



AUDITED FINANCIAL STATEMENTS

For The Year Ended 31 March 2018

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SCHOOL MANAGEMENT COMMITTEE'S STATEMENT

The School Management Committee presents this statement together with the audited financial statements of Metta School (the "School") for the financial year ended 31 March 2018.

Opinion Of The School Management Committee

In the opinion of the School Management Committee,

- (a) the accompanying financial statements are drawn up in accordance with the provisions of the Singapore Charities Act, Chapter 37 (the "Charities Act") and Charities Accounting Standards ("CAS") so as to give a true and fair view of the state of affairs of the School as at 31 March 2018, and the financial performance and cash flows of the School for the financial year ended on that date; and
- (b) the accounting and other records required by the Charities Act to be kept by the School have been properly kept in accordance with the provisions of the Charities Act; and
- (c) at the date of this statement, there are reasonable grounds to believe that the School will be able to pay its debts as and when they fall due.

School Mangement Committee

The School Management Committee, comprising the following, has on the date of this statement, approved and authorised these financial statements for issue.

Venerable Shi Pu En Chairman
 Ee Tiang Hwee Supervisor
 So Kah Lay Secretary
 Lim Yew Si Honorary Treasurer
 Lau Swee Eng, Marilyn Member
 Poh Yong Meng, Stephen Member
 Venerable Shi You Guang Member
 Lee Hak Boon Member nominated by Ministry of Education and/or the National Council of Social Services
 Wong Geok Mei Representative from Ministry of Education


Independent Auditor

The independent auditor, UHY Lee Seng Chan & Co, has expressed its willingness to accept the reappointment.

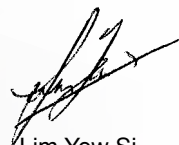
On behalf of the School Management Committee,



Venerable Shi Pu En
Chairman



Ee Tiang Hwee
Supervisor



Lim Yew Si
Honorary Treasurer

Singapore
6 August 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METTA SCHOOL

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Metta School (the School), which comprise the statement of financial position of the School as at 31 March 2018, the statement of financial activities, statement of cash flows of the School and statement of monthly student enrolment eligible for funding for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Singapore Charities Act, Chapter 37 (the Charities Act) and Charities Accounting Standard (CAS) so as to present fairly, in all material respects, the state of affairs of the School as at 31 March 2018 and of the income and expenditure and cash flows of the School for the financial year ended on that date.

Basis for Opinion

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

Other Matter

The financial statements for the financial year ended 31 March 2017 were audited by another independent auditor whose report dated 22 August 2017 expressed an unqualified opinion on those financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the School Management Committee's Statement set out on page 9.30.

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

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

Responsibilities of Management Committee for the Financial Statements

Management committee is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Charities Act and CAS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The management committee's responsibilities include overseeing the School's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records have been properly kept in accordance to the Rules and Regulations issued by the Ministry of Education (MOE) and the National Council of Social Service (NCSS), as well as of any agreement signed with the MOE and NCSS.

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

- (i) the receipt, expenditure and investment of monies; and
- (ii) the acquisition and disposal of assets by the school;

have not been carried out in accordance to the Rules and Regulations issued by the MOE and the NCSS, as well as of any agreement signed with the MOE and NCSS; nor that

- (iii) the donations and other receipts of the school were not used for approved projects and the purposes intended.



UHY Lee Seng Chan & Co
Public Accountants and
Chartered Accountants

Singapore
6 August 2018

STATEMENT OF FINANCIAL POSITION

31 March 2018

	Note	2018 \$	2017 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	15,885,736	15,704,318
Other receivables	5	416,443	184,593
		<u>16,302,179</u>	<u>15,888,911</u>
Non-current assets			
Other receivables	5	-	70,875
Property, plant and equipment	6	13,147,578	13,512,316
		<u>13,147,578</u>	<u>13,583,191</u>
Total assets		<u>29,449,757</u>	<u>29,472,102</u>
LIABILITIES			
Current liabilities			
Other payables and accrued expenses	7	554,963	534,476
Total liabilities		<u>554,963</u>	<u>534,476</u>
NET ASSETS		<u>28,894,794</u>	<u>28,937,626</u>
FUNDS			
Unrestricted fund			
Building repairs and refurbishment fund	8	1,100	-
Student welfare fund	9	11,656	12,866
		<u>12,756</u>	<u>12,866</u>
Restricted funds			
Accumulated general fund	10(a)	22,765,804	22,678,715
Additional training vote fund	10(b)	199	2,192
Curriculum enhancement fund	10(c)	2,543	155
Discretionary financial assistance	10(d)	208	-
Edusave grant	10(e)	422	5,347
Financial assistance fund	10(f)	15	15
High needs grant	10(g)	22,079	1,237
ICT development grant			
- ICT manpower grant	10(h)	151	309
- ICT equipment and services grant	10(i)	360	1,067
Opportunity fund	10(j)	26,244	26,778
Project fund	10(k)	1,626,563	1,653,308
Public transport subsidy	10(l)	1,370	900
School building fund - extension	10(m)	157,651	163,396
School-to-work (S2W) fund	10(n)	335	335
Sinking fund	10(o)	2,541,818	2,569,687
MOE-NCSS innovation award fund	10(p)	-	5,000
Staff training vote fund	10(q)	30,968	97,807
Student assistance fund	10(r)	1,702,953	1,716,157
Trailblazer fund	10(s)	2,355	2,355
Contract teaching	10(t)	-	-
MOE secondment fund	10(u)	-	-
Parent support group fund	10(v)	-	-
School meals programme	10(w)	-	-
SPED financial assistance scheme	10(x)	-	-
Student achievement award	10(y)	-	-
		<u>28,882,038</u>	<u>28,924,760</u>
TOTAL FUNDS		<u>28,894,794</u>	<u>28,937,626</u>

