



METTA WELFARE ASSOCIATION AUDITED FINANCIAL STATEMENTS

For The Year Ended 31 March 2015

Unique Entity No. S94SS0081K
IPC No. IPC000269

Registered under the Registrar of Societies

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STATEMENT BY EXECUTIVE MANAGEMENT COMMITTEE

In the opinion of the Executive Management Committee,

- a) the financial statements as set out on pages 9.4 to 9.26 are drawn up so as to give a true and fair view of the state of affairs of the Association at 31 March 2015, and of the results of the financial activities and cash flows of the Association for the financial year then ended; and
- b) at the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

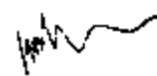
The Executive Management Committee, comprising the following, authorised the issue of these financial statements on 17 August 2015.

| | |
|------------------------------|-------------------------------|
| President | Lai Meng Wah @ Shi Fa Zhao |
| First Vice President | Lee Siew Hoong @ Shi Fa Cheng |
| Second Vice President | Tan Ming Yong |
| Honorary Secretary | Tan Yen Kee |
| Assistant Honorary Secretary | Khua Kian Kheng, Ivan |
| Honorary Treasurer | Woo Khai San, Victor |
| Assistant Honorary Treasurer | Lim Yew Si |
| Committee Member | Neo Siow Hong, Jason |
| Committee Member | Ngiam Kee Yuan |
| Committee Member | Poh Yong Meng, Stephen |
| Committee Member | Helen Tan |
| Committee Member | Tay Khin Sian, Anthony |
| Committee Member | Tan Wui Khiang |
| Committee Member | Yeong Wai Chee, Raymond |

On behalf of the Executive Management Committee,



Lai Meng Wah @ Shi Fa Zhao
President



Woo Khai San, Victor
Honorary Treasurer

Singapore,
17 August 2015

REPORT ON THE FINANCIAL STATEMENT

We have audited the accompanying financial statements of Metta Welfare Association (the "Association") set out on pages 9.4 to 9.26, which comprise the statement of financial position as at 31 March 2015, the statement of financial activities and the statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37) and 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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

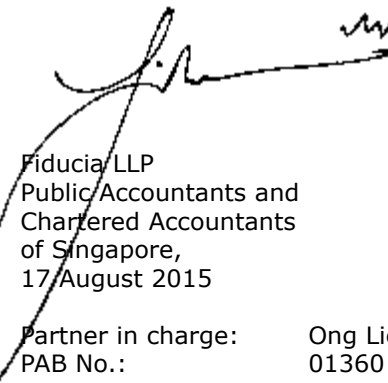
In our opinion, the financial statements of the Association are properly drawn up in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37) and Charities Accounting Standard so as to give a true and fair view of the state of affairs of the Association as at 31 March 2015, and the results and cash flows of the Association for the financial year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the regulations enacted under the Singapore Societies Act (Chapter 311) and Charities Act (Chapter 37) to be kept by the Association have been properly kept in accordance with those regulations.

During the course of our audit, nothing has come to our attention that the 30% cap mentioned in Regulation 15(1) of the Charities Act, Cap. 37 (Institutions of a Public Character) Regulations 2007 and as amended by Charities (Institutions of a Public Character) (Amendments) Regulations 2008 has been exceeded.

During the course of our audit, nothing has come to our attention that donation moneys are used for disbursements other than those in accordance with the objectives of the Association.



Fiducia LLP
Public Accountants and
Chartered Accountants
of Singapore,
17 August 2015

Partner in charge: Ong Lien Wan
PAB No.: 01360

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

| | Note | 2015 S\$ | 2014 S\$ |
|--------------------------------|------|-------------------|-------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 4 | 9,999,628 | 9,021,052 |
| Trade and other receivables | 5 | 1,031,804 | 1,042,553 |
| Inventories | | 6,196 | 7,902 |
| | | <u>11,037,628</u> | <u>10,071,507</u> |
| Non-current assets | | | |
| Investment in financial assets | 6 | 1,785,107 | 1,018,600 |
| Property, plant and equipment | 7 | 13,481,292 | 13,611,451 |
| | | <u>15,266,399</u> | <u>14,630,051</u> |
| Total assets | | <u>26,304,027</u> | <u>24,701,558</u> |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | 8 | 1,659,857 | 1,657,749 |
| Total liabilities | | <u>1,659,857</u> | <u>1,657,749</u> |
| NET ASSETS | | <u>24,644,170</u> | <u>23,043,809</u> |
| FUNDS | | | |
| Unrestricted funds | | | |
| General fund | 9 | 18,735,236 | 18,725,628 |
| Investment fund | 9 | 2,093,037 | 1,738,102 |
| Project account reserve | 9 | 1,517,134 | 1,517,134 |
| Sinking fund | 9 | 1,257,941 | 272,841 |
| Designated funds | 9 | 447,081 | 441,932 |
| | | <u>24,050,429</u> | <u>22,695,637</u> |
| Restricted funds | | | |
| Education trust fund | 9 | 340,690 | 348,172 |
| Programme fund | 9 | 253,051 | 0 |
| | | <u>593,741</u> | <u>348,172</u> |
| Total funds | | <u>24,644,170</u> | <u>23,043,809</u> |

