



# Audited Financial Statements

For The Year Ended 31 March 2013



Registration No. 1431  
Registered with Ministry of Education

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## Statement by Executive Management Committee

In the opinion of the Management Committee,

- a) the financial statements as set out on pages 121 to 143 are drawn up so as to give a true and fair view of the state of affairs of the School at 31 March 2013, and of the results of financial activities and cash flows of the School for the year then ended; and
- b) 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.

The Management Committee, comprising the following, authorised the issue of these financial statements on 27 August 2013.

Lai Meng Wah @ Shi Fa Zhao	Chairman
Ong Tai Yong @ Shi Pu En	School supervisor
See Phek Leong Melison	Secretary
Tan Ming Yong	Treasurer
Ee Tiang Hwee	Member
Lau Swee Eng	Member
Lim Yew Si	Member
Tan Yen Kee	Member
Poh Yong Meng, Stephen	Member
Yong Soo Cheng	Member
Christina Michael	Ministry of Education representative

For and on behalf of the Management Committee,



See Phek Leong Melison  
Secretary / Principal



Tan Ming Yong  
Honorary Treasurer

Singapore,  
27 August 2013

## Report on Financial Statement

We have audited the accompanying financial statements of **Metta School** (the "School") set out on pages 121 to 143, which comprise the statement of financial position as at 31 March 2013, the statement of financial activities, statement of cash flows, statement of monthly pupil enrolment eligible for funding and statement of monthly enrolment for international students for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management'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 Charities Accounting Standard, 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, that transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

### *Auditors' Responsibility*

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

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

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

### *Opinion*

In our opinion, the financial statements of the School are properly drawn up in accordance with the provisions of the Charities Accounting Standard so as to give a true and fair view of the state of affairs of the School as at 31 March 2013, and the results and cash flows of the School for the financial year ended on that date.

### *Report on other Legal and Regulatory Requirements*

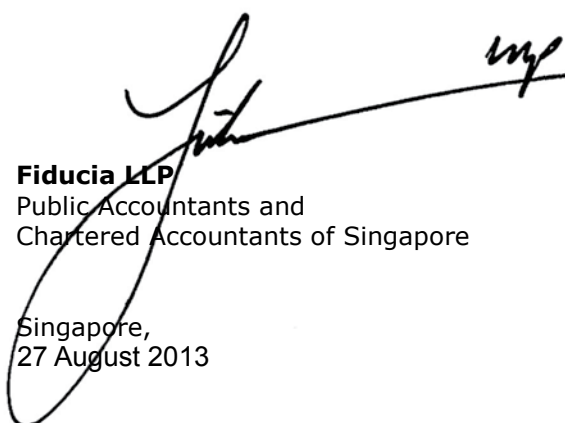
In our opinion, the accounting and other records properly kept in accordance to the Rules and Regulations issued by the Ministry of Education and National Council of Social Services, as well of any agreement with the Ministry of Education and National Council of Social Services.

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

- (i) the receipt, expenditure and investment 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 Ministry of Education and National Council of Social Services, as well as of any agreement signed with the Ministry of Education; nor that:

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

  
**Fiducia LLP**  
 Public Accountants and  
 Chartered Accountants of Singapore  
 Singapore,  
 27 August 2013

## Statement of Financial Position As At 31 March 2013

	Note	2013 S\$	2012 (As restated) S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	12,209,389	11,119,715
Other receivables	5	80,079	192,251
Inventories		10	79
		<u>12,289,478</u>	<u>11,312,045</u>
<b>Non-current assets</b>			
Property, plant and equipment	6	14,345,630	11,553,628
		<u>26,635,108</u>	<u>22,865,673</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accruals and other payables	7	<u>378,153</u>	<u>425,027</u>
		<u>378,153</u>	<u>425,027</u>
<b>NET ASSETS</b>			
		<u>26,256,955</u>	<u>22,440,646</u>
<b>FUNDS</b>			
<b>Unrestricted funds</b>			
Accumulated general fund	8	<u>20,873,936</u>	<u>17,487,748</u>
<b>Restricted funds</b>			
Curriculum enhancement fund	9	475	919
Discretionary financial assistance fund	9	18,775	0
Financial assistance fund	9	15	25,000
High needs fund	9	6,940	(1,229)
Opportunity fund	9	5,600	10,123
Parent support group fund	9	2,500	0
Project fund	9	1,498,997	1,431,733
School building fund – Extension	9	(68,014)	241,547
Sinking fund	9	2,321,835	1,940,425
Staff training vote fund	9	114,801	159,773
Student assistance fund	9	<u>1,481,095</u>	<u>1,144,607</u>
		<u>5,383,019</u>	<u>4,952,898</u>
		<u>26,256,955</u>	<u>22,440,646</u>