The accompanying notes form part of these financial statements

Metta Welfare Association

Metta Welfare Association

STATEMENT OF FINANCIAL ACTIVITIES

31 March 2017

	Unrestricted fund		ICT development fund										Restricted funds														Total restricted fund	TOTAL FUNDS	
	Student welfare fund	Accumulated general fund	Additional training vote fund ("ATV")	Curriculum enhancement fund ("CEF")	Discretionary financial assistance ("DFA")	Edusave grant	Financial assistance fund	High needs grant ("HNG")	ICT manpower grant	ICT equipment and services grant	Opportunity fund	Project fund	Public transport subsidy ("PTS")	School building fund - extension	S2W fund	Sinking fund	MOE-NCSS innovation award	Staff training vote fund ("STV")	Student assistance fund	Tailblazer fund	Contract teaching	MOE secondment fund	Parent support group fund	School meals programme	SPED financial assistance scheme ("FAS")	Student achievement award			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
For contract teaching																													
Staff costs (Note 11)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49,007	-	-	-	-	-	-	49,007	49,007
For other funds																													
CCA, H&F and PVA activities	-	191,329	-	-	-	32,037	-	-	-	-	7,925	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	231,291	231,291	
Classroom decoration materials	-	7,414	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,414	7,414	
Home economics materials	-	12,263	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,263	12,263	
Home visits	-	1,010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,010	1,010	
Instructor assessment and examination fees	-	406,653	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	406,653	406,653	
Science and library resources	-	11,393	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,393	11,393	
SOAP project expenses	-	7,421	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,421	7,421	
Programme camp and trips	-	8,614	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,614	8,614	
Pupil welfare	41,600	244,384	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,932	-	-	-	-	-	-	246,316	287,916	
Art grant fund expenditure	-	4,489	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,489	4,489	
ICT grant fund expenditure	-	38,502	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38,502	38,502	
School events and activities	-	105,038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	105,038	105,038	
Staff costs (Note 11)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- Salaries and CPF contributions	-	6,577,752	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,577,752	6,577,752	
- Staff welfare	-	160,954	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	160,954	160,954	
Staff transport	-	2,458	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,458	2,458	
Teaching materials	-	23,422	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,500	-	-	-	25,922	25,922	
Vocational programme training materials	-	50,152	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50,152	50,152	
Student award	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,000	35,000	35,000	
SG Enable transport subsidies	-	57,310	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	57,310	57,310	
Student programme	-	102,268	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	102,268	102,268	
GOVERNANCE AND OTHER ADMINISTRATIVE COSTS																													
Bank charges	-	1,288	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,288	1,288	
Cleaning services	-	70,451	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70,451	70,451	
Housekeeping	-	16,756	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,756	16,756	
Insurance	-	3,825	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,825	3,825	
License fees	-	5,719	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,719	5,719	
Maintenance and services	-	304,581	-	-	-	-	-	-	-	-	-	30,101	-	-	-	-	-	-	-	-	-	-	-	-	-	-	334,682	334,682	
Postage	-	1,258	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,258	1,258	
Printing and stationery	-	64,938	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	64,938	64,938	
Professional fees (Note 12)	-	16,600	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,600	16,600	
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- Depreciation (Note 6)	-	716,663	-	-	-	-	-	-	-	-	-	24,928	-	5,745	-	12,813	-	-	-	-	-	-	-	-	-	-	760,149	760,149	
- Disposal	-	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	224	-	-	-	-	-	-	-	-	-	237	237	
- Overprovision of cost	-	-	-	-	-	-	-	-	-	-	-	-	-	4,157	-	-	-	-	-	-	-	-	-	-	-	-	4,157	4,157	
Purchase of goods and services	-	109,852	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	109,852	109,852	
Recruitment services	-	5,142	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,142	5,142	
Rental of equipment	-	10,657	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,657	10,657	
Security services	-	70,885	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70,885	70,885	
Staff costs (Note 11)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- Salaries and CPF contribution	-	684,802	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	684,802	684,802	
- Staff welfare	-	17,208	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17,208	17,208	
Utilities and telecommunication	-	158,829	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	158,829	158,829	
TOTAL EXPENDITURE	41,600	10,272,293	26,608	69,845	33,480	32,037	-	36,730	39,991	72,933	7,925	55,029	5,460	9,902	-	13,037	-	44,093	1,932	-	49,007	403,439	2,500	7,258	38,811	35,000	11,222,310	11,298,910	
NET INCOME / (EXPENDITURE)	(10,906)	290,100	(11,478)	(138)	-	(8,032)	-	1,237	309	1,067	(7,925)	(55,029)	(1,350)	(9,902)	-	(13,037)	5,000	97,807	(1,932)	-	(5,347)	-	(588)	-	-	-	280,762	269,856	
GROSS TRANSFER BETWEEN FUNDS																													
Transfer of funds	-	(5,347)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,347	-	-	-	-	-	-	-	
NET MOVEMENT IN FUNDS	(10,906)	284,753	(11,478)	(138)	-	(8,032)	-	1,237	309	1,067	(7,925)	(55,029)	(1,350)	(9,902)	-	(13,037)	5,000	97,807	(1,932)	-	-	-	(588)	-	-	-	280,762	269,856	
TOTAL FUNDS BROUGHT FORWARD	23,772	22,393,962	13,670	293	-	13,379	15	-	-	-	34,703	1,708,337	2,250	173,298	335	2,582,724	-	-	1,718,089	2,355	-	-	588	-	-	-	28,643,998	28,667,770	
TOTAL FUNDS CARRIED FORWARD	12,866	22,678,715	2,192	155	-	5,347	15	1,237	309	1,067	26,778	1,653,308	900	163,396	335	2,569,687	5,000	97,807	1,716,157	2,355	-	-	-	-	-	-	28,924,760	28,937,626	

