4,381,143</u>	<u>582,691</u>	<u>51,320</u>	<u>5,015,154</u>
<b>Accumulated depreciation and impairment losses</b>				
Beginning of financial year	3,363,129	477,843	29,154	3,870,126
Depreciation	212,979	40,297	8,993	262,269
Written-off	(560)	(22,139)	-	(22,699)
End of financial year	<u>3,575,548</u>	<u>496,001</u>	<u>38,147</u>	<u>4,109,696</u>
<b>Net book value</b>				
End of financial year	<u>805,595</u>	<u>86,690</u>	<u>13,173</u>	<u>905,458</u>
	<b>Furniture, fittings and renovation</b>	<b>Office and kindergarten equipment</b>	<b>Air conditioner</b>	<b>Total</b>
	S\$	S\$	S\$	S\$
<b>2015</b>				
<b>At cost</b>				
Beginning of financial year	4,030,416	557,234	60,470	4,648,120
Additions	188,529	31,454	-	219,983
Written-off	(530,353)	(64,720)	(10,520)	(605,593)
End of financial year	<u>3,688,592</u>	<u>523,968</u>	<u>49,950</u>	<u>4,262,510</u>
<b>Accumulated depreciation and impairment losses</b>				
Beginning of financial year	3,614,938	474,257	30,864	4,120,059
Depreciation	278,544	68,306	8,810	355,660
Written-off	(530,353)	(64,720)	(10,520)	(605,593)
End of financial year	<u>3,363,129</u>	<u>477,843</u>	<u>29,154</u>	<u>3,870,126</u>
<b>Net book value</b>				
End of financial year	<u>325,463</u>	<u>46,125</u>	<u>20,796</u>	<u>392,384</u>

Depreciation is charged against the following funds:

	<b>2016</b>	<b>2015</b>
	S\$	S\$
Unrestricted funds	183,260	16,605
Restricted funds	79,009	229,119
MERCU	-	109,936
	<u>262,269</u>	<u>355,660</u>

**8. Investment property**

	<b>2016</b>	<b>2015</b>
	S\$	S\$
<b>Cost</b>		
Beginning of financial year	734,878	737,187
Adjustment	-	(2,309)
End of financial year	<u>734,878</u>	<u>734,878</u>
<b>Accumulated depreciation</b>		
Beginning of financial year	14,698	-
Depreciation	14,698	14,698
End of financial year	<u>29,396</u>	<u>14,698</u>
Net book value	<u>705,482</u>	<u>720,180</u>

Details of the investment property held by the Association are as follows:

<b>Location</b>	<b>Tenure</b>	<b>At cost</b>		<b>Carrying value</b>	
		<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
		S\$	S\$	S\$	S\$
116 Changi Road #03-02 WIS @ Changi Singapore 419718	Freehold	<u>734,878</u>	<u>734,878</u>	<u>705,482</u>	<u>720,180</u>

The investment property is registered in the name of Fatimah bte Azimullah, Fadlun Bte Hj Ab Kadir and Sapiah d/o Junab Abdul Barick Molla, three trustees of the Association.

**9. Construction in progress**

	<b>2016</b>	<b>2015</b>
	S\$	S\$
Beginning of financial year	371,564	-
Addition	-	371,564
Transfer to property, plant and equipment	(371,564)	-
End of financial year	<u>-</u>	<u>371,564</u>

Construction in progress relates to addition and alternation works to the Counselling Centre at the Head Office at 1 Eunos Crescent, #01-2509 Singapore 400001. The Association awarded the main addition and alternation works contract on 28 January 2015 with the works estimated to be completed by 31 March 2015, which subsequently extended to 11 April 2015. During the financial year end, this construction work was completed and was transferred to property, plant and equipment.

**10. Goodwill**

	<b>2016</b>	<b>2015</b>
	S\$	S\$
Goodwill arising from acquisition	146,597	146,597
Less: Accumulated amortisation	(73,300)	(58,640)
	<u>73,297</u>	<u>87,957</u>

Amortisation is charged against the funds as follows:

	<b>2016</b>	<b>2015</b>
	S\$	S\$
Childcare Fund (Unrestricted – designated fund)	<u>14,660</u>	<u>14,660</u>

**11. Other payables**

	<b>2016</b>	<b>2015</b>
	S\$	S\$
Other payables:		
- Accruals	30,143	26,360
- Advance fees	13,364	-
- Childcare deposit	228,531	-
- Deferred income	105,040	36,231
- GST payable	66,203	12,549
- Third parties	380,824	320,552
- Amount due to MERCU	-	981,531
- Provision for bonus	615,396	362,169
- School pocket money fund	27,044	31,003
	<u>1,466,545</u>	<u>1,770,395</u>

**12. Unrestricted and restricted funds**

Unrestricted funds are available for use at the discretion of the Board of Management in the furtherance of the general objectives of the Association and which have not been designated for specific purposes.