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



Statement of Financial Activities for the Financial Year Ended 31 March 2013

	Unrestricted funds	Restricted funds											Total S\$
	Accumulated general fund S\$	Curriculum enhancement fund S\$	Discretionary financial assistance fund S\$	Financial assistance fund S\$	High needs fund S\$	Opportunity fund S\$	Parent support group fund S\$	Project fund S\$	School building fund - Extension S\$	Sinking fund S\$	Staff training vote fund S\$	Student assistance fund S\$	
<b>2013</b>													
<b>INCOME</b>													
<b>Income from generated funds</b>													
Voluntary income													
- Donations - Community Chest	35,000	0	0	0	0	0	0	0	0	0	0	0	35,000
- Donations - Designated	178,586	0	0	0	0	0	0	0	0	0	0	0	178,586
- Donations - Unsolicited	653	0	0	0	0	0	0	0	0	0	0	0	653
Investment income													
- Interest - Fixed deposit	63,808	0	0	0	0	0	0	0	0	0	0	0	63,808
- Interest received	124	0	0	0	0	0	0	0	0	0	0	0	124
<b>Income from charitable activities</b>													
Fees received - Foreign students	7,227	0	0	0	0	0	0	0	0	0	0	0	7,227
Fees received - Local students	101,400	0	0	0	0	0	0	0	0	0	0	0	101,400
Government grant	5,886,558	59,191	25,000	0	58,035	7,228	2,500	0	2,395,974	0	0	0	8,434,486
MOE - Proto-typing vocational preparation	185,557	0	0	0	0	0	0	0	0	0	0	0	185,557
MOE - Secondment fund	60,736	0	0	0	0	0	0	0	0	0	0	0	60,736
NCSS grant	1,336,701	0	0	0	0	0	0	0	0	0	0	0	1,336,701
Singapore Totalisator Board grant	400,859	0	0	0	0	0	0	0	0	0	0	0	400,859
<b>Other income</b>													
Government grant - Special employment credit	30,810	0	0	0	0	0	0	0	0	0	0	0	30,810
<b>Total income</b>	<b>8,288,019</b>	<b>59,191</b>	<b>25,000</b>	<b>0</b>	<b>58,035</b>	<b>7,228</b>	<b>2,500</b>	<b>0</b>	<b>2,395,974</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,835,947</b>
<b>EXPENDITURE</b>													
<b>Cost of generating funds</b>													
Designated expenditure	159,362	0	0	0	0	0	0	0	0	0	0	0	159,362
<b>Cost of charitable activities</b>													
Depreciation	459,772	0	0	0	0	0	0	0	0	0	0	0	459,772
Proto-typing of vocational preparation	112,504	0	0	0	0	0	0	0	0	0	0	0	112,504
Pupil welfare	185,416	0	6,225	24,985	0	0	0	0	0	0	44,922	0	261,548
Professional fees and other services	74,657	59,635	0	0	0	0	0	0	0	0	0	0	134,292
Pre-vocational program	102,067	0	0	0	0	0	0	0	0	0	0	0	102,067
Supplies and materials	137,677	0	0	0	0	0	0	0	0	0	0	0	137,677
School functions	146,878	0	0	0	0	0	0	0	0	0	0	0	146,878
Salaries and allowances - School staff	4,767,289	0	0	0	49,866	11,751	0	0	0	0	0	0	4,828,906
Salaries and allowances - MOE	171,555	0	0	0	0	0	0	0	0	0	0	0	171,555
Staff welfare	91,205	0	0	0	0	0	0	0	0	44,972	0	0	136,177
Utilities	169,567	0	0	0	0	0	0	0	0	0	0	0	169,567

Statement of Financial Activities for the Financial Year Ended 31 March 2013 (Cont'd)

	Unrestricted funds	Restricted funds											Total S\$
	Accumulated general fund S\$	Curriculum enhancement fund S\$	Discretionary financial assistance fund S\$	Financial assistance fund S\$	High needs fund S\$	Opportunity fund S\$	Parent support group fund S\$	Project fund S\$	School building fund - Extension S\$	Sinking fund S\$	Staff training vote fund S\$	Student assistance fund S\$	
<b>2013 (Cont'd)</b>													
<b>EXPENDITURE (Cont'd)</b>													
<b>Governance and other administrative costs</b>													
Communications	6,044	0	0	0	0	0	0	0	0	0	0	0	6,044
Fixed asset written off	11	0	0	0	0	0	0	0	0	0	0	0	11
Purchase of equipment and furniture	14,815	0	0	0	0	0	0	12,159	0	0	0	0	26,974
Insurance	1,524	0	0	0	0	0	0	0	0	0	0	0	1,524
Licence fees	145	0	0	0	0	0	0	0	0	0	0	0	145
Maintenance	112,561	0	0	0	0	0	0	0	0	0	0	0	112,561
Manpower services	22,221	0	0	0	0	0	0	0	0	0	0	0	22,221
Recruitment	2,832	0	0	0	0	0	0	0	0	0	0	0	2,832
Rental of equipment	8,706	0	0	0	0	0	0	0	0	0	0	0	8,706
Security guards	13,958	0	0	0	0	0	0	0	0	0	0	0	13,958
Transport claims	1,613	0	0	0	0	0	0	0	0	0	0	0	1,613
<b>Total expenditure</b>	<b>6,762,379</b>	<b>59,635</b>	<b>6,225</b>	<b>24,985</b>	<b>49,866</b>	<b>11,751</b>	<b>0</b>	<b>12,159</b>	<b>0</b>	<b>0</b>	<b>44,972</b>	<b>44,922</b>	<b>7,016,894</b>
<b>NET INCOME</b>	<b>1,525,640</b>	<b>(444)</b>	<b>18,775</b>	<b>(24,985)</b>	<b>8,169</b>	<b>(4,523)</b>	<b>2,500</b>	<b>(12,159)</b>	<b>2,395,974</b>	<b>0</b>	<b>(44,972)</b>	<b>(44,922)</b>	<b>3,819,053</b>
<b>ADJUSTMENT TO OVER / (UNDER) GRANT FUNDING</b>	<b>(2,744)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,744)</b>
<b>GROSS TRANSFERS BETWEEN FUNDS</b>													
Appropriation of net income	(1,144,230)	0	0	0	0	0	0	381,410	0	381,410	0	381,410	0
Transfer to / (from) of funds	3,007,522	0	0	0	0	0	0	(301,987)	(2,705,535)	0	0	0	0
<b>NET MOVEMENT IN FUNDS</b>	<b>3,386,188</b>	<b>(444)</b>	<b>18,775</b>	<b>(24,985)</b>	<b>8,169</b>	<b>(4,523)</b>	<b>2,500</b>	<b>67,264</b>	<b>(309,561)</b>	<b>381,410</b>	<b>(44,972)</b>	<b>336,488</b>	<b>3,816,309</b>
<b>TOTAL FUNDS BROUGHT FORWARD (As previously reported)</b>	<b>6,082,864</b>	<b>919</b>	<b>0</b>	<b>25,000</b>	<b>(1,229)</b>	<b>10,123</b>	<b>0</b>	<b>1,431,733</b>	<b>241,547</b>	<b>1,940,425</b>	<b>159,773</b>	<b>1,144,607</b>	<b>11,035,762</b>
Effects of CAS adoption	11,404,884	0	0	0	0	0	0	0	0	0	0	0	11,404,884
<b>TOTAL FUNDS BROUGHT FORWARD (As restated)</b>	<b>17,487,748</b>	<b>919</b>	<b>0</b>	<b>25,000</b>	<b>(1,229)</b>	<b>10,123</b>	<b>0</b>	<b>1,431,733</b>	<b>241,547</b>	<b>1,940,425</b>	<b>159,773</b>	<b>1,144,607</b>	<b>22,440,646</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>20,873,936</b>	<b>475</b>	<b>18,775</b>	<b>15</b>	<b>6,940</b>	<b>5,600</b>	<b>2,500</b>	<b>1,498,997</b>	<b>(68,014)</b>	<b>2,321,835</b>	<b>114,801</b>	<b>1,481,095</b>	<b>26,256,955</b>