STATEMENT OF CASH FLOWS

Financial year ended 31 March 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Net (expenditure)/income		(82,077)	260,065
Adjustments for:			
Annual adjustment for prior financial year		39,245	20,697
Depreciation of property, plant and equipment		632,918	760,149
Gain on disposal of property, plant and equipment		(138)	(1,282)
Property, plant and equipment written off		712	237
Interest income		(113,735)	(119,185)
Operating profit before working capital changes		476,925	920,681
Changes in working capital			
Other receivables		(131,029)	122,832
Other payables and accrued expenses		20,487	103,867
Net cash from operating activities		366,383	1,147,380
Cash flows from investing activities			
Purchase of property, plant and equipment		(268,894)	(320,042)
Proceeds from disposal of property, plant and equipment		140	1,291
Overprovision of cost of property, plant and equipment		-	4,352
Interest received		83,789	145,659
Net cash used in investing activities		(184,965)	(168,740)
Net change in cash and cash equivalents		181,418	978,640
Cash and cash equivalents at beginning of financial year		15,704,318	14,725,678
Cash and cash equivalents at end of financial year	4	15,885,736	15,704,318

The accompanying notes form part of these financial statements

STATEMENT OF MONTHLY STUDENT ENROLMENT ELIGIBLE FOR FUNDING

Financial year ended 31 March 2018

FY2018	(a) Number of students under each disability group				(b) Number of students under vocational tracks			Total number of students (c = a + b)
	MID (J)	MID (S)	ASD	Total	VOC-MID	VOC-ASD	Total	
April 2017	62	81	109	252	105	16	121	373
May 2017	64	80	109	253	104	16	120	373
June 2017	64	80	109	253	104	16	120	373
July 2017	64	81	110	255	104	16	120	375
August 2017	65	82	110	257	104	16	120	377
September 2017	65	82	110	257	104	16	120	377
October 2017	65	81	110	256	103	16	119	375
November 2017	65	81	110	256	103	16	119	375
December 2017	65	81	110	256	103	16	119	375
January 2018	64	84	119	267	104	17	121	388
February 2018	64	86	118	268	103	17	120	388
March 2018	64	86	119	269	102	17	119	388

Students are eligible for funding as on the first day of every month if they are Singapore Citizens or Permanent Residents, receive education in a Government-funded special education school and are either:

- (a) Aged 6 to 17 years (as at 1 Jan); or
- (b) Aged 18 to 20 years (as at 1 Jan) and pursuing vocational certification programme in Metta School.

Separate column to be provided for each disability group, which are described as follow:

MID (J) refers to students under mild intellectual disability within the age group of 6 to 11 years as at 1 January.

MID (S) refers to students under mild intellectual disability within the age group of 12 to 17 years as at 1 January.

ASD refers to students under autism spectrum disorder.

VOC-MID refers to vocational students under mild intellectual disability.

VOC-ASD refers to vocational students under autism spectrum disorder.

The accompanying notes form part of these financial statements

STATEMENT OF MONTHLY STUDENT ENROLMENT FOR INTERNATIONAL STUDENTS

Financial year ended 31 March 2018

FY2018	Number of international students		Total number of students (c = a + b)
	(a)	(b)	
April 2017	2	0	2
May 2017	2	0	2
June 2017	2	0	2
July 2017	2	0	2
August 2017	2	0	2
September 2017	2	0	2
October 2017	2	0	2
November 2017	2	0	2
December 2017	2	0	2
January 2018	3	0	3
February 2018	3	0	3
March 2018	3	0	3

International students are defined as those who are not of Singapore Citizen or Permanent Resident status.

(a) International students who are children of employment pass holders, skilled workers or diplomatic staff.

(b) International students who are not children of employment pass holders, skilled workers or diplomatic staff.

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

31 March 2018

1. GENERAL INFORMATION

Metta School (the "School") is registered with the Ministry of Education ("MOE") under the Education Act (Chapter 87) on 16 November 2001.

The registered office and principal place of operations of the School is located at 30 Simei Street 1 Singapore 529949.

The School is one of the welfare centres supported by Metta Welfare Association, which is a registered exempt charity in Singapore.

The objective of the School is to provide special education to students with mild intellectual disability and/or mild autism between ages seven (7) and eighteen (18). Students who can benefit from vocational programmes can continue to school up to twenty one (21) years old.

As at 31 March 2018, the School has 161 (2017: 139) employees, with 2 (2017: 2) MOE seconded staffs.

The financial statements for the financial year ended 31 March 2018 were authorised for issue by the School Management Committee on 6 August 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with the provisions of the Singapore Charities Act (the "Act") and Charities Accounting Standard ("CAS").

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies set out below.

The financial statements are presented in Singapore dollar ("S\$"), which is the functional currency of the School.

The preparation of financial statements in conformity with CAS requires management to exercise its judgement in the process of applying the School's accounting policies. It also requires the use of accounting estimates and assumptions. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. The areas where estimates and assumptions are significant or critical to the financial statements are disclosed in Note 3.

The accounting policies adopted are consistent with those of the previous financial year.

(b) PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are stated at initial cost and subsequently carried at cost less accumulated depreciation.

