

PERTAPIS EDUCATION AND WELFARE CENTRE

*[A Society registered under the Societies Act
(Chapter 311) in the Republic of Singapore]
Unique Entity Number: S71SS0014H*

**FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 MARCH 2022**

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PERTAPIS EDUCATION AND WELFARE CENTRE

Unique Entity No.: S71SS0014H

STATEMENT BY THE EXECUTIVE COMMITTEE

For the financial year ended 31 March 2022

In the opinion of the Executive Committee, the accompanying financial statements are drawn up so as to present fairly, in all material respects, the state of affairs of the Pertapis Education and Welfare Centre (the "Society") as at 31 March 2022, and of the financial results, the changes in funds and cash flows of the Society for the financial year then ended.

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

At the date of this statement, the Executive Committee in office, comprising the following, authorised the issue of these financial statements.

President	Hussaini Abdullah
Vice President I	Abdul Rahim Abdul Khan
Vice President II	D'Cruz Firdaus Lionel Wilfred
Secretary-General	Mohamed Shaharin Bin Mohamed Nordin
Finance Secretary	Abdul Samad Bin Haron
Committee Member	Mohd Maser Mansor
Committee Member	Ahmad Ishak Ismail
Committee Member	Mohamed Elmie Nekmat
Committee Member	Dr. Muhammad Fadzli Hassan
Committee Member	Muhammad Hasyim Mohamed Azmi
Committee Member	Mohamed Razif Helmy Bin Abdul Kadir
Committee Member	Danial Khan Abdul Rahim Khan
Committee Member	Abdul Hazin Abdul Rahim

On behalf of the Executive Committee



HUSSAINI ABDULLAH

President



ABDUL RAHIM ABDUL KHAN

Vice President I

Date: 24 AUG 2022



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PERTAPIS EDUCATION AND WELFARE CENTRE

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PERTAPIS EDUCATION AND WELFARE CENTRE (the "Society"), which comprise the statement of financial position as at 31 March 2022, and the statement of financial activities, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Charities Accounting Standard ("CAS") so as to present fairly, in all material respects, the state of affairs of the Society as at 31 March 2022, and of the financial results, the changes in funds and cash flows of the Society for the financial year then ended on that date.

Basis for Opinion

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

Other matters

The financial statements of the Society for the financial year ended 31 March 2021 were audited by another firm of auditors who expressed an unmodified opinion on those statements on 11 October 2021.

Other Information

Management is responsible for the other information. The other information comprises the Statement by the Executive Committee set out on page 1.

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

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

Responsibilities of the Executive Committee and Those charged with Governance for the Financial Statements

The Executive Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and CAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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

Report on Other Legal and Regulatory Requirements

In our opinion,

- (a) the accounting and other records required to be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations, and
- (b) the fund-raising appeals held during the financial year ended 31 March 2022 have been carried out in accordance with the Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records of the fund-raising appeal have been kept.

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

- (i) the Society has not used the donation moneys in accordance with the objectives as required under Regulation 11 of the Charities (Institutions of Public Character) Regulations; and
- (ii) the Society has not complied with the requirements of Regulation 15 of the Charities (Institutions of Public Character) Regulations.

Helmi Talib LLP

HELMI TALIB LLP
Public Accountants and
Chartered Accountants

Singapore

Date: **24 AUG 2022**

Partner-in-charge : Suriyati binti Mohamed Yusof
PAB No. : 01627

PERTAPIS EDUCATION AND WELFARE CENTRE

[A Society registered under the Societies Act (Chapter 311) in the Republic of Singapore]
 Unique Entity No.: S71SS0014H

STATEMENT OF FINANCIAL ACTIVITIES

For the financial year ended 31 March 2022

	2022			2021		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
Note	\$	\$	\$	\$	\$	\$
INCOME						
Income from generated funds						
Voluntary income	766,956	2,832,546	3,599,502	903,204	2,311,348	3,214,552
Grants and subsidies	329,202	-	329,202	1,164,059	-	1,164,059
Activities income	104,764	-	104,764	1,053,683	-	1,053,683
Investment income	117,505	-	117,505	116,803	-	116,803
Other income	211,779	-	211,779	544,190	-	544,190
5	1,530,206	2,832,546	4,362,752	3,781,939	2,311,348	6,093,287
Income from charitable activities						
Grants and subsidies	-	8,188,387	8,188,387	-	9,063,478	9,063,478
Amortisation of capital grant	-	875,049	875,049	-	862,573	862,573
Activities income	-	79,165	79,165	-	58,895	58,895
Miscellaneous income	-	39,128	39,128	-	45,488	45,488
	-	9,181,729	9,181,729	-	10,030,434	10,030,434
Administrative fees	738,000	-	738,000	850,500	-	850,500
Total income	2,268,206	12,014,275	14,282,481	4,632,439	12,341,782	16,974,221
EXPENDITURE						
Cost of generating funds						
Salaries and related costs	-	11,599	11,599	555,363	-	555,363
Amortisation of capital grant	-	913	913	-	1,111	1,111
Balance carried forward	-	12,512	12,512	555,363	1,111	556,474