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONT'D)**

	Unrestricted funds	Restricted funds											Total S\$
	Accumulated general fund S\$	Curriculum enhancement fund S\$	Discretionary financial assistance fund S\$	Financial assistance fund S\$	High needs fund S\$	Opportunity fund S\$	Parent support group fund S\$	Project fund S\$	School building fund - Extension S\$	Sinking fund S\$	Staff training vote fund S\$	Student assistance fund S\$	
<b>2012 (As restated)</b>													
<b>INCOME</b>													
<b>Income from generated funds</b>													
Voluntary income													
- Donations - Community Chest	0	0	0	0	0	0	0	0	0	0	0	0	0
- Donations - Designated	28,356	0	0	0	0	0	0	0	0	0	0	0	28,356
- Donations - Unsolicited	120	0	0	0	0	0	0	0	0	0	0	0	120
Investment income													
- Interest - Fixed deposit	54,968	0	0	0	0	0	0	0	0	0	0	0	54,968
- Interest received	166	0	0	0	0	0	0	0	0	0	0	0	166
<b>Income from charitable activities</b>													
Fees received - Foreign students	0	0	0	0	0	0	0	0	0	0	0	0	0
Fees received - Local students	96,420	0	0	0	0	0	0	0	0	0	0	0	96,420
Government grant	5,435,541	80,000	0	25,000	39,835	3,136	0	4,332,219	0	100,650	0	0	10,016,381
MOE - Proto-typing vocational preparation	170,850	0	0	0	0	0	0	0	0	0	0	0	170,850
MOE - Secondment fund	12,993	0	0	0	0	0	0	0	0	0	0	0	12,993
NCSS grant	1,137,884	0	0	0	0	0	0	0	0	0	0	0	1,137,884
Singapore Totalisator Board grant	334,987	0	0	0	0	0	0	0	0	0	0	0	334,987
<b>Other income</b>													
Government grant - Special employment credit	922	0	0	0	0	0	0	0	0	0	0	0	922
<b>Total income</b>	<b>7,273,207</b>	<b>80,000</b>	<b>0</b>	<b>25,000</b>	<b>39,835</b>	<b>3,136</b>	<b>0</b>	<b>4,332,219</b>	<b>0</b>	<b>100,650</b>	<b>0</b>	<b>0</b>	<b>11,854,047</b>
<b>EXPENDITURE</b>													
<b>Cost of generating funds</b>													
Designated expenditure	8,356	0	0	0	0	0	0	0	0	0	0	0	8,356
<b>Cost of charitable activities</b>													
Depreciation	318,755	0	0	0	0	0	0	0	0	0	0	0	318,755
Proto-typing of vocational preparation	100,726	0	0	0	0	0	0	0	0	0	0	0	100,726
Pupil welfare	238,256	0	0	0	0	0	0	0	0	0	59,906	0	298,162
Professional fees and other services	114,627	99,890	0	0	0	0	0	0	0	0	0	0	214,517
Pre-vocational program	120,724	0	0	0	0	0	0	0	0	0	0	0	120,724
Supplies and materials	148,810	0	0	0	0	0	0	0	0	0	0	0	148,810
School functions	121,382	0	0	0	0	0	0	0	0	0	0	0	121,382
Salaries and allowances - School staff	4,689,271	0	0	0	41,064	9,016	0	0	0	0	0	0	4,739,351
Salaries and allowances - MOE	34,102	0	0	0	0	0	0	0	0	0	0	0	34,102
Staff welfare	88,558	0	0	0	0	0	0	0	0	113,388	0	0	201,946
Utilities	126,677	0	0	0	0	0	0	0	0	0	0	0	126,677