Depreciation of property, plant and equipment is computed on a straight-line basis to allocate their depreciable amounts over their estimated useful lives of the assets as follows:

Arts and music equipment	5 years
Computers	3 years
Furniture and fittings	5 years
Office equipment	5 years
Other equipment	3 years
Occupational therapist equipment	5 years
Renovation	2 years
School building	50 years

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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 on derecognition of the asset is included in the statement of financial activities in the financial year the asset is derecognised.

(c) IMPAIRMENT OF NON-FINANCIAL ASSETS

The School's non-financial assets are reviewed for impairment at the end of each reporting period and whenever there is any indication that these assets may be impaired. If any such indication exists or when an annual impairment testing for an asset is required, the recoverable amount of the asset is estimated to determine the amount of the impairment loss (if any).

Recoverable amount of an asset is the higher of its fair value less cost to sell and value in use. For the purpose of impairment testing, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount and the impairment loss is recognised in statement of financial activities.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset or CGU in prior years. A reversal of impairment loss is recognised in statement of financial activities.

(d) INCOME RECOGNITION

Income is recognised to the extent that it is probable that the economic benefits will flow to the School and the income can be reliably measured, regardless of when the payment is made. Income is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment net of taxes and duty.

Income is deferred only when the donor specifies that the grant or donations must only be used in future accounting periods; or where the donor has imposed conditions which must be met before the School has entitlement.

School fees

School fees are recognised over the period of instruction. Amounts of fees relating to future periods of instruction are included in fees received in advance.

Government grants

Grants from government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the School will comply with the conditions associated with the grant.

Government grants receivable are recognised in the statement of financial activities over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Donations

Donations are recognised in the statement of financial activities upon receipt. Donations subject to donor-imposed conditions that specify the time period in which the expenditure can take place are accounted for as deferred income and recognised as unrestricted fund until the financial period in which the School is allowed by the condition to expend the income.

Interest income

Interest income is recognised as interest accrues using the effective interest method.

(e) INCOME TAX

As a charity, the School is exempted from tax on income and gains falling with Section 13(1)(zm) of the Income Tax Act to the extent that these are applied to its charitable objects. No tax charge has arisen in the School.

(f) PROVISIONS

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(g) EMPLOYEE BENEFITS

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for annual leave is recognised for services rendered by employees up to the end of the reporting period.

Contributions to defined contribution plan are recognised in the same financial year as the employment that gives rise to the contributions.

(h) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, bank balances and fixed deposits placed with financial institutions.

(i) OPERATING LEASES - where the School is a lessee

Leases where a significant portion of the risks and rewards of ownership are retained by the lessors are classified as operating leases. Payments made under operating leases are recognised in statement of financial activities on a straight-line basis over the period of the leases.

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.

(j) 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 School if that person:
 - (i) Has control or joint control over the School;
 - (ii) Has significant influence over the School; or
 - (iii) Is a member of the key management personnel of the School or of a parent of the School.
- (b) An entity is related to the School if any of the following conditions applies:
 - (i) The entity and the School 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 a post-employment benefit plan for the benefit of employees of either the School or an entity related to the School. If the School is itself such a plan, the sponsoring employers are also related to the School.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) 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).

(k) FUND

Fund balances restricted by agencies and donors are so indicated and are distinguished from funds allocated to specific purposes, if any. Externally restricted funds may only be utilised in accordance with the purposes for which they are established. The School reserves funds will not be transferred out of the School for other purposes. The School Management Committee retains full control over the use of unrestricted funds for any of the School's purposes.

(a) Building repairs and refurbishment fund

Building repairs and refurbishment fund was set up for expenses related to the general repairs and redecorations of the school building.

(b) Student welfare fund

Student welfare fund was set up for expenses related to the welfare of students.

(c) Accumulated general fund

The accumulated general fund is restricted for the School only, for the benefit of its intended purpose, according to the funder's intent for the use of monies. The fund will not be transferred out of the School for other purposes. The fund will also not be re-designated for other purposes, unless approval is given by the funder.

- (d) Additional training vote fund
This is provided by MOE for each registered teacher to receive appropriate trainings in order to improve the quality of his or her services.
- (e) Curriculum enhancement fund
This fund was set up to promote and sustain school-based initiatives in enhancing the quality of the school's curriculum and co-curriculum.
- (f) Discretionary financial assistance fund
This pertains to the fund received from MOE that is ring-fenced to help students for discretionary financial assistance purposes.
- (g) Edusave grant
Edusave grant is a grant from MOE to be used to organise common curriculum programmes or purchase additional resources which benefit students.
- (h) Financial assistance fund
In the financial year 2012, MOE released an additional top-up grant that would be ring-fenced to financially assist students.
- (i) High needs grant
In the financial year 2012, high needs fund has been set up by MOE for SPED Schools to provide additional resources to support students with high needs. The fund is used to employ additional full-time teaching aides for students with highly challenging behaviours.
- (j) ICT development grant
The ICT development grant consists of:
 - (i) ICT manpower grant
The ICT manpower grant provide schools annual grant to hire an information technology professional to support teachers in the implementation of ICT – enhanced lessons in the classrooms. The grant would be ring-fenced and school would not be allowed to use the grant for other purposes.
 - (ii) ICT equipment and services grant
The ICT equipment and services grant provide school annual grant to purchase of ICT hardware, software or services to implement general classroom teaching and other ICT – related programmes.
- (k) Opportunity fund
The opportunity fund is an initiative by MOE since financial year 2006/2007 to support needy students.
- (l) Project fund
This fund was approved by the School Management Committee and is set aside for use in the school building extension, school improvement and upgrading works, also for projects/programmes that will meet the needs of the students.
- (m) Public transport subsidy
This fund was set up by the MOE to subsidise \$10 per month (or \$120 per year) to each SPED Financial Assistance Scheme (FAS) recipient who declare taking public transport to school, for as long as the students are enrolled in the school.
- (n) School building fund – extension
The construction for the School's extension building started in 2012 and the building was officially opened on 26 April 2013 upon completion of the construction work. MOE provided a grant-in-aid of 95%, NCSS on behalf of the TOTE Board Social Service Fund gave a capital grant equivalent to 2.5% and the School contributed the other remaining 2.5%.
- (o) School-to-work (S2W) fund
The programme aims to develop more work and training options and pathways to benefit SPED students in their graduating year who have the potential to work.
- (p) Sinking fund
The sinking fund was set up for major repairs and maintenance of the School's building.
- (q) MOE-NCSS innovative award
This award was set up to support the schools' innovative projects to enhance teaching and learning.
- (r) Staff training vote fund
A sum of \$1,100 is allocated for each staff to receive appropriate trainings in order to improve the quality of their services.