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

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

| | Note | Unrestricted funds | | | | | | | | | | Restricted funds | | Total S\$ |
|---|------|---------------------|---------------------------|--------------------------------------|------------------------|----------------------------------|------------------------------------|----------------------------------|--------------------------|-------------------------|--|--------------------------------|--------------------------|-------------------|
| | | General fund S\$ | Investment fund S\$ | Project account reserve S\$ | Sinking fund S\$ | Alumni welfare fund S\$ | Children welfare fund S\$ | Client welfare fund S\$ | Equipment fund S\$ | Medicine fund S\$ | The Late Mrs. Teoh Siok Loo fund S\$ | Education trust fund S\$ | Programme fund S\$ | |
| 2015 | | | | | | | | | | | | | | |
| INCOME | | | | | | | | | | | | | | |
| Income from generated funds | | | | | | | | | | | | | | |
| - Voluntary income | 10 | 3,205,501 | 0 | 0 | 0 | 900 | 0 | 3,219 | 2,250 | 1,871 | 0 | 651 | 6,648,440 | 9,862,832 |
| - Activities for generating funds | 10 | 1,180,483 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,180,483 |
| - Investment income | 10 | 62,757 | 36,650 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 99,407 |
| Income from charitable activities | 10 | 2,961,244 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,961,244 |
| Other income | 10 | 8,539 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8,539 |
| Total income | | <u>7,418,524</u> | <u>36,650</u> | <u>0</u> | <u>0</u> | <u>900</u> | <u>0</u> | <u>3,219</u> | <u>2,250</u> | <u>1,871</u> | <u>0</u> | <u>651</u> | <u>6,648,440</u> | <u>14,112,505</u> |
| EXPENDITURE | | | | | | | | | | | | | | |
| Cost of generating funds | 11 | 465,386 | 1,788 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,091 | 8,133 | 0 | 478,398 |
| Cost of charitable activities | 11 | 4,357,235 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,379,248 | 10,736,483 |
| Governance and other administrative costs | 11 | 1,281,122 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 16,141 | 1,297,263 |
| Total expenditure | | <u>6,103,743</u> | <u>1,788</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>3,091</u> | <u>8,133</u> | <u>6,395,389</u> | <u>12,512,144</u> |
| NET INCOME / (EXPENDITURE) | | <u>1,314,781</u> | <u>34,862</u> | <u>0</u> | <u>0</u> | <u>900</u> | <u>0</u> | <u>3,219</u> | <u>2,250</u> | <u>1,871</u> | <u>(3,091)</u> | <u>(7,482)</u> | <u>253,051</u> | <u>1,600,361</u> |
| GROSS TRANSFERS BETWEEN FUNDS | | | | | | | | | | | | | | |
| Transfer to / (from) of funds | | (1,305,173) | 320,073 | 0 | 985,100 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| NET MOVEMENT IN FUNDS | | <u>9,608</u> | <u>354,935</u> | <u>0</u> | <u>985,100</u> | <u>900</u> | <u>0</u> | <u>3,219</u> | <u>2,250</u> | <u>1,871</u> | <u>(3,091)</u> | <u>(7,482)</u> | <u>253,051</u> | <u>1,600,361</u> |
| TOTAL FUNDS BROUGHT FORWARD | | <u>18,725,628</u> | <u>1,738,102</u> | <u>1,517,134</u> | <u>272,841</u> | <u>345,554</u> | <u>34,921</u> | <u>23,482</u> | <u>22,391</u> | <u>12,493</u> | <u>3,091</u> | <u>348,172</u> | <u>0</u> | <u>23,043,809</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u>18,735,236</u> | <u>2,093,037</u> | <u>1,517,134</u> | <u>1,257,941</u> | <u>346,454</u> | <u>34,921</u> | <u>26,701</u> | <u>24,641</u> | <u>14,364</u> | <u>0</u> | <u>340,690</u> | <u>253,051</u> | <u>24,644,170</u> |

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015 (CONT'D)

| 2014 | Note | Unrestricted funds | | | | | | | | | | | Restricted funds | | | |
|---|------|--------------------|---------------------|-----------------------------|------------------|-------------------------|---------------------------|-------------------------|--------------------|-----------------|-------------------|--------------------------|--------------------------------------|-------------------|--------------------------|-------------------|
| | | General fund S\$ | Investment fund S\$ | Project account reserve S\$ | Sinking fund S\$ | Alumni welfare fund S\$ | Children welfare fund S\$ | Client welfare fund S\$ | Equipment fund S\$ | HIV fund S\$ | Medicine fund S\$ | Student welfare fund S\$ | The Late Mrs. Teoh Siok Loo fund S\$ | Building fund S\$ | Education trust fund S\$ | Total S\$ |
| INCOME | | | | | | | | | | | | | | | | |
| Income from generated funds | | | | | | | | | | | | | | | | |
| - Voluntary income | 10 | 7,972,141 | 0 | 0 | 0 | 400 | 0 | 2,428 | 0 | 0 | 1,188 | 9,800 | 20,000 | 0 | 331 | 8,006,288 |
| - Activities for generating funds | 10 | 1,197,901 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,197,901 |
| - Investment income | 10 | 63,211 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 63,211 |
| Income from charitable activities | 10 | 3,368,738 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,368,738 |
| Other income | 10 | 53,443 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 53,443 |
| Total income | | 12,655,434 | 0 | 0 | 0 | 400 | 0 | 2,428 | 0 | 0 | 1,188 | 9,800 | 20,000 | 0 | 331 | 12,689,581 |
| EXPENDITURE | | | | | | | | | | | | | | | | |
| Cost of generating funds | 11 | 484,363 | 0 | 0 | 0 | 1,198 | 79 | 0 | 462 | 0 | 0 | 3,890 | 50,069 | 0 | 0 | 540,061 |
| Cost of charitable activities | 11 | 10,323,819 | 0 | 0 | 49,652 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10,373,471 |
| Governance and other administrative costs | 11 | 1,139,094 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,139,094 |
| Total expenditure | | 11,947,276 | 0 | 0 | 49,652 | 1,198 | 79 | 0 | 462 | 0 | 0 | 3,890 | 50,069 | 0 | 0 | 12,052,626 |
| NET INCOME / (EXPENDITURE) | | 708,158 | 0 | 0 | (49,652) | (798) | (79) | 2,428 | (462) | 0 | 1,188 | 5,910 | (30,069) | 0 | 331 | 636,955 |
| GROSS TRANSFERS BETWEEN FUNDS | | | | | | | | | | | | | | | | |
| Transfer to / (from) of funds | | (168,061) | 127,390 | 329,487 | 43,271 | 275,932 | 35,000 | 0 | 6,500 | (13,000) | 3,900 | (310,932) | 0 | (329,487) | 0 | 0 |
| NET MOVEMENT IN FUNDS | | 540,097 | 127,390 | 329,487 | (6,381) | 275,134 | 34,921 | 2,428 | 6,038 | (13,000) | 5,088 | (305,022) | (30,069) | (329,487) | 331 | 636,955 |
| TOTAL FUNDS BROUGHT FORWARD | | 18,185,531 | 1,610,712 | 1,187,647 | 279,222 | 70,420 | 0 | 21,054 | 16,353 | 13,000 | 7,405 | 305,022 | 33,160 | 329,487 | 347,841 | 22,406,854 |
| TOTAL FUNDS CARRIED FORWARD | | 18,725,628 | 1,738,102 | 1,517,134 | 272,841 | 345,554 | 34,921 | 23,482 | 22,391 | 0 | 12,493 | 0 | 3,091 | 0 | 348,172 | 23,043,809 |