**Statement of Financial Activities for the Financial Year Ended 31 March 2013 (Cont'd)**

	Unrestricted funds	Restricted funds											Total S\$	
	Accumulated general fund S\$	Curriculum enhancement fund S\$	Discretionary financial assistance fund S\$	Financial assistance fund S\$	High needs fund S\$	Opportunity fund S\$	Parent support group fund S\$	Project fund S\$	School building fund - Extension S\$	Sinking fund S\$	Staff training vote fund S\$	Student assistance fund S\$		
<b>2012 (Cont'd)</b>														
<b>EXPENDITURE (Cont'd)</b>														
<b>Governance and other administrative costs</b>														
Communications	4,869	0	0	0	0	0	0	0	0	0	0	0	4,869	
Fixed asset written off	3	0	0	0	0	0	0	0	0	0	0	0	3	
Purchase of equipment and furniture	11,052	0	0	0	0	0	0	0	0	0	0	0	11,052	
Insurance	1,573	0	0	0	0	0	0	0	0	0	0	0	1,573	
Licence fees	100	0	0	0	0	0	0	0	0	0	0	0	100	
Maintenance	89,479	0	0	0	0	0	0	0	0	0	0	0	89,479	
Manpower services	0	0	0	0	0	0	0	0	0	0	0	0	0	
Recruitment	1,892	0	0	0	0	0	0	0	0	0	0	0	1,892	
Rental of equipment	4,956	0	0	0	0	0	0	0	0	0	0	0	4,956	
Security guards	22,170	0	0	0	0	0	0	0	0	0	0	0	22,170	
Transport claims	2,940	0	0	0	0	0	0	0	0	0	0	0	2,940	
<b>Total expenditure</b>	<b>6,249,278</b>	<b>99,890</b>	<b>0</b>	<b>0</b>	<b>41,064</b>	<b>9,016</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>113,388</b>	<b>59,906</b>	<b>6,572,542</b>	
<b>NET INCOME</b>	<b>1,023,929</b>	<b>(19,890)</b>	<b>0</b>	<b>25,000</b>	<b>(1,229)</b>	<b>(5,880)</b>	<b>0</b>	<b>0</b>	<b>4,332,219</b>	<b>0</b>	<b>(12,738)</b>	<b>(59,906)</b>	<b>5,281,505</b>	
<b>ADJUSTMENT TO OVER / (UNDER) GRANT FUNDING</b>	<b>(66,690)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(66,690)</b>	
<b>GROSS TRANSFERS BETWEEN FUNDS</b>														
Appropriation of net income	(909,999)	0	0	0	0	0	303,333	0	303,333	0	0	303,333	0	
Transfer to / (from) of funds	4,199,729						(108,069)	(4,091,660)	0	0	0	0	0	
<b>NET MOVEMENT IN FUNDS</b>	<b>4,246,969</b>	<b>(19,890)</b>	<b>0</b>	<b>25,000</b>	<b>(1,229)</b>	<b>(5,880)</b>	<b>0</b>	<b>195,264</b>	<b>240,559</b>	<b>303,333</b>	<b>(12,738)</b>	<b>243,427</b>	<b>5,214,815</b>	
<b>TOTAL FUNDS BROUGHT FORWARD (As previously reported)</b>														
	5,846,220	20,809	0	0	0	0	16,003	0	1,236,469	988	1,637,092	172,511	901,180	9,831,272
Effects of CAS adoption	7,394,559	0	0	0	0	0	0	0	0	0	0	0	0	7,394,559
<b>TOTAL FUNDS BROUGHT FORWARD (As restated)</b>	<b>13,240,779</b>	<b>20,809</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,003</b>	<b>0</b>	<b>1,236,469</b>	<b>988</b>	<b>1,637,092</b>	<b>172,511</b>	<b>901,180</b>	<b>17,225,831</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>17,487,748</b>	<b>919</b>	<b>0</b>	<b>25,000</b>	<b>(1,229)</b>	<b>10,123</b>	<b>0</b>	<b>1,431,733</b>	<b>241,547</b>	<b>1,940,425</b>	<b>159,773</b>	<b>1,144,607</b>	<b>22,440,646</b>	

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

**STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2012**

		2013	2012
	Note	S\$	(As restated) S\$
<b>Cash flows from operating activities</b>			
Net income for the year		3,819,053	5,281,505
Adjustments for:			
- Depreciation	6	459,771	318,755
- Fixed asset written off		11	3
- Adjustment to prior year grant funding	8	(2,744)	(66,690)
- Interest income		(63,932)	(55,134)
Operating cash flows before working capital changes		4,212,159	5,478,439
Changes in operating assets and liabilities			
- Inventories		69	60
- Trade and other receivables		112,172	(142,547)
- Trade and other payables		(46,874)	133,308
<b>Net cash generated from operating activities</b>		<b>4,277,526</b>	<b>5,469,260</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment	6	(3,251,784)	(4,334,671)
Interest received		63,932	55,134
<b>Net cash used in investing activities</b>		<b>(3,187,852)</b>	<b>(4,279,537)</b>
<b>Net increase in cash and cash equivalents</b>		<b>1,089,674</b>	<b>1,189,723</b>
Cash and cash equivalents at beginning of financial year		11,119,715	9,929,992
<b>Cash and cash equivalents at end of financial year</b>	4	<b>12,209,389</b>	<b>11,119,715</b>
<b>Cash and cash equivalents comprise:</b>			
Cash and bank balances		3,458,713	2,437,750
Fixed deposits	4	8,750,676	8,681,965
		<b>12,209,389</b>	<b>11,119,715</b>