(s) Student assistance fund

The student assistance fund was set up to provide financial assistance to students in need.

(t) Trailblazer fund

This fund was set up by Trailblazer Foundation and administered by NCSS, aims to help students from low-income families affected by economic downturn.

(u) Contract teaching

This fund enabled the School to engage contract teachers to cover teaching duties of staff undergoing Diploma in Special Education (DISE), Advanced DISE and Management and Leadership in Schools (MLS) courses, as well as staffs who are away on MOE Masters Scholarship.

(v) MOE secondment fund

This fund is used to top up the difference of actual manpower costs of MOE-seconded education officers based on MOE salary scale and salaries of SPED principals/teachers provided in the prevailing SPED staffing model.

(w) Parent support group fund

This pertains to the one-off seed funding received from MOE to enhance its partnership efforts with parents and to try out new ideas to engage parents.

(x) School meals programme

This programme is implemented to provide \$2 for a meal per day for 180 school days for SPED FAS students aged from 6 to 11 years old as at 1 January, and an additional 2 meals per week at \$2 per meal for 40 weeks a year.

For SPED FAS students aged from 12 to 20 years old as at 1 January, \$2.50 per meal per day for 180 school days and an additional 2 meals per week at \$2.50 per meal for 40 weeks a year.

(y) SPED financial assistance scheme

This scheme was set up to provide needy students in SPED schools with waiver of school fees, free uniforms and textbooks.

(z) Student achievement award

The achievement award for SPED students was set up in 2010 by MOE to recognise and encourage students for their achievements and progress, with good conduct and who meet the school-based criteria for the award.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the School's accounting policies, which are described in Note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Critical judgements in applying the School's accounting policies

In the process of applying the School's accounting policies which are described in Note 2 above, management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

The key assumption concerning the future and other key sources of estimation uncertainty at the end of the reporting period that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is discussed below:

Depreciation of property, plant and equipment

Management estimates the useful lives of property, plant and equipment to be within 2 to 50 years as management is of the view that these are common life expectancies applied in the relevant industry. Changes in the expected level of usage and technologies development could impact the economic useful lives and the residual values of these assets. Hence, future depreciation charges could be revised. The carrying amount of property, plant and equipment is disclosed in Note 6 to the financial statements.

4. CASH AND CASH EQUIVALENTS

	2018	2017
	\$	\$
Cash at banks and on hand	6,968,017	6,701,147
Fixed deposits	8,917,719	9,003,171
	<u>15,885,736</u>	<u>15,704,318</u>

Fixed deposits have maturity terms from 12 to 18 (2017: 12 to 18) months and earn interest at rates ranging from 1.15% to 1.42% (2017: 1.15% to 1.50%) per annum.

5. OTHER RECEIVABLES

	2018	2017
	\$	\$
Current		
Related party	164,070	46,343
Fees receivables	1,280	29,684
Grant receivables	171,520	81,520
Interest receivables	51,473	21,526
Sundry receivable	112	-
Deposits	27,988	5,520
	<u>416,443</u>	<u>184,593</u>
Non-current		
Grant receivables	-	70,875
	<u>-</u>	<u>70,875</u>

Non-trade amount due from a related party is unsecured, interest-free and repayable on demand.

6. PROPERTY, PLANT AND EQUIPMENT

2018

	Arts and music equipment \$	Computers \$	Furniture and fittings \$	Office equipment \$	Other equipment \$	Occupational therapist equipment \$	Renovation \$	School building \$	Total \$
Cost									
Balance at beginning	150,671	431,018	248,201	534,489	932,486	35,206	721,950	15,401,651	18,455,672
Additions	5,807	33,790	71,289	37,085	70,444	-	50,479	-	268,894
Disposals	-	-	-	(8,988)	-	-	-	-	(8,988)
Written off	(2,590)	-	(3,511)	(2,513)	(21,791)	-	-	-	(30,405)
Balance at end	153,888	464,808	315,979	560,073	981,139	35,206	772,429	15,401,651	18,685,173
Accumulated depreciation									
Balance at beginning	117,325	368,183	155,287	339,221	767,585	19,051	660,488	2,516,216	4,943,356
Charge for the financial year	10,245	34,834	30,304	63,808	108,245	7,042	70,407	308,033	632,918
Disposals	-	-	-	(8,986)	-	-	-	-	(8,986)
Written off	(2,009)	-	(3,510)	(2,387)	(21,787)	-	-	-	(29,693)
Balance at end	125,561	403,017	182,081	391,656	854,043	26,093	730,895	2,824,249	5,537,595
Carrying amount									
Balance at 31 March 2018	28,327	61,791	133,898	168,417	127,096	9,113	41,534	12,577,402	13,147,578