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

PERTAPIS EDUCATION AND WELFARE CENTRE

[A Society registered under the Societies Act (Chapter 311) in the Republic of Singapore]
 Unique Entity No.: S71SS0014H

STATEMENT OF FINANCIAL ACTIVITIES

For the financial year ended 31 March 2022

	2022			2021		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	\$	\$	\$	\$	\$	\$
EXPENDITURE (Continued)						
Cost of generating funds (Continued)						
Balance brought forward	-	12,512	12,512	555,363	1,111	556,474
Depreciation of property, plant and equipment	2,307	-	2,307	5,166	-	5,166
Fundraising expenses	-	-	-	111,559	-	111,559
Residents and students expenses	-	-	-	45,266	-	45,266
Staff employer CPF and SDL	-	-	-	62,768	-	62,768
Staff training	-	-	-	5,310	4,550	9,860
Property, plant and equipment written off	-	-	-	4,016	-	4,016
Staff welfare	-	-	-	80	1,008	1,088
Miscellaneous expenses	225	1,717	1,942	114,781	5,438	120,219
	<u>2,532</u>	<u>14,229</u>	<u>16,761</u>	<u>904,309</u>	<u>12,107</u>	<u>916,416</u>
Cost of charitable activities						
Salaries and related costs	-	3,058,746	3,058,746	-	2,866,918	2,866,918
Amortisation of capital grant	-	929,302	929,302	-	929,658	929,658
Depreciation of property, plant and equipment	-	926,265	926,265	-	893,419	893,419
Residents and students expenses	-	898,351	898,351	-	937,538	937,538
Residents' programme	-	355,770	355,770	-	269,680	269,680
Donation to others	-	556,195	556,195	-	393,737	393,737
Staff employer CPF and SDL	-	494,038	494,038	-	467,745	467,745
Miscellaneous expenses	-	1,734,276	1,734,276	-	1,348,041	1,348,041
	-	<u>8,952,943</u>	<u>8,952,943</u>	-	<u>8,106,736</u>	<u>8,106,736</u>

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

PERTAPIS EDUCATION AND WELFARE CENTRE

[A Society registered under the Societies Act (Chapter 311) in the Republic of Singapore]
 Unique Entity No.: S71SS0014H

STATEMENT OF FINANCIAL ACTIVITIES

For the financial year ended 31 March 2022

	2022		2021		Total funds
	Unrestricted funds	Restricted funds	Unrestricted funds	Restricted funds	
	\$	\$	\$	\$	\$
EXPENDITURE (Continued)					
Governance and administrative costs					
Salaries and related costs	1,088,707	-	1,066,197	51,553	1,117,750
General donations	262,800	-	-	-	-
General expenses	218,188	-	228,160	1,084	229,244
Rental of premises and equipment	189,210	-	168,613	-	168,613
Staff employer CPF and SDL	148,687	-	140,693	-	140,693
Fundraising expenses	112,303	-	-	-	-
Repairs and maintenance	98,153	-	51,926	28,976	80,902
Advertisement	92,838	-	75,551	25	75,576
Printing, postage and stationery	91,500	-	114,159	531	114,690
Depreciation of property, plant and equipment	79,364	-	91,191	-	91,191
Utilities	30,289	-	27,270	-	27,270
Meals & entertainment	27,446	-	15,886	1,762	17,648
Meeting, function and seminar expenses	24,647	-	9,584	-	9,584
Audit fees	15,380	20,324	12,400	26,600	39,000
Gifts and souvenirs	12,884	-	6,542	-	6,542
Staff welfare	11,101	-	21,810	-	21,810
Depreciation of investment properties	12,200	-	45,650	-	45,650
Bank Charges	9,435	-	8,319	70	8,389
Property Tax	8,155	-	8,448	-	8,448
Insurance	7,948	-	8,076	-	8,076
Professional Fees	4,105	-	14,305	-	14,305
Transportation & Petrol	4,021	-	3,939	1,507	5,446
Balance carried forward	2,549,361	20,324	2,118,719	112,108	2,230,827

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

PERTAPIS EDUCATION AND WELFARE CENTRE

[A Society registered under the Societies Act (Chapter 311) in the Republic of Singapore]
 Unique Entity No.: S71SS0014H