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

**Statement of Monthly Pupil Enrolment Eligible For Funding for the Financial Year Ended 31 March 2013**

	Number of pupils by disability group *				Number of students under vocational tracks		Total number of pupils (c=a+b)
	(a)				(b)		
Average for the period	MID(J)+MID(S)+ASD	MID(J)	MID(S)	ASD	VOC	VOC-ASD	
Apr - Jun 2012	332	208	21	103	88	12	432
Jul - Sep 2012	337	211	20	106	87	12	436
Oct - Dec 2012	336	210	20	106	86	12	434
Jan - Mar 2013	308	175	28	105	100	11	419

\* Separate columns to be provided for each disability, which are:

MID(J) - Mild intellectual disability - Junior students

MID(S) - Mild intellectual disability - Senior students

ASD - Autism Spectrum Disorder

VOC - Vocational students

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

## Statement of Monthly Pupil Enrolment For International Students for the Financial Year Ended 31 March 2013

Average for the period	Number of international pupils *	Number of international pupils **	Total number of pupils (c=a+b)
Apr - Jun 2012	0	0	0
Jul - Sep 2012	0	0	0
Oct - Dec 2012	0	0	0
Jan - Mar 2013	1	0	1

\* International students who are children of employment pass holders, skilled workers and diplomatic staff.

\*\* International students who are not children of employment pass holders, skilled workers and diplomatic staff.

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

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

## Notes to the Financial Statements for the Financial Year Ended 31 March 2013

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

### 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 business of the School is located at 30, Simei Street 1, Singapore 529949.

It is one of the welfare centres being provided by Metta Welfare Association, which is a registered exempt charity in Singapore.

The objective of the School is to provide special education to mildly intellectually disabled and/or mildly autistic children between ages seven (7) and eighteen (18) who are functioning between IQ range of fifty (50) and seventy (70). Students who can benefit from vocational programmes can continue to school up to twenty one (21) years old.

As at 31 March 2013, the School has 113 (2012: 106) employees.

### 2. Significant accounting policies

#### 2.1 Basis of preparation

The financial statements have been prepared in accordance with Charities Accounting Standard ("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 School'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 School's accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the financial year. Although these estimates are based on Management Committee's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

These financial statements are the School's first financial statements prepared in accordance with CAS. The financial statements for previous periods had been prepared in accordance with Singapore Financial Reporting Standards (FRS).

The CAS was issued by Accounting Standards Council (ASC) to set out the basis for preparing and presenting financial statements for the charity sector. It is applicable to financial periods beginning on or after 1 July 2011. The definitions and accounting treatments presented in the CAS are developed based on the requirements of FRS taking into account the context and circumstances relevant to the charity sector.

The School has adopted CAS on 1 April 2012. The effects on the adoption of CAS are disclosed in Note 17.

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

### 2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the services rendered in the ordinary course of the School's activities. Revenue is recognised as follows:

2.2.1 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.

2.2.2 Government grants 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 all the attached conditions. Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenditures are shown separately as other income.

2.2.3 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 a liability until the financial period in which the School is allowed by the condition to expend the income.

Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2.2.4 Interest income is recognised on a time-proportion basis using the effective interest method.

2.2.5 Other income is recognised when received.

### 2.3 Property, plant and equipment

#### 2.3.1 Measurement

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation.

The cost of an item of property, plant and equipment includes its purchase price and any costs that are 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.

#### 2.3.2 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
Furniture and fittings	5 years
Office equipment	5 years
Computers	3 years
Physio equipment	5 years
Arts and music	5 years
School building	50 years
Other equipment	3 years
Renovations	2 years

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

### 2.3 Property, plant and equipment (Cont'd)

#### 2.3.2 Depreciation (Cont'd)

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision of the residual values and useful lives are included in the statement of financial activities for the financial year in which the changes arise.

#### 2.3.3 Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the School and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expenses in the statement of financial activities during the financial year in which it is incurred.

#### 2.3.4 Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposals proceeds and its carrying amount is taken to the statement of financial activities.

### 2.4 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and applicable variable selling expenses.

### 2.5 Financial assets

#### 2.5.1 Recognition and measurement

Trade and other receivables, excluding prepayments, are initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs shall be 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.

Trade and other receivables are subsequently measured at cost less accumulated impairment losses.

#### 2.5.2 Derecognition

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



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

### **2.5 Financial assets (Cont'd)**

#### **2.5.3 Impairment**

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

An allowance for impairment of trade and other receivables is recognised when there is objective evidence that the School will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments is considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the undiscounted future cash flows that the School expects to receive. The amount of the allowance for impairment is recognised in the statement of financial activities within "Governance and administrative costs".

Subsequently, if the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the School shall reverse the previously recognised impairment loss. The reversal shall not result in any carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of reversal is recognised in the statement of financial activities.

### **2.6 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits and, short-term and highly liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

### **2.7 Financial liabilities**

Financial liabilities are recognised when the School becomes a party to the contractual agreements of the instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of financial activities. Financial liabilities include accruals and other payables.

Financial liabilities is derecognised when the obligations under the liability is discharged or cancelled or expires. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of financial activities.