2017

	Arts and music equipment \$	Computers \$	Furniture and fittings \$	Office equipment \$	Other equipment \$	Occupational therapist equipment \$	Renovation \$	School building \$	Total \$
Cost									
Balance at beginning	136,773	387,676	187,625	493,048	825,979	35,206	718,312	15,406,003	18,190,622
Additions	13,898	43,342	74,915	59,619	124,630	-	3,638	-	320,042
Disposals	-	-	-	(10,823)	(9,757)	-	-	-	(20,580)
Written off	-	-	(14,339)	(7,355)	(8,366)	-	-	(4,352)	(34,412)
Balance at end	150,671	431,018	248,201	534,489	932,486	35,206	721,950	15,401,651	18,455,672
Accumulated depreciation									
Balance at beginning	109,094	310,839	151,486	280,011	684,949	12,009	477,030	2,208,183	4,233,601
Charge for the financial year	8,231	57,344	18,132	77,377	100,532	7,042	183,458	308,033	760,149
Disposals	-	-	-	(10,816)	(9,755)	-	-	-	(20,571)
Written off	-	-	(14,331)	(7,351)	(8,141)	-	-	-	(29,823)
Balance at end	117,325	368,183	155,287	339,221	767,585	19,051	660,488	2,516,216	4,943,356
Carrying amount									
Balance at 31 March 2017	33,346	62,835	92,914	195,268	164,901	16,155	61,462	12,885,435	13,512,316

7. OTHER PAYABLES AND ACCRUED EXPENSES

	2018	2017
	\$	\$
Related parties	45,101	23,617
Sundry creditors	119,084	24,916
Deferred income	4,780	30,940
Accrued operating expenses	385,998	455,003
	<u>554,963</u>	<u>534,476</u>

Amounts due to related parties are unsecured, interest-free and repayable on demand.

Deferred income refers to school fees received in advance.

8. BUILDING REPAIRS AND REFURBISHMENT FUND

	2018	2017
	\$	\$
Donations received during the financial year/Balance at end	<u>1,100</u>	<u>-</u>

Building repairs and refurbishment fund was set up for expenses related to the general repairs and redecorations of the school building.

9. STUDENT WELFARE FUND

	2018	2017
	\$	\$
Balance at beginning	12,866	23,772
Donation income collected on behalf by related party	-	26,343
Donations received during the financial year	2,630	4,351
	<u>15,496</u>	<u>54,466</u>
Expenditures incurred during the financial year	<u>(3,840)</u>	<u>(41,600)</u>
Balance at end	<u>11,656</u>	<u>12,866</u>

Student welfare fund was set up for expenses related to the welfare of students.

10. RESTRICTED FUNDS

(a) Accumulated general fund

The accumulated general fund is restricted for the School only, for the benefit of its intended purpose, according to the funder's intent for the use of monies. The fund will not be transferred out of the School for other purposes. The fund will also not be re-designated for other purposes, unless approval is given by the funder.

(b) Additional training vote fund

	2018	2017
	\$	\$
Balance at beginning	2,192	13,670
Grants received during the financial year	28,208	15,130
	<u>30,400</u>	<u>28,800</u>
Expenditures incurred during the financial year	(30,201)	(26,608)
Balance at end	<u><u>199</u></u>	<u><u>2,192</u></u>

During the financial year, MOE provided a grant of \$400 (2017: \$400) for each registered teacher to receive appropriate trainings in order to improve the quality of his or her services.

(c) Curriculum enhancement fund

	2018	2017
	\$	\$
Balance at beginning	155	293
Grants received during the financial year	69,845	69,707
	<u>70,000</u>	<u>70,000</u>
Expenditures incurred during the financial year	(67,457)	(69,845)
Balance at end	<u><u>2,543</u></u>	<u><u>155</u></u>

This fund was set up to promote and sustain school-based initiatives in enhancing the quality of the school's curriculum and co-curriculum.

(d) Discretionary financial assistance fund

	2018	2017
	\$	\$
Balance at beginning	-	-
Grants received during the financial year	34,800	33,480
	<u>34,800</u>	<u>33,480</u>
Expenditures incurred during the financial year	(34,592)	(33,480)
Balance at end	<u><u>208</u></u>	<u><u>-</u></u>

This pertains to the funds received from MOE that is ring-fenced to help students for discretionary financial assistance purposes.

(e) Edusave grant

	2018	2017
	\$	\$
Balance at beginning	5,347	13,379
Grants received during the financial year	24,800	24,005
	<u>30,147</u>	<u>37,384</u>
Expenditures incurred during the financial year	(29,725)	(32,037)
	<u>422</u>	<u>5,347</u>
Balance at end	<u><u>422</u></u>	<u><u>5,347</u></u>

Edusave grant is a grant from MOE to be used to organise common curriculum programmes or purchase additional resources which benefit students.

(f) Financial assistance fund

	2018	2017
	\$	\$
Balance at beginning and at end	<u>15</u>	<u>15</u>

In the financial year 2012, MOE released an additional top-up grant that would be ring-fenced to financially assist students.

(g) High needs grant

	2018	2017
	\$	\$
Balance at beginning	1,237	-
Grants received during the financial year	48,634	37,967
	<u>49,871</u>	<u>37,967</u>
Expenditures incurred during the financial year	(27,792)	(36,730)
	<u>22,079</u>	<u>1,237</u>
Balance at end	<u><u>22,079</u></u>	<u><u>1,237</u></u>

In the financial year 2012, high needs grant has been set up by MOE for SPED Schools to provide additional resources to support students with high needs. The fund is used to employ additional full-time teaching aides for student with highly challenging behaviours.