**General Fund**

This fund is to be used for non-specific purposes at the discretion of the Board of Management in furtherance of the Association's objects.

**Childcare Fund (Designated)**

The objective of the Childcare fund is to provide a healthy foundation by nurturing the Islamic environment that contributes to the total development of children. Its programmes concentrate on 5 core areas of development namely, spiritual, intellectual, physical, social and emotional.

**12. Unrestricted and restricted funds (cont'd)*****Designated Project Fund (Designated)***

The Designated Project fund provides several social service programmes that aim to meet the needs of the Malay/Muslim community and strengthen family life. This is possible through the support of the general public and fund-raising projects in addition to receiving grants from Ministry of Social and Family Development (MSF), National Council of Social Services (NCSS), MUIS and Yayasan Mendaki.

***Student Care Centre Fund (Designated)***

The Student Care Centre fund provides supervised care for school-going children ages 7-14 years old. The programme aims to alleviate the problems faced by latchkey children. It offers a structured curriculum that emphasises wholesome care as well as enhancement of the children's development in all aspects. Children of low-income families are assisted with fee subsidies.

***Training & Consultancy Fund (Designated)***

The Training and Consultancy Unit began operations in October 2010. It serves as a platform to provide impactful training and consultancy work for professionals to develop cross-cultural competency as well as for members of the Muslim community to be aware and skilled in dealing with individual, family and social issues.

***Family Therapy Fund (Designated)***

The Family Therapy Fund is designed to help families collaborate and calibrate to address family transitions or challenges.

**Restricted funds** are funds which are to be used in accordance with specific restrictions imposed by the fund providers.

***As - Salaam Family Support Centre Fund***

The As-Salaam Family Support Centre provides support programmes for single parents and children particularly those from the lower socio-economic background to cope and overcome challenges, to rebuild their family life and attain salaam or peace in their journey of life.

***Building Fund***

The Building fund is established from donations received from donors who have specified that these donations are to be used for the setting up of the Association's building in the future. This fund has been fully utilised with the Head Office renovation works completed in FY 2015.

***Capital Grant Fund***

Assets related grants or donations are recognised in the statement of financial activities as received. The restricted fund will then be reduced over the useful life of the asset in line with its depreciation.

***Care and Share Grant***

Care and Share is a national fund-raising and volunteerism movement led by Community Chest for the social service sector. It aims to recognise the contributions made by voluntary welfare organisation (VWOs). Eligible donations raised by Community Chest and participating VWOs till 31 March 2016 will be matched dollar-for-dollar by the government. The matched amount will go towards building the capabilities and capacities of the social service sector and supporting social services to meet rising needs.

**12. Unrestricted and restricted funds (cont'd)****Clients Assistance Fund**

The Clients Assistance Fund was established with amounts donated by the Lien Foundation and others to the Association for the purpose of providing financial assistance to existing financial aid clients and to SCC students in their monthly programmes fees. The fund also includes Zakat donations received that are used to provide financial assistance to existing financial aid clients who are in debt but needs assistance to meet his/her basic needs such as utility bills, conservancy charges as well as housing.

**Family Service Centre Fund**

PPIS Family Service Centre fund provides preventive, development programmes to enable the family to function effectively as a unit within the community. The Fund also aims to promote, develop & maintain the well-being of family units to contribute to the progress of the community.

**Inspirasi Fund**

This fund is for the Inspirasi PPIS programme and activities. Inspirasi PPIS is a hub for marriage preparation and enrichment dedicated to young couples.

**Vista Sakinah Fund**

This Vista Sakinah provides a comprehensive service to Malay/Muslim remarrying couples and stepfamilies. As a pilot project under As-Salaam PPIS Family Support Centre and funded by the VWO-Charities Capability Fund of the National Council of Social Services in 2005, the programme grew into a full scale service supported by the Ministry of Social and Family Development and the Community Leaders' Forum.