STATEMENT OF FINANCIAL ACTIVITIES

For the financial year ended 31 March 2022

	2022			2021		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	\$	\$	\$	\$	\$	\$
EXPENDITURE (Continued)						
Governance and administrative costs (Continued)						
Balance brought forward	2,549,361	20,324	2,569,685	2,118,719	112,108	2,230,827
Low value assets	3,013	-	3,013	4,039	-	4,039
Staff training	2,430	-	2,430	16,635	-	16,635
Disposal of Fixed Assets	2,342	-	2,342	-	-	-
Staff medical expenses	2,070	-	2,070	1,201	-	1,201
Recruitments	572	-	572	252	-	252
Newspapers and periodicals	484	-	484	608	-	608
Subscription /Membership	389	-	389	52	-	52
Administrative fees charged	-	738,000	738,000	112,500	738,000	850,500
Licenses fees	-	-	-	1,479	-	1,479
Impairment losses on investment properties	-	-	-	396,350	-	396,350
Expenses from movers service	-	-	-	-	30,730	30,730
	<u>2,560,661</u>	<u>758,324</u>	<u>3,318,985</u>	<u>2,651,835</u>	<u>880,838</u>	<u>3,532,673</u>
Total expenditure	<u>2,563,193</u>	<u>9,725,496</u>	<u>12,288,689</u>	<u>3,556,144</u>	<u>8,999,681</u>	<u>12,555,825</u>
Net (expenditure)/income before Zakat allocation	(294,987)	2,288,779	1,993,792	1,076,295	3,342,101	4,418,396
Allocation of zakat	-	-	-	-	-	-
Net (expenditure)/income for the financial year	<u>(294,987)</u>	<u>2,288,779</u>	<u>1,993,792</u>	<u>1,076,295</u>	<u>3,342,101</u>	<u>4,418,396</u>

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

PERTAPIS EDUCATION AND WELFARE CENTRE

[A Society registered under the Societies Act (Chapter 311) in the Republic of Singapore]
 Unique Entity No.: S71SS0014H

STATEMENT OF FINANCIAL POSITION

As at 31 March 2022

	Note	<u>2022</u> \$	<u>2021</u> \$
Assets			
Current assets			
Cash and cash equivalents	6	23,723,145	21,905,493
Fees and other receivables	7	2,036,171	1,052,776
Total current assets		<u>25,759,316</u>	<u>22,958,269</u>
Non-current assets			
Investment properties	8	4,217,800	4,230,000
Property, plant and equipment	9	1,697,609	2,470,123
Total non-current assets		<u>5,915,409</u>	<u>6,700,123</u>
Total assets		<u>31,674,725</u>	<u>29,658,392</u>
Liabilities			
Current liabilities			
Payables	10	1,063,291	1,040,750
Total current liabilities		<u>1,063,291</u>	<u>1,040,750</u>
Total liabilities		<u>1,063,291</u>	<u>1,040,750</u>
Net assets		<u>30,611,434</u>	<u>28,617,642</u>
Funds			
Unrestricted Funds			
General fund	11	17,971,291	18,450,815
Childcare fund	11	-	(183,495)
Total Unrestricted Funds		<u>17,971,291</u>	<u>18,267,320</u>
Restricted Funds			
Designated Capital Grant fund	12	1,404,438	2,327,548
Community Silver Trust fund	12	130,435	232,285
Care & Share Grant fund	12	(290,000)	(288,401)
Yellow Ribbon Grant fund	12	4,728	34,380
President Challenge fund	12	144,726	48,219
Welfare Trust and Zakat fund	12	1,591,873	793,440
Children Home fund	12	1,748,833	1,415,017
Women and Girls Home fund	12	2,415,221	2,090,288
Halfway House fund	12	5,230,497	3,639,564
Senior Citizen Fellowship Home fund	12	259,392	57,982
Total Restricted Funds		<u>12,640,143</u>	<u>10,350,322</u>
Total funds		<u>30,611,434</u>	<u>28,617,642</u>

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

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act (Chapter 311) in the Republic of Singapore]**Unique Entity No.: S71SS0014H***STATEMENT OF CHANGES IN FUNDS***For the financial year ended 31 March 2022*