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

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

| Note | 2015 S\$ | 2014 S\$ | |
|---|-----------|--------------------|--------------------|
| Cash flows from operating activities | | | |
| Net income | 1,600,361 | 636,955 | |
| Adjustments for: | | | |
| - Amortisation of investments | 6 | 2,768 | 0 |
| - Bad debts written off | 11 | 6,635 | 1,835 |
| - Depreciation | 7 | 843,315 | 735,415 |
| - Interest income | 10 | (99,407) | (63,211) |
| - Loss on disposal of fixed assets | 11 | 4,210 | 0 |
| - Profit on disposal of fixed assets | 10 | (180) | (11,134) |
| Operating cash flow before working capital changes | | 2,357,702 | 1,299,860 |
| Changes in operating assets and liabilities: | | | |
| - Trade and other receivables | | 4,114 | 191,932 |
| - Inventories | | 1,706 | (2,957) |
| - Trade and other payables | | 2,108 | (412,578) |
| Cash generated from operations | | 2,365,630 | 1,076,257 |
| Interest received | | 2,768 | 3,013 |
| Net cash provided by operating activities | | 2,368,398 | 1,079,270 |
| Cash flows from investing activities | | | |
| Decrease / (increase) in pledged deposits | | 238,062 | (290,240) |
| Interest received | | 96,639 | 60,198 |
| Placement of investment | | (769,275) | (512,600) |
| Proceeds from disposal of property, plant and equipment | | 180 | 11,134 |
| Purchases of property, plant and equipment | 7 | (717,366) | (537,158) |
| Net cash used in investing activities | | (1,151,760) | (1,268,666) |
| Net increase in cash and cash equivalents | | 1,216,638 | (189,396) |
| Cash and cash equivalents at beginning of financial year | | 8,492,750 | 8,682,146 |
| Cash and cash equivalents at end of financial year | 4 | 9,709,388 | 8,492,750 |
| Cash and cash equivalents comprise: | | | |
| Cash on hand | 4 | 11,800 | 11,645 |
| Cash in banks | 4 | 6,447,588 | 4,398,265 |
| Fixed deposits | 4 | 3,250,000 | 4,082,840 |
| | | 9,709,388 | 8,492,750 |

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

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

1. General information

Metta Welfare Association ("the Association") operates in the Republic of Singapore. Its registered office and principal place of activities is located at Block 32, Simei Street 1, Metta Building, Singapore 529950.

The Association is dedicated to the active promotion of humanitarian causes. The Association's objectives are to provide special education, welfare services, community and medical care to the intellectually disabled, elderly and terminally ill in the community, regardless of race and religion.

The Association is registered as a charity organisation under Charities Act, Chapter 37 on 9 March 1995 and has been accorded an Institution of a Public Character ("IPC") status for the period from 2 May 2013 to 1 May 2016.

The Association is composed of nine (9) welfare centres as follows:

1. Metta Home for the Disabled
2. Metta Home Day Activity Centre
3. Metta Day Activity Centre for the Intellectually Disabled
4. Metta Day Rehabilitation Centre for the Elderly
5. Metta Hospice Care Centre
6. Metta Preschool@Simei
7. Metta Preschool@Punggol
8. South East CDC-Metta Student Care Centre (ceased on 31 March 2014)
9. Metta Alumni Care
10. Metta Home Nursing

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Charities Accounting Standard ("CAS") and the disclosure requirements of the Societies Act (Chapter 311) and Charities Act (Chapter 37). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

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

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

2.2 Income recognition

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

- 2.2.1 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 Centre 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.
- 2.2.2 Government grants are recognised at their fair value where there is reasonable assurance that the grants will be received and all related conditions will be complied with.
- 2.2.3 Income from services is recognised over the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be performed.
- 2.2.4 Management fees are allocated costs comprised of: general management; human resource and administration; finance costs; and IT costs which are allocated among the welfare centres on a basis determined by the Executive Management Committee.
- 2.2.5 Interest income on bank current accounts and fixed deposits placed with banks are recognised on a time-proportion basis using the effective interest method.
- 2.2.6 Other income is recognised when received.

2.3 Cost recognition

All expenditures are accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

- 2.3.1 Cost of generating funds from fund-raising activities

Costs that are directly attributable to the fund-raising activities are separated from those costs incurred in undertaking charitable activities.
- 2.3.2 Cost of charitable activities

Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Association. The total costs of charitable expenditure are apportionment of overhead and shared costs.
- 2.3.3 Governance and administrative costs

Governance costs include the costs of governance arrangement, which relate to the general running of the Association, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

2.4 Property, plant and equipment

2.4.1 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.

2.4.2 Depreciation

Depreciation on property, plant and equipment except renovation in progress 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 |
|----------------------------|--------------|
| Aircon | 5 years |
| Alarm and security system | 5 years |
| Arts and music equipment | 5 years |
| Building | 50 years |
| Computer | 3 years |
| Electrical and fittings | 5 years |
| Furniture and equipment | 5 years |
| Kitchen equipment | 5 years |
| Laundry equipment | 5 years |
| Motor vehicles | 5 years |
| Physio / Medical equipment | 5 years |
| Renovation | 15 years |

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.

2.4.3 Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that have 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 Association 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.

2.4.4 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.

2.5 Cash and cash equivalents

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

2.6 Financial assets

2.6.1 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.

Investments in financial assets are investments in debt or equity instruments, which are recognised when it becomes a party to the contractual provisions of the instrument. These are initially measured at the transaction price excluding transaction costs, if any, which shall be recognised as expenditure immediately in the Statement of Financial Activities. They are included in non-current assets unless management intends to dispose of the assets within twelve months after the balance sheet date.

Trade and other receivables and investments in financial assets are subsequently measured at cost less accumulated impairment losses.

2.6.2 Derecognition

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

2.6.3 Impairment

The Association 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 financial assets is recognised when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, 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 Association 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 Association 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.

2.7 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost includes all costs of purchase and other cost incurred in bringing the inventories to their present location and condition. 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 selling expenses.

2.8 Financial liabilities

Financial liabilities are recognised when the Association 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 "Trade and other payables".

Financial liabilities are derecognised when the obligations under the liability are discharged, cancelled or expire. 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.

2.9 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.

2.10 Provisions for other liabilities and charges

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

2.11 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 Executive Management Committee. Externally restricted funds may only be utilised in accordance with the purposes for which they are established. The Executive Management Committee retains full control over the use of unrestricted funds for any of the Association's purposes.

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 Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Association if that person:
 - (i) Has control or joint control over the Association;
 - (ii) Has significant influence over the Association; or
 - (iii) Is a member of the key management personnel of the Association or of a parent of the Association;
- (b) An entity is related to the Association if any of the following conditions applies:
 - (i) The entity and the Association are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Association or an entity related to the Association. If the Association is itself such a plan, the sponsoring employers are also related to the Association;
 - (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)

2.14 Employee compensation

2.14.1 Defined contribution plans

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

2.14.2 Employee compensation

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

2.15 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.

3. Critical accounting estimates, assumptions and judgments

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.

3.1 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.

3.1.1 Estimated useful lives of property, plant and equipment

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

3.1.2 Allowance for impairment of receivables

The Association reviews the adequacy of allowance for impairment of receivables at each closing by reference to the ageing analysis of receivables, and evaluates the risks of collection according to the credit standing and collection history of individual 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

| | 2015 S\$ | 2014 S\$ |
|--|------------------|------------------|
| Cash on hand | 11,800 | 11,645 |
| Cash in banks | 6,447,588 | 4,398,265 |
| Fixed deposits | <u>3,540,240</u> | <u>4,611,142</u> |
| | 9,999,628 | 9,021,052 |
| Pledged fixed deposits | <u>(290,240)</u> | <u>(528,302)</u> |
| Cash and cash equivalents for cash flow purposes | <u>9,709,388</u> | <u>8,492,750</u> |

Fixed deposits have maturity terms of 12 to 36 months (2014: 6 to 36 months) and interest rates ranging from 0.25% to 1.33% (2014: 0.25% to 1.10%) per annum.