### **2.8 Trade and other payables**

Trade and other payables, excluding accruals, are recognised at their transaction price, excluding transaction costs, if any, both at initial recognition and at subsequent measurement. Transaction costs shall be recognised as expenditure in the statement of financial activities as incurred. Accruals are recognised at the best estimate of the amount payable.

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

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

Provisions for other liabilities and charges are recognised when the School 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.

### **2.10 Funds**

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the Management Committee. Externally restricted funds may only be utilised in accordance with the purposes for which they are established. The Management Committee retains full control over the use of unrestricted funds for any of the School's purposes.

### **2.11 Employee compensation**

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

Employee entitlements to annual leave other than teaching staff are recognised when they accrue to employees. Unused annual leave are not allowed to be carried forward to the following calendar year.

### **2.12 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.

### **2.13 Currency translation**

Transactions denominated in a currency other than Singapore Dollar ("foreign currency") are translated into Singapore Dollar using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at the closing rate at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial activities.

### **2.14 Related parties**

Related parties are entities with one or more common management committee members. Parties are considered to be related if one party has the ability to control the other party or exercise influence over the party in making financial and operating decisions.

### 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 judgments in applying the entity's accounting policies

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting 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 School 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 School 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 client. If there are indications that the financial position of a client has deteriorated resulting in an adverse assessment of his risk profile, an appropriate amount of allowance will be provided.

### 4. Cash and cash equivalents

	2013 S\$	2012 S\$
Cash on hand	1,000	1,000
Cash at bank	3,457,713	2,436,750
Fixed deposits	8,750,676	8,681,965
	<u>12,209,389</u>	<u>11,119,715</u>

Fixed deposits have maturity terms from 6 months to 12 months (2012: 6 months to 12 months) and have interest rates ranging from 0.47% to 0.85% (2012: 0.35% to 0.85%) per annum.

### 5. Other receivables

	2013 S\$	2012 S\$
Grant receivables	48,470	26,551
Deposits	0	126,853
Prepayments	797	1,069
Accrued interests	29,205	34,108
Other receivables	1,607	3,670
	<u>80,079</u>	<u>192,251</u>

### 6. Property, plant and equipment

	Balance at beginning of financial year S\$	Additions S\$	(Disposals) S\$	Balance at end of financial year S\$
<b>2013</b>				
<b>Cost</b>				
Furniture and fittings	165,824	24,855	(598)	190,081
Office equipment	230,722	111,291	(998)	341,015
Computers	237,513	150,255	(7,813)	379,955
Physio equipment	660	0	0	660
Arts and music	92,764	0	0	92,764
School building	8,126,991	0	0	8,126,991
Building in progress	4,401,515	2,569,696	0	6,971,211
Other equipment	228,839	361,576	0	590,415
Renovations	142,295	34,111	0	176,406
	<u>13,627,123</u>	<u>3,251,784</u>	<u>(9,409)</u>	<u>16,869,498</u>

	Balance at beginning of financial year S\$	Depreciation charge S\$	(Written back/ off) S\$	Balance at end of financial year S\$
<b>Accumulated depreciation</b>				
Furniture and fittings	143,784	13,459	(597)	156,646
Office equipment	174,155	42,732	(997)	215,890
Computers	225,578	57,522	(7,804)	275,296
Physio equipment	659	0	0	659
Arts and music	90,320	1,232	0	91,552
School building	1,121,283	162,540	0	1,283,823
Building in progress	0	0	0	0
Other equipment	208,205	132,453	0	340,658
Renovations	109,511	49,833	0	159,344
	<u>2,073,495</u>	<u>459,771</u>	<u>(9,398)</u>	<u>2,523,868</u>

	Balance at beginning of financial year S\$	Depreciation charge S\$	(Written back/ off) S\$	Balance at end of financial year S\$
<b>Net book value</b>				
Furniture and fittings	22,040			33,435
Office equipment	56,567			125,125
Computers	11,935			104,659
Physio equipment	1			1
Arts and music	2,444			1,212
School building	7,005,708			6,843,168
Building in progress	4,401,515			6,971,211
Other equipment	20,634			249,757
Renovations	32,784			17,062
	<u>11,553,628</u>			<u>14,345,630</u>

## 6. Property, plant and equipment (Cont'd)

	Balance at beginning of financial year S\$	Additions S\$	(Disposals) S\$	Balance at end of financial year S\$
<b>2012</b>				
<b>Cost</b>				
Furniture and fittings	158,188	8,180	(544)	165,824
Office equipment	228,714	2,578	(570)	230,722
Computers	227,591	12,908	(2,986)	237,513
Physio equipment	660	0	0	660
Arts and music	92,956	0	(192)	92,764
School building	8,126,991	0	0	8,126,991
Building in progress	182,073	4,219,442	0	4,401,515
Other equipment	202,831	26,008	0	228,839
Renovations	76,740	65,555	0	142,295
	<u>9,296,744</u>	<u>4,334,671</u>	<u>(4,292)</u>	<u>13,627,123</u>
	Balance at beginning of financial year S\$	Depreciation charge S\$	(Written back/ off) S\$	Balance at end of financial year S\$
<b>2012 (Cont'd)</b>				
<b>Accumulated depreciation</b>				
Furniture and fittings	133,580	10,747	(543)	143,784
Office equipment	141,200	33,524	(569)	174,155
Computers	173,460	55,103	(2,985)	225,578
Physio equipment	659	0	0	659
Arts and music	89,279	1,233	(192)	90,320
School building	958,743	162,540	0	1,121,283
Building in progress	0	0	0	0
Other equipment	196,272	11,933	0	208,205
Renovations	65,836	43,675	0	109,511
	<u>1,759,029</u>	<u>318,755</u>	<u>(4,289)</u>	<u>2,073,495</u>
	Balance at beginning of financial year S\$			Balance at end of financial year S\$
<b>Net book value</b>				
Furniture and fittings	24,608			22,040
Office equipment	87,514			56,567
Computers	54,131			11,935
Physio equipment	1			1
Arts and music	3,677			2,444
School building	7,168,248			7,005,708
Building in progress	182,073			4,401,515
Other equipment	6,559			20,634
Renovations	10,904			32,784
	<u>7,537,715</u>			<u>11,553,628</u>