<u>2022</u>	At the beginning of financial year	Net income/ (expenditure) for the financial year	Transfer of funds	At the end of financial year
	\$	\$	\$	\$
Unrestricted funds				
General fund	18,450,815	(478,482)	(1,042)	17,971,291
Childcare fund	(183,495)	183,495	-	-
	<u>18,267,320</u>	<u>(294,987)</u>	<u>(1,042)</u>	<u>17,971,291</u>
Restricted funds				
Designated Capital Grant	2,327,548	(930,215)	7,105	1,404,438
Community Silver Trust fund	232,285	(93,804)	(8,046)	130,435
Care & Share Grant fund	(288,401)	-	(1,599)	(290,000)
Yellow Ribbon Grant fund	34,380	(29,652)	-	4,728
President Challenge fund	48,219	113,162	(16,655)	144,726
Welfare Trust and Zakat fund	793,440	798,433	-	1,591,873
Children Home fund	1,415,017	321,949	11,867	1,748,833
Women and Girls Home fund	2,090,288	324,737	196	2,415,221
Halfway House fund	3,639,564	1,590,933	-	5,230,497
Senior Citizen Fellowship Home fund	57,982	193,236	8,174	259,392
	<u>10,350,322</u>	<u>2,288,779</u>	<u>1,042</u>	<u>12,640,143</u>
Total funds	<u>28,617,642</u>	<u>1,993,792</u>	<u>-</u>	<u>30,611,434</u>

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

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act (Chapter 311) in the Republic of Singapore]**Unique Entity No.: S71SS0014H***STATEMENT OF CHANGES IN FUNDS***For the financial year ended 31 March 2022*

2021	At the beginning of financial year	Net income/ (expenditure) for the financial year	Transfer of funds	At the end of financial year
	\$	\$	\$	\$
Unrestricted funds				
General fund	17,596,240	615,103	239,472	18,450,815
Childcare fund	(646,231)	461,192	1,544	(183,495)
	<u>16,950,009</u>	<u>1,076,295</u>	<u>241,016</u>	<u>18,267,320</u>
Restricted funds				
Designated Capital Grant	2,945,479	(930,769)	312,838	2,327,548
Community Silver Trust fund	249,521	(17,236)	-	232,285
Care & Share Grant fund	6,094	(28,824)	(265,671)	(288,401)
Yellow Ribbon Grant fund	-	34,380	-	34,380
President Challenge fund	31,037	71,886	(54,704)	48,219
Welfare Trust and Zakat fund	689,005	104,435	-	793,440
Children Home fund	607,138	822,490	(14,611)	1,415,017
Women and Girls Home fund	834,861	1,303,044	(47,617)	2,090,288
Halfway House fund	2,964,729	549,492	125,343	3,639,564
Senior Citizen Fellowship Home fund	(1,078,627)	1,433,203	(296,594)	57,982
	<u>7,249,237</u>	<u>3,342,101</u>	<u>(241,016)</u>	<u>10,350,322</u>
Total funds	<u>24,199,246</u>	<u>4,418,396</u>	<u>-</u>	<u>28,617,642</u>

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

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act (Chapter 311) in the Republic of Singapore]**Unique Entity No.: S71SS0014H***STATEMENT OF CASH FLOWS***For the financial year ended 31 March 2022*

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Net income for the financial year		1,993,792	4,418,396
Adjustments for:			
Depreciation of property, plant and equipment	9	1,007,936	989,776
Depreciation of investment properties	8	12,200	45,650
Impairment losses on investment properties	8	-	396,350
Property, plant and equipment written off / disposed	9	5,230	4,016
Cost adjustment on property, plant and equipment	9	128	-
Interest income		<u>(49,126)</u>	<u>(52,953)</u>
Operating cash flows before changes in working capital		2,970,160	5,801,235
Changes in working capital			
(Increase)/decrease in fees and other receivables		(983,395)	146,019
Increase/(decrease) in payables		22,541	<u>(306,954)</u>
Total changes in working capital		<u>(960,854)</u>	<u>(160,935)</u>
Cash generated from operating activities		2,009,306	5,640,300
Interest income received		49,126	82,902
Net cash flows generated from operating activities		<u>2,058,432</u>	<u>5,723,202</u>
Cash flows from investing activities			
Decrease / (Increase) in fixed deposits pledged		236,808	(2,614)
Purchase of property, plant and equipment	9	<u>(240,780)</u>	<u>(372,525)</u>
Net cash flows used in investing activities		<u>(3,972)</u>	<u>(375,139)</u>
Net increase in cash and cash equivalents		2,054,460	5,348,063
Cash and cash equivalents at beginning of financial year		21,668,685	16,320,622
Cash and cash equivalents at end of financial year	6	<u>23,723,145</u>	<u>21,668,685</u>
Net cash flows			
Net cash flows generated from operating activities		<u>2,058,432</u>	<u>5,723,202</u>
Net cash flows used in investing activities		<u>(3,972)</u>	<u>(375,139)</u>

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

PERTAPIS EDUCATION AND WELFARE CENTRE

[A Society registered under the Societies Act (Chapter 311) in the Republic of Singapore]

Unique Entity No.: S71SS0014H

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

1 GENERAL

Pertapis Education and Welfare Centre (the "Society") was registered on 15 March 1971 under the Societies Act, Chapter 311 and is a charity registered under the Charities Act (Chapter 37) since 17 February 1984.