Fixed deposit amounting to S\$240,240 is pledged against the Banker's Guarantee in compliance to the tenancy agreement with Singapore Land Authority, which will expire on 29 June 2017.

Fixed deposit amounting to S\$50,000 is pledged to an existing credit facility with a certain financial institution.

Long-term fixed deposits, excluding the pledged deposits, are included as cash and cash equivalents as these can be readily converted into cash without incurring significant penalty.

At the reporting date, the tenures of the fixed deposits are as follows:

| | 2015 S\$ | 2014 S\$ |
|-------------------|------------------|------------------|
| Less than 1 month | 1,000,000 | 435,000 |
| 1 month to 1 year | <u>2,250,000</u> | <u>3,647,840</u> |
| | <u>3,250,000</u> | <u>4,082,840</u> |

5. Trade and other receivables

| | 2015 S\$ | 2014 S\$ |
|-----------------------------------|------------------|------------------|
| Trade receivables | | |
| - Outside parties | <u>78,863</u> | <u>88,107</u> |
| Other receivables | | |
| - Amount due from related parties | 32,017 | 7,064 |
| - Deposits paid | 134,051 | 154,066 |
| - Grants receivable | 655,818 | 253,735 |
| - Other debtors | 79,828 | 431,416 |
| - Prepayments | <u>109,177</u> | <u>166,115</u> |
| | 1,010,891 | 1,012,396 |
| - Allowance for bad debts | <u>(57,950)</u> | <u>(57,950)</u> |
| | <u>952,941</u> | <u>954,446</u> |
| Total trade and other receivables | <u>1,031,804</u> | <u>1,042,553</u> |

Amount due from related parties are unsecured, interest-free, collectible on demand, and will be settled with cash.

At the reporting date, the carrying amounts of trade and other receivables approximate their fair value.

6. Investment in financial assets

| | 2015 S\$ | 2014 S\$ |
|---|------------------|------------------|
| Listed debt securities | | |
| - Bond with fixed interest of 3.08% and maturity date as at 12 September 2022 - Singapore | 504,737 | 506,000 |
| - Bond with fixed interest of 4.25% and maturity date as at 29 September 2049 - Singapore | 512,075 | 512,600 |
| - Bond with fixed interest of 3.1% and maturity date as at 24 July 2024 - Singapore | <u>768,295</u> | <u>0</u> |
| | <u>1,785,107</u> | <u>1,018,600</u> |

At the reporting date, the movement of the investment in financial assets are as follows:

| | 2015 S\$ | 2014 S\$ |
|-----------------------------|------------------|------------------|
| Beginning of financial year | 1,018,600 | 506,000 |
| Additions | <u>769,275</u> | <u>512,600</u> |
| | 1,787,875 | 1,018,600 |
| Amortised during the year | <u>(2,768)</u> | <u>0</u> |
| End of financial year | <u>1,785,107</u> | <u>1,018,600</u> |

The average effective interest rates range from 2.80% to 4.20% (2014: nil%) per annum.

7. Property, plant and equipment

| | Balance at beginning of financial year S\$ | Additions S\$ | (Disposals) S\$ | (Transfer) S\$ | Balance at end of financial year S\$ |
|----------------------------|--|----------------|------------------|----------------|--------------------------------------|
| 2015 | | | | | |
| Cost | | | | | |
| Aircon | 309,174 | 139,359 | 0 | 0 | 448,533 |
| Alarm and security system | 180,559 | 40,290 | (9,211) | 0 | 211,638 |
| Arts and music equipment | 6,065 | 0 | 0 | 0 | 6,065 |
| Building | 15,427,304 | 0 | 0 | 0 | 15,427,304 |
| Computer | 541,732 | 25,256 | (151,985) | 0 | 415,003 |
| Electrical and fittings | 133,244 | 31,153 | 0 | 0 | 164,397 |
| Furniture and equipment | 1,331,020 | 34,242 | (416,924) | 0 | 948,338 |
| Kitchen equipment | 139,531 | 4,098 | 0 | 0 | 143,629 |
| Laundry equipment | 58,407 | 0 | 0 | 0 | 58,407 |
| Motor vehicles | 604,244 | 266,457 | (124,975) | 0 | 745,726 |
| Physio / Medical equipment | 151,061 | 32,206 | (16,418) | 0 | 166,849 |
| Renovation | 1,697,047 | 144,305 | (71,794) | 55,819 | 1,825,377 |
| Renovation in progress | 55,819 | 0 | 0 | (55,819) | 0 |
| | <u>20,635,207</u> | <u>717,366</u> | <u>(791,307)</u> | <u>0</u> | <u>20,561,266</u> |

| | Balance at beginning of financial year S\$ | Depreciation charge S\$ | (Written back/ off) S\$ | (Transfer) S\$ | Balance at end of financial year S\$ |
|---------------------------------|--|-------------------------|-------------------------|----------------|--------------------------------------|
| Accumulated depreciation | | | | | |
| Aircon | 97 | 88,366 | 0 | 0 | 88,463 |
| Alarm and security system | 97,815 | 36,951 | (9,211) | 0 | 125,555 |
| Arts and music equipment | 3,695 | 1,213 | 0 | 0 | 4,908 |
| Building | 3,621,485 | 306,464 | 0 | 0 | 3,927,949 |
| Computer | 488,220 | 38,507 | (151,985) | 0 | 374,742 |
| Electrical and fittings | 56,290 | 31,435 | 0 | 0 | 87,725 |
| Furniture and equipment | 1,169,207 | 71,073 | (416,216) | 0 | 824,064 |
| Kitchen equipment | 67,735 | 26,986 | 0 | 0 | 94,721 |
| Laundry equipment | 24,336 | 11,681 | 0 | 0 | 36,017 |
| Motor vehicles | 550,846 | 57,574 | (124,975) | 0 | 483,445 |
| Physio / Medical equipment | 110,292 | 19,514 | (15,760) | 0 | 114,046 |
| Renovation | 833,738 | 153,551 | (68,950) | 0 | 918,339 |
| Renovation in progress | 0 | 0 | 0 | 0 | 0 |
| | <u>7,023,756</u> | <u>843,315</u> | <u>(787,097)</u> | <u>0</u> | <u>7,079,974</u> |

| | Balance at beginning of financial year S\$ | Balance at end of financial year S\$ |
|----------------------------|--|--------------------------------------|
| Net book value | | |
| Aircon | 309,077 | 360,070 |
| Alarm and security system | 82,744 | 86,083 |
| Arts and music equipment | 2,370 | 1,157 |
| Building | 11,805,819 | 11,499,355 |
| Computer | 53,512 | 40,261 |
| Electrical and fittings | 76,954 | 76,672 |
| Furniture and equipment | 161,813 | 124,274 |
| Kitchen equipment | 71,796 | 48,908 |
| Laundry equipment | 34,071 | 22,390 |
| Motor vehicles | 53,398 | 262,281 |
| Physio / Medical equipment | 40,769 | 52,803 |
| Renovation | 863,309 | 907,038 |
| Renovation in progress | 55,819 | 0 |
| | <u>13,611,451</u> | <u>13,481,292</u> |