(h) ICT manpower grant

	2018	2017
	\$	\$
Balance at beginning	309	-
Grants received during the financial year	39,991	40,300
	<u>40,300</u>	<u>40,300</u>
Expenditures incurred during the financial year	(40,149)	(39,991)
	<u>151</u>	<u>309</u>
Balance at end	<u><u>151</u></u>	<u><u>309</u></u>

This grant is used to hire an IT professional to support teachers in the implementation of ICT-enhanced lessons in the classroom.

(i) ICT equipment and services grant

	2018	2017
	\$	\$
Balance at beginning	1,067	-
Grants received during the financial year	73,133	74,000
	<u>74,200</u>	<u>74,000</u>
Expenditures incurred during the financial year	(73,840)	(72,933)
	<u>360</u>	<u>1,067</u>

This grant is used to purchase of ICT hardware, software or services to implement general classroom teaching and other ICT-related programmes.

(j) Opportunity fund

	2018	2017
	\$	\$
Balance at beginning	26,778	34,703
Grants received during the financial year	11,665	-
Grants refunded during the financial year	(1,582)	-
	<u>36,861</u>	<u>34,703</u>
Expenditures incurred during the financial year	(10,617)	(7,925)
	<u>26,244</u>	<u>26,778</u>

The opportunity fund is an initiative by MOE since financial year 2006/2007 to support needy students.

(k) Project fund

	2018	2017
	\$	\$
Balance at beginning	1,653,308	1,708,337
Expenditures incurred during the financial year	(26,745)	(55,029)
	<u>1,626,563</u>	<u>1,653,308</u>

This fund was approved by the School Management Committee and is set aside for use in the school building extension, school improvement and upgrading works, also for projects/programmes that will meet the needs of the students.

Property, plant and equipment with depreciation charge of \$26,745 (2017: \$24,928) was included in the expenditures incurred of \$26,745 (2017: \$55,029) as disclosed above while its carrying amount of \$56,199 (2017: \$82,943) has yet to be charged to the fund.

(l) Public transport subsidy

	2018	2017
	\$	\$
Balance at beginning	900	2,250
Grants received during the financial year	6,420	4,110
	<u>7,320</u>	<u>6,360</u>
Expenditures incurred during the financial year	(5,950)	(5,460)
	<u>(5,950)</u>	<u>(5,460)</u>
Balance at end	<u>1,370</u>	<u>900</u>

This fund was set up by MOE to subsidise \$10 per month (or \$120 per year) to each SPED Financial Assistance Scheme (FAS) recipient who declare taking public transport to school, for as long as the students are enrolled in the school.

(m) School building fund - extension

	2018	2017
	\$	\$
Balance at beginning	163,396	173,298
Expenditures incurred during the financial year	(5,745)	(9,902)
	<u>(5,745)</u>	<u>(9,902)</u>
Balance at end	<u>157,651</u>	<u>163,396</u>

The construction for the School's extension building started in 2012 and the building was officially opened on 26 April 2013 upon completion of the construction work. MOE provided a grant-in-aid of 95%, NCSS on behalf of the TOTE Board Social Service Fund gave a capital grant equivalent to 2.5% and the School contributed the other remaining 2.5%.

Property, plant and equipment with depreciation charge of \$5,745 (2017: \$5,745) was included in the expenditures incurred of \$5,745 (2017: \$9,902) as disclosed above while its carrying amount of \$258,261 (2017: \$264,006) has yet to be charged to the fund.

(n) School-to-work (S2W) fund

	2018	2017
	\$	\$
Balance at beginning and at end	<u>335</u>	<u>335</u>

This programme aims to develop more work and training options and pathways to benefit SPED students in their graduating year who have the potential to work.

(o) Sinking fund

	2018	2017
	\$	\$
Balance at beginning	2,569,687	2,582,724
Expenditures incurred during the financial year	(27,869)	(13,037)
	<u>(27,869)</u>	<u>(13,037)</u>
Balance at end	<u>2,541,818</u>	<u>2,569,687</u>

The sinking fund was set up for major repairs and maintenance of the School's building.

Property, plant and equipment with depreciation charge of \$9,914 (2017: \$12,813) was included in the expenditures incurred of \$27,869 (2017: \$13,037) as disclosed above while its carrying amount of \$60,962 (2017: \$691) has yet to be charged to the fund.

(p) MOE – NCSS innovation award

	2018	2017
	\$	\$
Balance at beginning	5,000	-
Grants received during the financial year	-	5,000
	<u>5,000</u>	<u>5,000</u>
Expenditures incurred during the financial year	(5,000)	-
Balance at end	<u>-</u>	<u>5,000</u>

This award was set up to support the schools' innovative projects to enhance teaching and learning.

(q) Staff training vote fund

	2018	2017
	\$	\$
Balance at beginning	97,807	-
Grants received during the financial year	44,093	141,900
	<u>141,900</u>	<u>141,900</u>
Expenditures incurred during the financial year	(110,932)	(44,093)
Balance at end	<u>30,968</u>	<u>97,807</u>

A sum of \$1,100 (2017: \$1,100) is allocated for each staff to receive appropriate trainings in order to improve the quality of their services.

(r) Student assistance fund

	2018	2017
	\$	\$
Balance at beginning	1,716,157	1,718,089
Expenditures incurred during the financial year	(13,204)	(1,932)
Balance at end	<u>1,702,953</u>	<u>1,716,157</u>

The student assistance fund was set up to provide financial assistance to students in need.

(s) Trailblazer fund

	2018	2017
	\$	\$
Balance at beginning and at end	<u>2,355</u>	<u>2,355</u>

This fund was set up by Trailblazer Foundation and administered by NCSS, aims to help students from low-income families affected by economic downturn.