The Society has been accorded the Institutions of a Public Character ("IPC") status from 1 January 2020 to 30 June 2022 and was subsequently extended for the period from 1 July 2022 to 31 March 2023.

The principal activities of the Society are those of engaging in self-help projects for the betterment of the community welfare in Singapore.

The Society's registered office and principal place of business is at Blk 1 Joo Chiat Road, #04-1001 Joo Chiat Complex, Singapore 420001.

The Society is comprised of four (4) welfare centres as follows:

Welfare Centres

1. Pertapis Children's Home
2. Pertapis Centre for Women and Girls
3. Pertapis Halfway House
4. Pertapis Senior Citizens' Fellowship Home

The financial statements of the Society for the financial year ended 31 March 2022 were authorised for issue in accordance with a resolution of the Executive Committee on the date of the Statement by the Executive Committee.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The financial statements are presented in Singapore Dollars ("S\$"), which is the Society's functional currency.

2.2 Changes in accounting policies

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

2.3 Income recognition

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

PERTAPIS EDUCATION AND WELFARE CENTRE

[A Society registered under the Societies Act (Chapter 311) in the Republic of Singapore]

Unique Entity No.: S71SS0014H

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Income recognition (Continued)

(a) *Cash donations*

Cash donations which are still in collection containers at public and other premises or are in transit to the Society are not recognized as income until they have been received by the Society. Donations are recognized on a receipt basis. No value is ascribed to volunteer services, donated services, assets donated for continuing use or similar donations-in-kind, unless the benefit to the Society is reasonably quantifiable and measurable in which case an equivalent amount is recorded in expenditure or capitalized as appropriate.

(b) *Donations in-kind*

Donations-in-kind received for continuing use are capitalized and included in the statement of financial position at a reasonable estimate or in the event that it is not practicable to do so, a nominal value of \$1 is assigned to capitalize the useable assets.

Items received which are donated for resale, distribution or consumption are not recorded when received as it is usually not practical to ascertain the value of the items involved.

(c) *Grants and subsidies*

The recognition of a promised grant or *subsidies* is evidence of entitlement which normally exists when the grant is formally expressed in writing. Where the entitlement is demonstrable, and no conditions are attached, such promises are recognized as income once the criteria or certainty and measurability are met. When conditions are attached, they must be fulfilled before the Society has unconditional entitlement to the income. Income is deferred as a liability where uncertainty exists as to whether the Society can meet the conditions and is recognized as income when there is sufficient evidence that the conditions imposed can be met.

(d) *Allocation of Zakat and income from fund-raising projects*

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

(e) *Registration fees*

Registration fees are recognised when received.

(f) *Rental income*

Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term.

(g) *Other income*

Other income is recognised when received.

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2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Expenditure recognition (Continued)

All expenditure is 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.

(a) *Cost of generating funds*

Cost of generating funds comprises all directly attributable costs incurred in the generating of voluntary income and fund-raising activities. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

(b) *Cost of charitable activities*

Cost of charitable activities comprises all directly attributable costs incurred in the pursuit of the charitable objects of the Society and an apportionment of overhead and shared costs.

(c) *Governance and administrative costs*

Governance costs include the cost of governance arrangement, which related to the general running of the Society, 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.

2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

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

	<u>Useful lives</u>
Computers	3 years
Furniture and fittings	5 years
Office equipment	5 years
Gymnastics equipment	5 years
Playground equipment	5 years
Gaming equipment	5 years
Motor vehicles	5 years
Renovation	5 years

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

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For the financial year ended 31 March 2022

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Property, plant and equipment (Continued)

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

Fully depreciated assets still in use are retained in the financial statements.

2.6 Impairment of non-financial assets

The Society assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Society makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in the statement of financial activities.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its revised recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the statement of financial activities.

2.7 Financial instruments

(a) *Financial assets*

Initial recognition and measurement

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

Subsequent measurement

Receivables in financial assets are subsequently measured at cost less accumulated impairment losses.

Derecognition

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

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Financial instruments (Continued)

(b) Financial liabilities (Continued)

Initial recognition and measurement

Financial liabilities are recognised when the Society 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 liability includes "Other payables" in the statement of financial position.

Financial liabilities including other payables, other than accruals, shall be 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 shall be recognised at the best estimate of the amount payable.

Derecognition

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

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks, fixed deposits and cash on hand which are subject to an insignificant risk of changes in value.