7. Property, plant and equipment (Cont'd)

| | Balance at beginning of financial year S\$ | Additions S\$ | (Disposals) S\$ | Balance at end of financial year S\$ |
|----------------------------|--|----------------|-----------------|--------------------------------------|
| 2014 | | | | |
| Cost | | | | |
| Aircon | 0 | 309,174 | 0 | 309,174 |
| Alarm and security system | 164,169 | 16,390 | 0 | 180,559 |
| Arts and music equipment | 6,065 | 0 | 0 | 6,065 |
| Building | 15,427,304 | 0 | 0 | 15,427,304 |
| Computer | 501,208 | 40,524 | 0 | 541,732 |
| Electrical and fittings | 106,381 | 26,863 | 0 | 133,244 |
| Furniture and equipment | 1,305,338 | 25,682 | 0 | 1,331,020 |
| Kitchen equipment | 114,665 | 27,150 | (2,284) | 139,531 |
| Laundry equipment | 58,407 | 0 | 0 | 58,407 |
| Motor vehicles | 607,310 | 9,086 | (12,152) | 604,244 |
| Physio / Medical equipment | 141,401 | 9,660 | 0 | 151,061 |
| Renovation | 1,680,237 | 16,810 | 0 | 1,697,047 |
| Renovation in progress | 0 | 55,819 | 0 | 55,819 |
| | <u>20,112,485</u> | <u>537,158</u> | <u>(14,436)</u> | <u>20,635,207</u> |

| | Balance at beginning of financial year S\$ | Depreciation charge S\$ | (Written back/ off) S\$ | Balance at end of financial year S\$ |
|---------------------------------|--|-------------------------|-------------------------|--------------------------------------|
| Accumulated depreciation | | | | |
| Aircon | 0 | 97 | 0 | 97 |
| Alarm and security system | 65,382 | 32,433 | 0 | 97,815 |
| Arts and music equipment | 2,389 | 1,306 | 0 | 3,695 |
| Building | 3,315,020 | 306,465 | 0 | 3,621,485 |
| Computer | 403,051 | 85,169 | 0 | 488,220 |
| Electrical and fittings | 33,837 | 22,453 | 0 | 56,290 |
| Furniture and equipment | 1,098,693 | 70,514 | 0 | 1,169,207 |
| Kitchen equipment | 46,392 | 23,627 | (2,284) | 67,735 |
| Laundry equipment | 12,655 | 11,681 | 0 | 24,336 |
| Motor vehicles | 540,597 | 22,401 | (12,152) | 550,846 |
| Physio / Medical equipment | 94,223 | 16,069 | 0 | 110,292 |
| Renovation | 690,538 | 143,200 | 0 | 833,738 |
| Renovation in progress | 0 | 0 | 0 | 0 |
| | <u>6,302,777</u> | <u>735,415</u> | <u>(14,436)</u> | <u>7,023,756</u> |

| | Balance at beginning of financial year S\$ | Balance at end of financial year S\$ |
|----------------------------|--|--------------------------------------|
| Net book value | | |
| Aircon | 0 | 309,077 |
| Alarm and security system | 98,787 | 82,744 |
| Arts and music equipment | 3,676 | 2,370 |
| Building | 12,112,284 | 11,805,819 |
| Computer | 98,157 | 53,512 |
| Electrical and fittings | 72,544 | 76,954 |
| Furniture and equipment | 206,645 | 161,813 |
| Kitchen equipment | 68,273 | 71,796 |
| Laundry equipment | 45,752 | 34,071 |
| Motor vehicles | 66,713 | 53,398 |
| Physio / Medical equipment | 47,178 | 40,769 |
| Renovation | 989,699 | 863,309 |
| Renovation in progress | 0 | 55,819 |
| | <u>13,809,708</u> | <u>13,611,451</u> |

7. Property, plant and equipment (Cont'd)

| | Balance at beginning of financial year S\$ | Balance at end of financial year S\$ |
|----------------------------|---|---|
| 2014 (Cont'd) | | |
| Net book value | | |
| Aircon | 0 | 309,077 |
| Alarm and security system | 98,787 | 82,744 |
| Arts and music equipment | 3,676 | 2,370 |
| Building | 12,112,284 | 11,805,819 |
| Computer | 98,157 | 53,512 |
| Electrical and fittings | 72,544 | 76,954 |
| Furniture and equipment | 206,645 | 161,813 |
| Kitchen equipment | 68,273 | 71,796 |
| Laundry equipment | 45,752 | 34,071 |
| Motor vehicles | 66,713 | 53,398 |
| Physio / Medical equipment | 47,178 | 40,769 |
| Renovation | 989,699 | 863,309 |
| Renovation in progress | 0 | 55,819 |
| | <u>13,809,708</u> | <u>13,611,451</u> |

8. Trade and other payables

| | 2015 S\$ | 2014 S\$ |
|---------------------------------|------------------|------------------|
| Trade payables | | |
| - Outside parties | 171,663 | 146,431 |
| Other payables | | |
| - Accruals | 1,125,851 | 985,938 |
| - Advance receipts | 288,282 | 402,383 |
| - Amount due to related parties | 0 | 8,789 |
| - Deposits received | 67,538 | 112,048 |
| - Other creditor | 6,523 | 2,160 |
| | <u>1,659,857</u> | <u>1,657,749</u> |

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

9. Funds

9.1 General fund

This fund includes the following:

9.1.1 Deferred capital grant

Prior to the adoption of CAS, grants received for the purchase of depreciable assets were taken to deferred capital grant 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 balance of deferred capital grant was recognised as General Reserves. This note shows the amount of deferred capital grant that was included in the General Reserves.

| | 2015 S\$ | 2014 S\$ |
|-----------------------------|-------------------|-------------------|
| Beginning of financial year | 12,809,699 | 13,358,489 |
| Amortised during the year | (546,648) | (548,790) |
| End of financial year | <u>12,263,051</u> | <u>12,809,699</u> |

9.1.2 Community Silver Trust

The Community Silver Trust provides funding for various designated activities organised by the Association.

| | Note | 2015 S\$ | 2014 S\$ |
|--|------|----------------|-------------|
| Balance at beginning of year | | 0 | 0 |
| Add: Community Silver Trust – Matching Grant | 10 | 317,914 | 0 |
| Less: Expenditure | | (52,288) | 0 |
| Balance at end of year | | <u>265,626</u> | <u>0</u> |

9.2 Investment fund

In a meeting held on 28 September 1997, the Executive Management Committee resolved that 20% of the annual surplus should be transferred to this fund.