(t) Contract teaching

	2018	2017
	\$	\$
Grants received during the financial year	92,159	43,660
Expenditures incurred during the financial year	(123,379)	(49,007)
	<u>(31,220)</u>	<u>(5,347)</u>
Transfer from accumulated general fund	31,220	5,347
	<u> </u>	<u> </u>
Balance at end	<u> -</u>	<u> -</u>

This fund enabled the school to engage contract teachers to cover teaching duties of staff undergoing Diploma in Special Education (DISE), Advance DISE and Management and Leadership in Schools (MLS) courses, as well as staff who are away on MOE Masters Scholarship.

(u) MOE secondment fund

	2018	2017
	\$	\$
Grants received during the financial year	135,107	326,243
Secondment fund received during the financial year	293,399	77,196
	<u>428,506</u>	<u>403,439</u>
Expenditures incurred during the financial year	(428,506)	(403,439)
	<u> </u>	<u> </u>
Balance at end	<u> -</u>	<u> -</u>

This fund is used to top up the difference of actual manpower costs of MOE-seconded education officers based on MOE salary scale and salaries of SPED principals/teachers provided in the prevailing SPED staffing model.

(v) Parent support group fund

	2018	2017
	\$	\$
Balance at beginning	-	588
Grants received during the financial year	2,500	1,912
	<u>2,500</u>	<u>2,500</u>
Expenditures incurred during the financial year	(2,500)	(2,500)
	<u> </u>	<u> </u>
Balance at end	<u> -</u>	<u> -</u>

This pertains to the one-off seed funding received from MOE to enhance its partnership efforts with parents and to try out new ideas to engage parents.

(w) School meals programme

	2018	2017
	\$	\$
Grants received during the financial year	23,813	7,258
Expenditures incurred during the financial year	(23,813)	(7,258)
Balance at end	-	-

This programme is implemented to provide \$2 for a meal per day for 180 school days for SPED FAS students aged from 6 to 11 years old as at 1 January, and an additional 2 meals per week at \$2 per meal for 40 weeks a year.

For SPED FAS students aged from 12 to 20 years old as at 1 January, \$2.50 per meal per day for 180 school days and an additional 2 meals per week at \$2.50 per meal for 40 weeks a year.

(x) SPED financial assistance scheme

	2018	2017
	\$	\$
Grants received during the financial year	35,464	38,811
Expenditures incurred during the financial year	(35,464)	(38,811)
Balance at end	-	-

This scheme was set up to provide needy students in SPED schools with waiver of school fees, free uniforms and textbooks.

(y) Student achievement award

	2018	2017
	\$	\$
Grants received during the financial year	35,500	35,000
Expenditures incurred during the financial year	(35,500)	(35,000)
Balance at end	-	-

The achievement award for SPED students was set up in 2010 by MOE to recognise and encourage students for their achievements and progress, with good conduct and who meet the school-based criteria for the award.

11. STAFF COSTS

	2018	2017
	\$	\$
Salaries and bonuses	7,559,813	6,892,616
Employer's contributions to Central Provident Fund	1,136,586	915,366
Staff welfare	165,656	178,162
	8,862,055	7,986,144

Staff welfare expenses include expenses that consist of medical insurance, transport reimbursement, staff training and other staff welfare related expenses.

The staff costs were allocated as follows:

	2018 \$	2017 \$
Cost of charitable activities		
Accumulated general fund	7,513,444	6,738,706
Curriculum enhancement fund	42,086	56,252
High needs grant	27,792	36,730
Contract teaching	123,379	49,007
MOE secondment fund	428,506	403,439
	<u>8,135,207</u>	<u>7,284,134</u>
Governance and administrative costs	726,848	702,010
	<u>8,862,055</u>	<u>7,986,144</u>

The breakdown on the headcount of key management personnel of the School into remuneration band is as follows:

	2018 \$	2017 \$
\$100,000 and above	<u>2</u>	<u>2</u>

12. PROFESSIONAL FEES

	2018 \$	2017 \$
Audit fees	12,500	11,500
Other fees paid to auditors	2,500	1,200
Other professional fees	8,646	3,900
	<u>23,646</u>	<u>16,600</u>

13. INCOME TAX

The School is one of the welfare centres being provided by Metta Welfare Association which is a registered charity under the Charities Act 1982. The school is exempted from tax on income and gain falling within Section 13(1)(zm) of the Singapore Income Tax Act to the extent that these are applied to its charitable objects. There is no provision for income tax and deferred tax being made in the financial statements.

14. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed in Notes 5 and 7 to the financial statements, the following are the significant transactions between the School and related parties that took place at terms agreed between the parties during the financial year:

	2018	2017
	\$	\$
Income received by a related party	194,069	277,559
Income received on behalf of a related party	-	121,020
Expenses paid on behalf by related parties	39,037	25,175
Expenses paid to a related party	14,330	5,960
Purchases of goods and services from related parties	199,024	183,026

The rental expense of the School is fully funded by MOE. Funding remitted directly to Metta Welfare Association ("MWA") because the lease agreement was formalised between MWA and Singapore Land Authority. Hence, such expenses and the corresponding grants are not recognised in the School's statement of financial activities and instead in MWA's accounts.

The rental expense and income recognised by MWA amounts to \$784,434 (2017: \$784,434).

15. CAPITAL GRANTS

The School received capital grants for the procurement of its property, plant and equipments. These were recognised as income and are included in the accumulated general fund when the grant is received. The balance of the unutilised grant is as follows:

	2018	2017
	\$	\$
Balance at beginning	12,883,160	13,191,280
Amortised during the year	(308,120)	(308,120)
Balance at end	12,575,040	12,883,160

16. MANAGEMENT OF CONFLICT OF INTEREST

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