2.9 Impairment of financial assets

The Society 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 Society will not be able to collect all amounts due according to the original terms of the financial assets. Significant difficulty of the debtor probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the financial asset is impaired. The amount of the allowance is the difference between the financial asset's carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance for impairment is recognised in the statement of financial activities within "Cost of generating funds", "Cost of charitable activities" and "Governance and other 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 previously recognised impairment loss will be reversed. The reversal will 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.

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2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Provisions (Continued)

Provisions are recognised when the Society has a present obligation (legal or constructive) as a result of a past event where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised in the statement of financial activities.

2.11 Employee benefits

(a) *Defined contribution plans*

The Society makes contributions to the Central Provident Fund (“CPF”) scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) *Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Society has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.12 Operating leases

As lessor

The Society leases out the investment property under operating leases to non-related parties.

Leases of an investment property where the Society retains substantially all risks and rewards incidental to ownership is classified as operating leases. Initial direct costs incurred by the Society in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in the statement of financial activities over the lease term on the same basis as the rental income. The accounting policy for rental income is set out in Note 2.3 (f).

As lessee

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 recognised in the statement of financial activities.

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For the financial year ended 31 March 2022

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Funds

Restricted fund balances are restricted by outside sources and may only be utilised in accordance with the purposes for which they are established. Designated funds are earmarked for specific purposes and are largely made up of funds allocated at the discretion of the Executive Management. These designated funds are treated as restricted funds as they contain funds restricted by outside sources.

The Executive Committee members retains full control over the use of unrestricted funds for any of the Society's purposes.

2.14 Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

2.15 Events after the reporting date

Post year-end events that provide additional information about the Society's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Society's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of the income, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

The key critical judgments in applying the entity's accounting policies concerning the future 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.

Government grants

Government grants to meet operating expenses are recognised as income in the statement of financial activities on an accrual basis in the year these operating expenses were incurred and there is reasonable assurance that the Society will comply with the conditions attached to it.

For certain grants, the government agencies reserve the right to withdraw, withhold or reduce the amount of any funds approved but not yet disbursed or to call for the refund of all funds which have been disbursed to the Society if the conditions are not met.

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For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

3.1 Judgements made in applying accounting policies (Continued)

Impairment of fees receivables

The impairment of fee receivables is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. The carrying amounts of the Society's fees receivables is disclosed in Note 7 to the financial statements.

Useful lives of investment properties and property, plant and equipment

The useful life of an item of property, plant and equipment and investment properties are estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Society's investment properties and property, plant and equipment as at 31 March 2022 are disclosed in Note 8 and 9 to the financial statements.

3.2 Key sources of estimation uncertainty

Management is of the opinion that there are no key sources of estimation uncertainty at the end of the financial year that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 RELATED PARTY DISCLOSURES

(a) *Significant related party transactions*

The related party transactions are between the Society, its divisions, Executive Committee and its directors. The effects of these transactions are reflected in the financial statements on the basis determined between the parties.

	<u>2022</u>	<u>2021</u>
	\$	\$
<i>Related parties, Executive Committee / Spouse of Executive Committee</i>		
Benefits received from the Society	15,846	16,161
Consultancy services rendered from the Society	-	1,258
	<u>15,846</u>	<u>17,419</u>
<i>Related party, Pertapis Community Services Limited (PCS)</i>		
Allocation of Zakat from the Society	250,000	100,000
Payment made on behalf by the Society	1,111	7,833
	<u>251,111</u>	<u>107,833</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

4 RELATED PARTY DISCLOSURES (Continued)

(b) *Remuneration of the Executive Committee*

The Executive Committee are volunteers who contribute pro-bono their time, expertise and services. During the financial year, the Executive Committee did not receive any remuneration from the Society (2021: NIL).

(c) *Remuneration of key management personnel*

Key management personnel of the Society and its Divisions consist of the Executive Director, Key Managers and all Head of the Homes. They have the responsibility to plan, direct and control the activities of the Society and its Divisions. During the financial year ended 31 March 2022, there were 10 key management personnel (2021: 12).

	<u>2022</u>	<u>2021</u>
	\$	\$
Salaries and related costs	576,453	496,191
Employer CPF	78,714	52,350
	<u>655,167</u>	<u>548,541</u>

(d) *Remuneration to staff who are close family members of the Executive Committee*

	No. of staff	
	<u>2022</u>	<u>2021</u>
Breakdown by band: \$50,000 to \$100,000	<u>2</u>	<u>2</u>
Breakdown by name of Executive Committee:		
Abdul Samad Bin Haron	1	1
Dr. Muhammad Fadzli Hassan and Muhammad Hasyim Mohamed Azmi	<u>1</u>	<u>1</u>
	<u>2</u>	<u>2</u>

None of the Society's employees, including its key management personnel, received a remuneration exceeding S\$100,000 during the financial years ended 31 March 2022 and 31 March 2021.