9.3 Project account reserve

This reserve is for setting up new centres and closing existing ones.

9.4 Sinking fund

This fund is for maintenance of the building property of Metta Building and all Centres.

9.5 Designated funds

This fund is composed of the following:

9.5.1 Alumni welfare fund

This fund is to support the alumni's training programs and other related expenses.

9.5.2 Children welfare fund

This fund is used to pay various expenses for the benefit of the Preschool's students.

9. Funds (Cont'd)

9.5.3 Client welfare fund

This fund is used to pay various expenses for the benefit of the clients at Metta Day Activity Centre for the Intellectually Disabled and Metta Home Day Activity Centre.

9.5.4 Equipment fund

This fund is used to purchase electrical appliances and exercise equipment for the clients of Metta Day Rehabilitation Centre for the Elderly.

9.5.5 HIV fund

This fund is established in partnership with Action for Aids to assist patients of Metta Hospice Care Centre afflicted with Aids by raising funds to purchase antiretroviral drugs for these patients.

9.5.6 Medicine fund

This fund helps subsidize cost of medication and other pharmaceutical expenses of the clients of Metta Hospice Care Centre.

9.5.7 Student welfare fund

This fund is used to pay for recess meals as well as educational and recreational outings of Metta School students.

9.5.8 The Late Mrs. Teoh Siok Loo fund

This fund is used to cover the costs not subsidized under the government means testing funding for hospice clients.

9.6 Building fund

This fund was established in financial year 2010 for the opening of the Preschool. It is currently being used for the on-going renovations works at the Preschool's premises.

9.7 Education trust fund

This fund is for the benefit of special needs children of Metta School and Alumni youths.

9.8 Programme fund

The programme fund is recurrent funding received from Ministry of Health, Ministry of Social & Family Development, NCSS ComChest and ToteBoard Social Service Fund. This fund is to defray the operational costs of running the Children Care, Disabilities Care and Medical Care programmes.

The fund balances are not presented by any specific accounts, but are presented by all assets and liabilities of the Home.

Transfer (to) / from of funds were approved by the Executive Management Committee to meet the remaining obligations of each designated funds.

10. Income

| | Note | Unrestricted fund | | | | | | | | | | Restricted Fund | | Total S\$ | | | |
|--|------|-------------------|---------------------|------------------|-------------------------|---------------------------|-------------------------|--------------------|-------------------|--------------------------|--------------------------------------|--------------------------|--------------------|------------------|-----------|------------------|-----------|
| | | General fund S\$ | Investment fund S\$ | Sinking fund S\$ | Alumni welfare fund S\$ | Children welfare fund S\$ | Client welfare fund S\$ | Equipment fund S\$ | Medicine fund S\$ | Student welfare fund S\$ | The Late Mrs. Teoh Siok Loo fund S\$ | Education trust fund S\$ | Programme fund S\$ | | | | |
| 2015 | | | | | | | | | | | | | | | | | |
| Voluntary income | | | | | | | | | | | | | | | | | |
| Donations – Tax exempt | | 871,395 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 871,395 |
| Donations – Non-tax exempt | | 578,842 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 578,842 |
| Donations – Designated | | 292,330 | 0 | 0 | 900 | 0 | 3,219 | 2,250 | 1,871 | 0 | 0 | 0 | 0 | 651 | 0 | 0 | 301,221 |
| Grants – Government | | 1,054,449 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,081,803 | 0 | 6,136,252 |
| Grants – Non – Government | | 3,091 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,091 |
| NCSS grants | | 480 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 309,179 | 0 | 309,659 |
| Tote Board grants | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,257,458 | 0 | 1,257,458 |
| Community Silver Trust | 9 | 317,914 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 317,914 |
| President Challenge | | 87,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 87,000 |
| | | <u>3,205,501</u> | <u>0</u> | <u>0</u> | <u>900</u> | <u>0</u> | <u>3,219</u> | <u>2,250</u> | <u>1,871</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>651</u> | <u>6,648,440</u> | <u>0</u> | <u>9,862,832</u> | |
| Activities for generating funds | | | | | | | | | | | | | | | | | |
| Corporate social responsibility | | 23,107 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 23,107 |
| Event and activity | | 271,130 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 271,130 |
| Fund-raising | | 886,246 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 886,246 |
| | | <u>1,180,483</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1,180,483</u> | |
| Investment income | | | | | | | | | | | | | | | | | |
| Interest income | | 62,757 | 36,650 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 99,407 |
| Income from charitable activities | | | | | | | | | | | | | | | | | |
| Buddhist activity income | | 1,558,362 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,558,362 |
| Fees received | | 860,658 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 860,658 |
| Membership fee | | 1,952 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,952 |
| Sales | | 417,224 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 417,224 |
| Transport service fee | | 92,542 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 92,542 |
| Others | | 30,506 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 30,506 |
| | | <u>2,961,244</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>2,961,244</u> | |
| Other income | | | | | | | | | | | | | | | | | |
| Profit on disposal fixed assets | | 180 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 180 |
| Sundry | | 8,359 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8,359 |
| | | <u>8,539</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>8,539</u> | |

10. Income (Cont'd)

| | Unrestricted fund | | | | | | | | | | Restricted Fund | | |
|--|-------------------|---------------------|------------------|-------------------------|---------------------------|-------------------------|--------------------|-------------------|--------------------------|--------------------------------------|--------------------------|--------------------|------------------|
| | General fund S\$ | Investment fund S\$ | Sinking fund S\$ | Alumni welfare fund S\$ | Children welfare fund S\$ | Client welfare fund S\$ | Equipment fund S\$ | Medicine fund S\$ | Student welfare fund S\$ | The Late Mrs. Teoh Siok Loo fund S\$ | Education trust fund S\$ | Programme fund S\$ | Total S\$ |
| 2014 | | | | | | | | | | | | | |
| Voluntary income | | | | | | | | | | | | | |
| Donations – Tax exempt | 780,206 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 780,206 |
| Donations – Non-tax exempt | 320,659 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 320,659 |
| Donations – Designated | 497,779 | 0 | 0 | 400 | 0 | 2,428 | 0 | 1,188 | 9,800 | 20,000 | 331 | 0 | 531,926 |
| Grants – Government | 5,246,700 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,246,700 |
| Grants – Non – Government | 50,069 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50,069 |
| NCSS grants | 315,290 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 315,290 |
| Temasek Care Grant | 56,700 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 56,700 |
| Tote Board grants | 704,738 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 704,738 |
| | <u>7,972,141</u> | <u>0</u> | <u>0</u> | <u>400</u> | <u>0</u> | <u>2,428</u> | <u>0</u> | <u>1,188</u> | <u>9,800</u> | <u>20,000</u> | <u>331</u> | <u>0</u> | <u>8,006,288</u> |
| Activities for generating funds | | | | | | | | | | | | | |
| Corporate social responsibility | 5,555 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,555 |
| Event and activity | 226,713 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 226,713 |
| Fund-raising | 965,633 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 965,633 |
| | <u>1,197,901</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1,197,901</u> |
| Investment income | | | | | | | | | | | | | |
| Interest income | 63,211 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 63,211 |
| Income from charitable activities | | | | | | | | | | | | | |
| Buddhist activity income | 2,046,910 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,046,910 |
| Fees received | 1,104,252 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,104,252 |
| Membership fee | 2,005 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,005 |
| Sales | 48,592 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 48,592 |
| Transport service fee | 130,799 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 130,799 |
| Others | 36,180 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 36,180 |
| | <u>3,368,738</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>3,368,738</u> |
| Other income | | | | | | | | | | | | | |
| Profit on disposal fixed assets | 11,134 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11,134 |
| Sundry | 42,309 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 42,309 |
| | <u>53,443</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>53,443</u> |