## 7. Accruals and other payables

	2013 S\$	2012 S\$
Accrued operating expenses		
- Outside parties	246,829	263,825
- Related parties	428	56,413
	<u>247,257</u>	<u>320,238</u>
Deferred grants received	114,518	101,511
Other payables	16,378	3,278
	<u>378,153</u>	<u>425,027</u>

Amounts due to related parties are unsecured, interest-free, payable on demand and will be settled with cash.

## 8. Accumulated general fund

Adjustments to grant funding charged to accumulated general fund is comprised of:

	2013 S\$	2012 S\$
NCSS grant under funding FY 2011 / 2012	14,117	0
NCSS grant (over) funding FY 2010 / 2011	0	(28,180)
TOTE Board (over) funding FY 2011 / 2012	(16,861)	0
TOTE Board (over) funding FY 2010 / 2011	0	(38,510)
	<u>(2,744)</u>	<u>(66,690)</u>

## 9. Restricted funds

### 9.1 Curriculum enhancement fund

	2013 S\$	2012 S\$
Balance at the beginning of the year	919	20,809
Grants received during the year	59,191	80,000
	<u>60,110</u>	<u>100,809</u>
Expenditure during the year	(59,635)	(99,890)
Balance at the end of the year	<u>475</u>	<u>919</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.

## 9. Restricted funds (Cont'd)

### 9.2 Discretionary financial assistance fund

	2013 S\$	2012 S\$
Balance at the beginning of the year	0	0
Grants received during the year	<u>25,000</u>	<u>0</u>
	25,000	0
Expenditures during the year	<u>(6,225)</u>	<u>0</u>
Balance at the end of the year	<u>18,775</u>	<u>0</u>

This pertains to the once-off top-up fund received from MOE during the year that is ring-fenced to discretionary financial assistance purposes to help students.

### 9.3 Financial assistance fund

	2013 S\$	2012 S\$
Balance at the beginning of the year	25,000	0
Grants received during the year	<u>0</u>	<u>25,000</u>
	25,000	25,000
Expenditures during the year	<u>(24,985)</u>	<u>0</u>
Balance at the end of the year	<u>15</u>	<u>25,000</u>

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

### 9.4 High needs fund

	2013 S\$	2012 S\$
Balance at the beginning of the year	(1,229)	0
Grants received during the year	<u>58,035</u>	<u>39,835</u>
	56,806	39,835
Expenditures during the year	<u>(49,866)</u>	<u>(41,064)</u>
Balance at the end of the year	<u>6,940</u>	<u>(1,229)</u>

In financial year 2012, a new 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 students with highly challenging behaviours.

### 9.5 Opportunity fund

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

### 9.6 Parent support group fund

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

## 9. Restricted funds (Cont'd)

### 9.7 Project fund

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

### 9.8 School building fund - Extension

	2013 S\$	2012 S\$
Balance at the beginning of the year	241,547	988
Grants received during the year	<u>2,395,974</u>	<u>4,332,219</u>
	2,637,521	4,333,207
Transferred to accumulated general fund	<u>(2,705,535)</u>	<u>(4,091,660)</u>
Balance at the end of the year	<u>(68,014)</u>	<u>241,547</u>

The construction for the School's extension building has started in 2012 and was officially opened in 26 April 2013. 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% of the total project cost thru its project fund.

### 9.9 Sinking fund

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

### 9.10 Staff training vote fund

	2013 S\$	2012 S\$
Balance at the beginning of the year	159,773	172,511
Grants received during the year	<u>0</u>	<u>100,650</u>
	159,773	273,161
Expenditures during the year	<u>(44,972)</u>	<u>(113,388)</u>
Balance at the end of the year	<u>114,801</u>	<u>159,773</u>

In financial year 2006, MOE solely funded this fund. A sum of S\$1,100 is allocated for each staff to receive appropriate trainings in order to improve the quality of their services.

### 9.11 Student assistance fund

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



## 10. Singapore Totalisator Board's funding

The Singapore Totalisator Board funds students doing Pre-Vocational / Mainstream Secondary Curriculum. The balance of such funding is as follows:

	2013 S\$	2012 S\$
<b>Income</b>		
Donations	173	24
School fees	23,820	20,140
	<u>23,993</u>	<u>20,164</u>
<b>Expenditure</b>		
Communications	345	253
Designated expenditures	10,725	1,131
Depreciation	29,163	18,588
Fixed asset written off	1	0
Purchase of equipment and furniture	870	483
Insurance	85	92
Licence fees	8	5
Maintenance	6,657	4,674
Management fees	0	4,352
Pupil welfare	8,892	9,157
Professional fees and other services	4,147	1,750
Pre-vocational program	24,496	30,181
Recruitment	156	94
Rental of equipment	500	255
Supplies and materials	8,583	8,362
School functions	8,663	7,647
Security guards	2,258	1,155
Salaries and allowances	246,049	239,579
Staff welfare	4,458	3,644
Transport claims	131	257
Utilities	9,698	6,631
	<u>365,885</u>	<u>338,290</u>
<b>Net expenditure for the year</b>	<u>(341,892)</u>	<u>(318,126)</u>
Grants received during the year	400,859	334,987
Grant receivable - 2% retention	0	0
	<u>400,859</u>	<u>334,987</u>
Net surplus for the year after grants received	58,967	16,861
Accumulated fund at the beginning of the year	16,861	32,926
Adjustments made during the year	(16,861)	(32,926)
<b>Accumulated fund at the end of the year</b>	<u>58,967</u>	<u>16,861</u>

## 11. Designated donation

Donations-in-kind received during the year are as follows:

	2013 S\$	2012 S\$
Baking, housekeeping and food preparation programme	91,606	3,356
Occupational therapy equipment	3,865	0
Financial assistance to the needy (Food)	10,000	0
School building extension	34,995	0
School meals and grocery	38,120	5,000
	<u>178,586</u>	<u>8,356</u>

## 12. 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 and is exempted from tax.

## 13. Capital commitments

Capital expenditures contracted for at the reporting date but not recognised in the financial statements were as follows:

	2013 S\$	2012 S\$
Property, plant and equipment - Building in progress	<u>0</u>	<u>2,558,245</u>

## 14. Related party transactions

The following related party transactions took place between the School and its related parties during the financial year on terms agreed by the parties concerned:

	2013 S\$	2012 S\$
School meals	139,999	143,004
Management fees	43,200	83,250
Reimbursement of expenses paid:		
- By the School for related parties	1,685	974
- By the related parties for the School	<u>6,837</u>	<u>6,825</u>

Balances with the related parties as at the reporting date are set out in Note 8.

#### 14. Related party transactions (Cont'd)

##### Rental of land

The rental expense of the School is fully funded by MOE. The School has given consent that the funding will be remitted directly to Metta Welfare Association. Hence, such expenses and the corresponding grants are not recognised in the School's statement of financial activities and instead in Metta Welfare Association's accounts.

The rental expense and income recognised by Metta Welfare Association amounts to S\$569,239 (2012: S\$449,604).

#### 15. Management of conflict of interest

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 affected Management Committee 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.

#### 16. Management of reserves

The School regards its accumulated general fund as its reserves.

The School's reserve policy requires it to maintain sufficient reserve to ensure long-term financial sustainability and continuity for the purpose of operating effective programs.

#### 17. Comparative figures

Certain line items have been adjusted on the face of the statement of financial position, statement of financial activities, statement of cash flows and the related notes to the financial statements to reflect the change in accounting policy resulting from adoption of CAS, as shown below:

2012	As previously reported S\$	Adjustments S\$	As restated S\$
<b>Statement of financial position</b>			
Liabilities			
- Deferred capital grants	10,307	(10,307)	0
Funds			
- Accumulated general fund	6,082,864	11,404,884	17,487,748
- School building fund	11,394,577	(11,394,577)	0
	<u>17,487,748</u>	<u>0</u>	<u>17,487,748</u>

#### 17. Comparative figures

2012 (Cont'd)	As previously reported S\$	Adjustments S\$	As restated S\$
<b>Statement of financial activities</b>			
Income			
- Amortisation of deferred capital grant	229,117	(229,117)	0
- Designated donation	120	20,000	20,120
- Government grant	5,415,828	4,600,553	10,016,381
Expenditure			
- Pupil welfare	(238,256)	(59,906)	(298,162)
- Professional fees and other services	(114,627)	(99,890)	(214,517)
- Salaries and allowances - School	(4,689,271)	(50,080)	(4,739,351)
- Staff welfare	(88,558)	(113,388)	(201,946)
	<u>514,353</u>	<u>4,068,172</u>	<u>4,582,525</u>
<b>Statement of financial activities</b>			
Operating activities			
- Net income	1,213,333	4,068,172	5,281,505
- Amortisation of capital grant	(229,117)	229,117	0
- Transfer of funds	909,999	(909,999)	0
Financing activities			
- Increase in deferred capital grants	20,000	(20,000)	0
- Decrease in curriculum enhanced fund	(19,890)	19,890	0
- Increase in in Financial assistance fund	25,000	(25,000)	0
- Decrease in High needs funds	(1,229)	1,229	0
- Decrease in opportunity fund	(5,880)	5,880	0
- Increase in project fund	195,264	(195,264)	0
- Increase in school building funds	4,219,442	(4,219,442)	0
- Increase in school building funds - extension	240,559	(240,559)	0
- Increase in sinking fund	303,333	(303,333)	0
- Decrease in staff training vote	(12,738)	12,738	0
- Increase in in student assistance fund	243,427	(243,427)	0
	<u>7,101,503</u>	<u>(1,819,998)</u>	<u>5,281,505</u>

Grants received for the purchase of depreciable assets were taken to deferred capital grant and school building fund accounts. The deferred grants were recognised in the statement of financial activities over the years necessary to match the depreciation of property, plant, and equipment to which the grants relate. With the adoption of CAS, the School recognised the grants in the statement of financial activities at the point when it has entitlement to the income and did not defer over the life of the asset.

The funds received during the previous financial years for the purchase of property, plant and equipment are taken to the general fund account and subsequently reduced over the useful lives of the assets in line with its depreciation.

#### 18. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Management Committee on 27 August 2013.