5 INCOME FROM GENERATING FUNDS

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Voluntary income</u>		
Non-tax exempt donations	429,299	284,300
Tax exempt donations	<u>337,657</u>	<u>618,904</u>
	<u>766,956</u>	<u>903,204</u>
<u>Grants and subsidies</u>		
Grants received	274,036	1,095,863
Amortisation of grants	<u>55,166</u>	<u>68,196</u>
	<u>329,202</u>	<u>1,164,059</u>

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act (Chapter 311) in the Republic of Singapore]**Unique Entity No.: S71SS0014H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2022***5 INCOME FROM GENERATING FUNDS (Continued)**

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Activities income</u>		
Fundraising income	88,315	116,586
Consultancy income	16,449	-
Childcare school fees	-	931,897
Registration fees	-	2,560
Sales of books	-	2,375
Student insurance	-	265
	<u>104,764</u>	<u>1,053,683</u>
<u>Investment income</u>		
Interest income	34,620	52,953
Islamic deposit profit	14,506	14,558
Rental income	68,379	49,292
	<u>117,505</u>	<u>116,803</u>
<u>Other income</u>		
Membership fees	2,759	2,501
Wage credit scheme	-	148,761
Sale of Kiddy Campus	-	75,000
Special employment credit	-	43,787
Consultancy income	-	6,014
Miscellaneous Income	209,020	268,127
	<u>211,779</u>	<u>544,190</u>
	<u>1,530,206</u>	<u>3,781,939</u>

During the financial year, the Division received a sponsorship from Octava Foundation amounting to \$16,080 (2021: \$16,080) for the payment for the teachers from School of Concepts ("SOC") to the Division to conduct phonics based English literary lessons.

6 CASH AND CASH EQUIVALENTS

	<u>2022</u>	<u>2021</u>
	\$	\$
Cash at banks	13,684,926	15,615,509
Fixed deposit	10,004,000	6,236,808
Cash on hand	34,219	53,176
	<u>23,723,145</u>	<u>21,905,493</u>

The fixed deposits mature within 1 to 10 months (2021: 1 to 10 months) from the financial year end and earn interest at rate of 0.29% to 0.56% (2021: 0.25% to 1.25%) per annum.

Fixed deposits are included as cash and bank balances as these can be readily converted into cash without incurring significant penalty.

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act (Chapter 311) in the Republic of Singapore]**Unique Entity No.: S71SS0014H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2022***6 CASH AND CASH EQUIVALENTS (Continued)**

For the purpose of the statement of cash flows, cash and cash equivalents, comprise the following at the reporting date:

	<u>2022</u>	<u>2021</u>
	\$	\$
Cash and bank balances	23,723,145	21,905,493
Less: Fixed deposits pledged	-	(236,808)
Cash and cash equivalents	<u>23,723,145</u>	<u>21,668,685</u>

Fixed deposit of Nil (2021: \$236,808) are held as collateral for letters of guarantees issued by the bank in respect of rental deposits for Halfway House, Children's Home and Centre for Women and Girls.

Pledged fixed deposits are not included in the determination of cash and cash equivalents in the statement of cash flows because of restriction in use.

7 FEES AND OTHER RECEIVABLES

	<u>2022</u>	<u>2021</u>
	\$	\$
School fees receivable	-	84,280
Movers receivable	10,116	2,457
	<u>10,116</u>	<u>86,737</u>
Grant receivable - SPS	1,106,828	-
Prepayment - rental	455,206	394,830
Deposits	245,198	215,662
Advance payment to supplier	72,050	9,716
Prepayment - others	32,817	27,791
Interest receivable	15,919	20,641
GST receivable	1,061	52,098
Grant receivable - Job Support Scheme	-	82,870
MSF grant receivable	-	64,157
Grant receivable - others	-	37,471
Other receivables	96,976	60,803
	<u>2,026,055</u>	<u>966,039</u>
	<u>2,036,171</u>	<u>1,052,776</u>

The Jobs Support Scheme (JSS) provides wage support to employers to help them retain their local employees (Singapore Citizens and Permanent Residents) during this period of economic and pandemic uncertainty. JSS payouts are intended to offset local employees wages and help protect their jobs.