Donations-in-kind, mostly consumables are received during the year. However, the fair value of the assets received cannot be reasonably ascertained. Hence, the assets are not recognised in the books.

11. Expenditure

| | Note | Unrestricted fund | | | | | | | | | | Restricted Fund | | |
|--|------|-------------------|---------------------|------------------|-------------------------|---------------------------|-------------------------|--------------------|-------------------|--------------------------|--------------------------------------|--------------------------|--------------------|-------------------|
| | | General fund S\$ | Investment fund S\$ | Sinking fund S\$ | Alumni welfare fund S\$ | Children welfare fund S\$ | Client welfare fund S\$ | Equipment fund S\$ | Medicine fund S\$ | Student welfare fund S\$ | The Late Mrs. Teoh Siok Loo fund S\$ | Education trust fund S\$ | Programme fund S\$ | Total S\$ |
| 2015 | | | | | | | | | | | | | | |
| Cost of generating funds | | | | | | | | | | | | | | |
| Amortisation of investments | 6 | 980 | 1,788 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,768 |
| Corporate social responsibility | | 25,953 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 25,953 |
| Designated expenses | | 101,185 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,091 | 8,133 | 0 | 0 | 112,409 |
| Donation expense | | 27,188 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 27,188 |
| Event and activity expense | | 121,812 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 121,812 |
| Fund-raising expenditure | | 185,109 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 185,109 |
| Investment expense | | 3,159 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,159 |
| | | <u>465,386</u> | <u>1,788</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>478,398</u> |
| Cost of charitable activities | | | | | | | | | | | | | | |
| Buddhist activity expense | | 450,865 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 450,865 |
| Cost of sales | | 179,089 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 179,089 |
| Depreciation | 7 | 303,012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 540,303 | 843,315 | |
| Direct activity expenses | | | | | | | | | | | | | | |
| - Meals and refreshments | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 64,856 | 64,856 | |
| - Medical and physical aids | | 2,084 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 31,350 | 33,434 | |
| - Medical professional fee | | 49,170 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 244,801 | 293,971 | |
| - Other expense | | 34,326 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 21,318 | 55,644 | |
| - Outings and activities | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,057 | 1,057 | |
| - Training and teaching materials | | 20,120 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18,770 | 38,890 | |
| - Transportation | | 18,480 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 150,772 | 169,252 | |
| - Uniform | | 2,805 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,246 | 8,051 | |
| Fixed assets expensed | | 32,067 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 41,080 | 73,147 | |
| Public education | | 8,833 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,113 | 9,946 | |
| Rental | | | | | | | | | | | | | | |
| - Building | | 994,252 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 407,787 | 1,402,039 | |
| - Equipment | | 20,591 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15,275 | 35,866 | |
| Staff costs | 12 | 1,648,696 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,301,215 | 5,949,911 | |
| Upkeep, repairs and maintenance | | | | | | | | | | | | | | |
| - Equipment | | 8,580 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 17,591 | 26,171 | |
| - General | | 208,772 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 90,053 | 298,825 | |
| - Motor vehicles | | 24,268 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 74,081 | 98,349 | |
| Utilities | | 240,150 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 251,867 | 492,017 | |
| Others | | | | | | | | | | | | | | |
| - General expenses | | 13,889 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 58,174 | 72,063 | |
| - License and subscription | | 16,377 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 904 | 17,281 | |
| - Meeting expenses | | 10,401 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 546 | 10,947 | |
| - Printing, stationery and postage | | 27,790 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 17,664 | 45,454 | |
| - Telecommunication | | 42,618 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 23,425 | 66,043 | |
| | | <u>4,357,235</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>10,736,483</u> |
| Governance and other administrative costs | | | | | | | | | | | | | | |
| Audit fees | | 41,279 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,036 | 46,315 | |
| Bank charges | | 3,878 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,048 | 4,926 | |
| Loss on disposal of fixed assets | | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,208 | 4,210 | |
| Newspapers and periodicals | | 1,206 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 338 | 1,544 | |
| Other professional fees | | 56,327 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 56,327 | |
| Bad debts written off | | 6,415 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 220 | 6,635 | |
| Recruitment | | 1,997 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,291 | 7,288 | |
| Staff costs | 12 | 1,170,018 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,170,018 | |
| | | <u>1,281,122</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1,297,263</u> |