2016	Balance at beginning of year	Net income/ (expenditure)	Transfer*	Balance at end of year
	S\$	S\$	S\$	S\$
<b>Unrestricted funds</b>				
General fund	(1,665,044)	(68,645)	596,614	(1,137,075)
Designated Fund				
- Childcare Fund	2,311,001	862,069	134,702	3,307,772
- Project Fund	363,780	(2,961)	-	360,819
- Family Therapy Institute Fund	(78,586)	(46,962)	57,190	(68,358)
- Student Care Centre Fund	(195,600)	(76,098)	94,035	(177,663)
- Training and Consultancy Fund	(36,947)	(59,617)	38,053	(58,511)
	<u>698,604</u>	<u>607,786</u>	<u>920,594</u>	<u>2,226,984</u>
<b>Restricted funds</b>				
- As-Salaam Family Support Centre Fund	1,671,930	107,632	-	1,779,562
- Building Fund	278,163	-	(278,163)	-
- Capital Grant Fund	86,196	82,598	(57,000)	111,794
- Care and Share Grant	150,146	709,353	(626,207)	233,292
- Clients Assistance Fund	548,782	69,969	(25,909)	592,842
- Family Service Centre Fund (East)	1,509,017	451,406	-	1,960,423
- Family Service Centre Fund (West)	2,241,462	523,787	-	2,765,249
- Inspirasi Fund	573,976	(32,599)	66,685	608,062
- Vista Sakinah Fund	1,354,382	587,938	-	1,942,320
	<u>8,414,054</u>	<u>2,500,084</u>	<u>(920,594)</u>	<u>9,993,544</u>
<b>TOTAL FUNDS</b>	<u>9,112,658</u>	<u>3,107,870</u>	<u>-</u>	<u>12,220,528</u>

**12. Unrestricted and restricted funds (cont'd)**

\*The transfer of funds from restricted to unrestricted funds was a result of the following:

	<b>2016</b>	<b>2015</b>
	S\$	S\$
Utilisation of Care and Share Grant for :		
Renovation of head office and child care centre	351,944	-
Critical needs	35,000	-
Expansion of current services	202,244	-
Capability of building	18,299	-
New initiative programmes	18,720	-
	<u>626,207</u>	<u>-</u>

- Utilisation of building fund for renovation of head office amounted to S\$278,163
- Utilisation of capital grant fund (received from the President's Challenge 2014) for renovation of head office amounted to S\$57,000
- Utilisation of client assistance fund for distribution of zakat amounted to S\$25,909

<b>2015</b>	<b>Balance at beginning of year</b>	<b>Net income/ (expenditure)</b>	<b>Balance at end of year</b>
	S\$	S\$	S\$
<b>Unrestricted funds</b>			
General fund	(1,423,928)	(241,116)	(1,665,044)
Designated Fund			
- Childcare Fund	1,796,246	514,755	2,311,001
- Project Fund	371,059	(7,279)	363,780
- Family Therapy Institute Fund	-	(78,586)	(78,586)
- Student Care Centre Fund	(94,120)	(101,480)	(195,600)
- Training and Consultancy Fund	92,113	(129,060)	(36,947)
	<u>741,370</u>	<u>(42,766)</u>	<u>698,604</u>
<b>Restricted funds</b>			
- As-Salaam Family Support Centre Fund	1,292,536	379,394	1,671,930
- Building Fund	278,163	-	278,163
- Capital Grant Fund	274,743	(188,547)	86,196
- Care and Share Grant	-	150,146	150,146
- Clients Assistance Fund	427,391	121,391	548,782
- Family Service Centre Fund (East)	1,157,896	351,121	1,509,017
- Family Service Centre Fund (West)	2,023,299	218,163	2,241,462
- Inspirasi Fund	615,212	(41,236)	573,976
- Vista Sakinah Fund	1,050,449	303,933	1,354,382
	<u>7,119,689</u>	<u>1,294,365</u>	<u>8,414,054</u>
<b>TOTAL FUNDS</b>	<u>7,861,059</u>	<u>1,251,599</u>	<u>9,112,658</u>

**13. Childcare fund : profit sharing with MERCU**

The Association entered into an agreement with MERCU Learning Point Pte. Ltd. ("MERCU") during the financial year ended 31 March 2014 pursuant to which MERCU would manage all of the Association's child development centres effective from 1 October 2013 for a period of 2 years, expired on 30 September 2015. Under the terms of agreement, all income and expenses relating to the operations of the centres would be under the purview of MERCU. The Association was entitled to profit sharing of 30% of the annual net profit if the annual net profit is below S\$ 380,000 and 50% of the annual net profit if the annual net profit is above S\$ 380,000.

The Association's share of 50:50 with MERCU expired on 30 September 2015 and with effect from 1 October 2015, the Association ceased to share its profit with MERCU.

The working on profit sharing apportionment are as follows:

	<b>01.04.2015 - 30.09.2015</b>	<b>01.04.2014 - 31.03.2015</b>
	S\$	S\$
<b>INCOME</b>		
Miscellaneous income	57,420	232,630
Programme fee	12,345	303,219
Sales of workbooks and stationeries	10,489	62,871
School fees	2,172,838	3,804,472
	<u>2,253,092</u>	<u>4,403,192</u>
<b>EXPENDITURE</b>		
Advertisement and publicity	1,835	3,104
Amortisation of goodwill	7,330	14,660
Audit fee	9,142	7,963
CPF - employer contribution	167,721	375,128
Computer expenses	-	19,266
Depreciation	36,467	109,936
Functions and meetings	7,177	24,610
Insurance	7,797	15,199
Medical expenses	11,917	21,099
Miscellaneous expenses	2,696	2,568
Printing, postage and stationeries	9,826	13,192
Programme expense	275,296	501,616
Refreshment	967	615
Rental of equipment	6,296	11,526
Rental of premises	84,132	161,776
Repairs and maintenance	28,549	47,476
Salaries and bonuses	1,213,528	2,009,255
Staff recruitment and training	14,558	33,463
Staff welfare	9,837	10,460
Supplies and materials	2,204	17,535
Telephone and facsimile	7,841	19,701
Transport	8,777	11,347
Utilities	25,525	57,895
	<u>1,939,418</u>	<u>3,489,390</u>
<b>Net income for the financial year</b>	<u>313,674</u>	<u>913,802</u>
<b>Profit apportionment:</b>		
Association - 50%	156,837	456,901
MERCU - 50%	156,837	456,901
	<u>313,674</u>	<u>913,802</u>



**14. Income tax**

The Association is registered as a charity under the Charities Act since 30 December 1988. Consequently, the income of the Association is exempted from tax under the provisions of Section 13 of the Income Tax Act Cap. 134.

**15. Related party transactions**

A related party includes the Board members and key management personnel of the Association. It also includes an entity or person that directly or indirectly controls, is controlled by, or is under common control or joint control with these persons. It also includes close members of the family of any individuals referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides or indirectly any such individual. Key management personnel include the CEO, managers and key executives.

The remuneration of key management personnel during the financial year is as follows:

	<b>2016</b>	<b>2015</b>
	S\$	S\$
Salaries, CPF and other short-term employee benefits	<u>1,716,302</u>	<u>1,235,798</u>
	2016	2015
	No. of key	No. of key
	management	management
	personnel	personnel
Remuneration band		
S\$50,000 – S\$100,000	17	9
S\$100,001 – S\$150,000	<u>3</u>	<u>4</u>

No Board of Management members received remuneration during the financial year.

Among the three highest paid staff, all received remuneration exceeding S\$100,000, who are the key management employees.

The remuneration of key management personnel is determined by the Board of Management.

**16. Management of conflict of interest**

There is no paid staff in the Association's Board of Management.

Board members are required to disclose any interest that they may have, whether directly or indirectly, that the Association may enter into or in any organisations that the Association has dealings with or is considering dealing with, and any personal interest accruing to him as one of the Association's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Board of Management member may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

**17. Commitments***(a) Operating lease commitments*

At the reporting date, the Association has commitments including office equipment, maintenance of building, IT services and future minimum lease payments under non-cancellable operating leases, among others, as follows:

	<b>2016</b>	<b>2015</b>
	S\$	S\$
Not later than one year	141,461	18,132
Later than one year but not later than five years	15,297	81,594
Later than five years	21,677	-
	<u>178,435</u>	<u>99,726</u>

The operating lease commitments included above are based on known rates as at the date of this report and do not include any revision in rates which may be determined by the lessor.

*(b) Capital commitments*

Capital expenditure contracted for, as at the reporting date, but not recognised in the financial statements is as follows:

	<b>2016</b>	<b>2015</b>
	S\$	S\$
Capital commitment in respect of addition and alternation works to the Counselling Centre at the Head Office	-	168,153
	<u>-</u>	<u>168,153</u>

**18. Reserve measurement**

The Association's reserve measurement is calculated as follows:

	<b>2016</b>	<b>2015</b>
	S\$'000	S\$'000
(a) Unrestricted funds	2,227	699
(b) Restricted funds	9,993	8,414
Total funds	<u>12,220</u>	<u>9,113</u>
(a2) Annual expenditure under unrestricted funds	7,059	2,462
(b2) Annual expenditure under restricted funds	5,028	4,912
Ratio of unrestricted funds to annual expenditure (a/a2)	<u>32%</u>	<u>28%</u>
Ration of restricted funds to annual expenditure (b/b2)	<u>199%</u>	<u>171%</u>

The association does not have any externally imposed fund requirements.

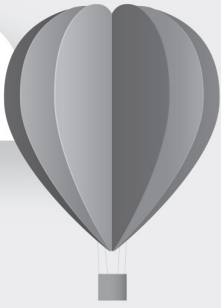
**19. Comparative figures**

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

	<b>As amended</b>	<b>As previously reported</b>
	S\$	S\$
<b>Statement of Financial Activities</b>		
Cost of charitable activities		
- Management Fee	-	786,541
- Property Tax	-	4,073
Governance costs		
- Management Fee	786,541	-
- Property Tax	4,073	-

**20. Authorisation of financial statements**

These financial statements were authorised for issue in accordance with a resolution of the Board of Management on **31 AUG 2016**



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