11. Expenditure (Cont'd)

| 2014 | Note | Unrestricted fund | | | | | | | | | | Restricted Fund | Total S\$ |
|--|------|-------------------|---------------------|------------------|-------------------------|---------------------------|-------------------------|--------------------|-------------------|--------------------------|--------------------------|-----------------|-------------------|
| | | General fund S\$ | Investment fund S\$ | Sinking fund S\$ | Designated Fund | | | | | | Education trust fund S\$ | | |
| | | | | | Alumni welfare fund S\$ | Children welfare fund S\$ | Client welfare fund S\$ | Equipment fund S\$ | Medicine fund S\$ | Student welfare fund S\$ | | | |
| Cost of generating funds | | | | | | | | | | | | | |
| Corporate social responsibility | | 1,740 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,740 |
| Designated expenses | | 90,841 | 0 | 0 | 1,198 | 79 | 0 | 462 | 0 | 3,890 | 50,069 | 0 | 146,539 |
| Donation expense | | 26,698 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 26,698 |
| Event and activity expense | | 155,492 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 155,492 |
| Fund-raising expenditure | | 201,150 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 201,150 |
| Investment expense | | 8,442 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8,442 |
| | | <u>484,363</u> | <u>0</u> | <u>0</u> | <u>1,198</u> | <u>79</u> | <u>0</u> | <u>462</u> | <u>0</u> | <u>3,890</u> | <u>50,069</u> | <u>0</u> | <u>540,061</u> |
| Cost of charitable activities | | | | | | | | | | | | | |
| Buddhist activity expense | | 900,142 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 900,142 |
| Cost of sales | | 21,164 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 21,164 |
| Depreciation | 7 | 735,415 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 735,415 |
| Direct activity expenses | | | | | | | | | | | | | |
| - Meals and refreshments | | 70,872 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 70,872 |
| - Medical and physical aids | | 39,086 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 39,086 |
| - Medical professional fee | | 255,967 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 255,967 |
| - Other expense | | 31,869 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 31,869 |
| - Outings and activities | | 2,230 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,230 |
| - Training and teaching materials | | 17,412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 17,412 |
| - Transportation | | 146,906 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 146,906 |
| - Uniform | | 8,771 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8,771 |
| Fixed assets expensed | | 42,915 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 42,915 |
| Public education | | 6,832 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,832 |
| Rental | | | | | | | | | | | | | |
| - Building | | 1,405,838 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,405,838 |
| - Equipment | | 39,388 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 39,388 |
| Staff costs | 12 | 5,636,050 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,636,050 |
| Upkeep, repairs and maintenance | | | | | | | | | | | | | |
| - Equipment | | 26,622 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 26,622 |
| - General | | 223,244 | 0 | 49,652 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 272,896 |
| - Motor vehicles | | 91,515 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 91,515 |
| Utilities | | 431,022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 431,022 |
| Others | | | | | | | | | | | | | |
| - General expenses | | 57,197 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 57,197 |
| - License and subscription | | 7,648 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 7,648 |
| - Meeting expenses | | 12,361 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12,361 |
| - Printing, stationery and postage | | 49,102 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 49,102 |
| - Telecommunication | | 64,251 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 64,251 |
| | | <u>10,323,819</u> | <u>0</u> | <u>49,652</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>10,373,471</u> |
| Governance and other administrative costs | | | | | | | | | | | | | |
| Audit fees | | 44,480 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44,480 |
| Bank charges | | 6,714 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,714 |
| Newspapers and periodicals | | 1,104 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,104 |
| Other professional fees | | 52,685 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 52,685 |
| Bad debts written off | | 1,835 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,835 |
| Recruitment | | 8,881 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8,881 |
| Staff costs | 12 | 1,023,395 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,023,395 |
| | | <u>1,139,094</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1,139,094</u> |

12. Staff costs

| Note | 2015 S\$ | 2014 S\$ |
|------|------------------|------------------|
| | 900,477 | 822,180 |
| | 5,891,554 | 5,564,845 |
| | 230,835 | 201,967 |
| | 97,063 | 70,453 |
| | <u>7,119,929</u> | <u>6,659,445</u> |

The staff costs were allocated as follows:

| Note | 2015 S\$ | 2014 S\$ |
|------|------------------|------------------|
| | 5,949,911 | 5,636,050 |
| | <u>1,170,018</u> | <u>1,023,395</u> |
| | <u>7,119,929</u> | <u>6,659,445</u> |

13. Operating lease commitments

As at the reporting date, the Association has commitments for future minimum lease payments under non-cancellable operating leases as follows:

| | 2015 S\$ | 2014 S\$ |
|--|------------------|------------------|
| Rental of building | | |
| Not later than one year | 1,377,706 | 1,377,706 |
| More than a year but not more than three years | <u>1,377,706</u> | <u>2,755,412</u> |
| | <u>2,755,412</u> | <u>4,133,118</u> |

Rental of equipment

| | 2015 S\$ | 2014 S\$ |
|---|---------------|----------------|
| Not later than one year | 32,841 | 35,336 |
| More than a year but not more than five years | <u>54,156</u> | <u>86,997</u> |
| | <u>86,997</u> | <u>122,333</u> |

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

14. Income tax expense

The Association is registered as a charity organization under Charities Act, Chapter 37. As an approved charity, it is exempt from income tax under Section 13(1) of the Income Tax Act.

15. Related party transactions

The Association had transactions with related parties on terms agreed between the parties as follows:

| | 2015 S\$ | 2014 S\$ |
|---|----------|---------------|
| Expenses paid by Association on behalf of the related party | 20,899 | 8,755 |
| Expenses paid on behalf of the Association | 0 | 16,630 |
| Income received by Association on behalf of the related party | 129,661 | 17,627 |
| Purchase of goods and services | 2,500 | 4,697 |
| Sale of goods and services and donation received | 209,205 | 4,227 |
| Transfer of fixed assets | <u>0</u> | <u>11,466</u> |

The balances with related parties as at the reporting date are set out in Notes 5 and 8.

During the financial year, one (2014: one) of the Executive Management Committee members received honorariums for services rendered during Buddhist culture activities totalling to S\$4,000 (2014: S\$4,000). Other members did not receive any remuneration during the financial year.

16. Key management personnel compensation

The number of key management personnel in remuneration bands is as follows:

| | 2015 No. of key management personnel | 2014 No. of key management personnel |
|---------------------------------|---|---|
| Remuneration band | | |
| Between S\$100,001 to \$150,000 | 4 | 4 |
| Between S\$50,001 to \$100,000 | 4 | 3 |

17. Management of conflict of interest

There is no paid staff on the Association's Executive Management Committee.

Committee members are required to disclose any interest that they may have, whether directly or indirectly, that the Association may enter into or in any organisations that the Association has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Association's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Executive 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.

18. Reserve policy and position

The Association's reserve position at the reporting is as follows:

| | | 2015 S\$'000 | 2014 S\$'000 | Increase / (Decrease) % |
|---|--|-----------------|-----------------|-------------------------------|
| A | Unrestricted Funds | | | |
| | Accumulated general funds | 18,735 | 18,726 | 0.05 |
| | Investment fund | 2,093 | 1,738 | 20.43 |
| | Project account reserve | 1,517 | 1,517 | 0.00 |
| | Sinking fund | 1,258 | 273 | 360.81 |
| | Total | 23,603 | 22,254 | 6.06 |
| B | Restricted or Designated Funds | | | |
| | Designated Funds | 447 | 442 | 1.13 |
| | Restricted Funds | 594 | 348 | 70.69 |
| C | Total Funds | 24,644 | 23,044 | 6.94 |
| D | Total Annual Operating Expenditure | 12,512 | 12,053 | 3.81 |
| E | Ratio of Funds to Annual Operating Expenditure (A/D) | 1.89 | 1.85 | |

Reference:

- C. Total Funds include unrestricted and restricted / designated funds.
- D. Total Annual Operating Expenditure includes expenses related to Cost of generating funds, Cost of Charitable Activities and Governance and Other Administrative costs.

The Association's reserve policy is as follows:

The Association regards its unrestricted general fund as its reserves.

The Association maintains sufficient reserve to ensure long-term financial sustainability and continuity for the purpose of operating effective programmes.

The maximum operating reserves shall be five (5) years of annual operating expenditure, with annual operating expenditure being five (5) times the annual expenditure over the last three (3) years.

19. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Executive Management Committee on 17 August 2015.