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For the financial year ended 31 March 2022

7 FEES AND OTHER RECEIVABLES (Continued)

Receivables that are past due but not impaired

The Society had fees receivables amounting to \$10,116 (2021: \$84,879) that were past due at the reporting date but not impaired. These receivables were unsecured and the analysis of their aging at the reporting date was as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Other receivables past due but not impaired:		
Lesser than 30 days	10,116	-
31 - 60 days	-	599
61 - 90 days	-	-
More than 90 days	-	84,280
	<u>10,116</u>	<u>84,879</u>

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PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act (Chapter 311) in the Republic of Singapore]**Unique Entity No.: S71SS0014H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2022***8 INVESTMENT PROPERTIES**

	<u>2022</u>	<u>2021</u>
	\$	\$
Cost		
At beginning and end of financial year	<u>4,672,000</u>	<u>4,672,000</u>
Accumulated depreciation and impairment losses		
At beginning of financial year	442,000	-
Depreciation during the financial year	12,200	45,650
Impairment loss during the financial year	-	396,350
At end of financial year	<u>454,200</u>	<u>442,000</u>
Carrying amount		
At end of financial year	<u><u>4,217,800</u></u>	<u><u>4,230,000</u></u>

Investment properties of the Society, which are registered in the names of the Trustee, are held in trust by the Trustees on behalf of the Society.

Investment properties are located at 160 Changi Road, #03-05/06/07 Singapore 419728. The properties are freehold commercial office and are leased out to non-related parties under operating leases.

The Society does not intend to dispose of this investment in the foreseeable future. The Executive Committee does not anticipate that the carrying amount of this investment will be significantly different from the fair value.

As at 31 March 2021, the fair values of the investment properties were valued by Colliers International Consultancy & Valuation (S) Pte Ltd. for S\$4,230,000, a firm of independent professional valuers, based on the properties highest-and-best-use using the Market Approach to Value Method. This method relies on transacted prices of comparable properties to arrive at the market value. Any adjustments to value were made for factors affecting the value, such as location, tenure, age, floor area, design, layout, floor level, condition and standard of finishes amongst other factors.

The following amounts are recognised in the statement of financial activities:

	<u>2022</u>	<u>2021</u>
	\$	\$
Rental income	68,379	49,292
Direct operating expenses arising from investment property:		
Depreciation	12,200	45,650
Property tax	<u>8,155</u>	<u>8,448</u>

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For the financial year ended 31 March 2022

9 PROPERTY, PLANT AND EQUIPMENT

	Computers	Furniture and fittings	Office equipment	Motor vehicles	Gymnastics equipment	Playground equipment	Gaming equipment	Renovation	Assets under construction	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost										
At 31 March 2020	271,267	257,353	221,040	826,955	2,477	-	-	4,182,182	67,086	5,828,360
Additions	53,597	29,631	12,172	-	-	-	-	277,125	-	372,525
Transfers	-	-	-	-	-	-	-	67,086	(67,086)	-
Written off	(151,965)	(3,455)	(13,518)	-	-	-	-	(394,708)	-	(563,646)
At 31 March 2021	172,899	283,529	219,694	826,955	2,477	-	-	4,131,685	-	5,637,239
Additions	96,628	69,399	43,371	-	-	24,289	7,093	-	-	240,780
Disposals	-	(8,053)	-	-	-	-	-	-	-	(8,053)
Write off	(3,241)	(5,359)	(31,566)	-	-	-	-	(19,367)	-	(59,533)
Adjustments	-	-	-	-	-	-	-	(128)	-	(128)
At 31 March 2022	266,286	339,516	231,499	826,955	2,477	24,289	7,093	4,112,190	-	5,810,305
Accumulated depreciation										
At 31 March 2020	199,179	134,242	104,759	670,514	1,485	-	-	1,626,791	-	2,736,970
Depreciation charge	53,479	45,202	42,870	64,022	495	-	-	783,708	-	989,776
Written off	(150,422)	(2,741)	(11,759)	-	-	-	-	(394,708)	-	(559,630)
At 31 March 2021	102,236	176,703	135,870	734,536	1,980	-	-	2,015,791	-	3,167,116
Depreciation charge	53,350	47,795	38,761	58,435	497	1,619	-	807,479	-	1,007,936
Write off	(900)	(4,566)	(30,565)	-	-	-	-	(19,368)	-	(55,399)
Disposal	-	(6,957)	-	-	-	-	-	-	-	(6,957)
At 31 March 2022	154,686	212,975	144,066	792,971	2,477	1,619	-	2,803,902	-	4,112,696
	111,600	126,541	87,433	33,984	-	22,670	7,093	1,308,288	-	-
Carrying amount										
At 31 March 2021	70,663	106,826	83,824	92,419	497	-	-	2,115,894	-	2,470,123
At 31 March 2022	111,600	126,541	87,433	33,984	-	22,670	7,093	1,308,288	-	1,697,609

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9 PROPERTY, PLANT AND EQUIPMENT (Continued)

The breakdown of the depreciation charge is as follows:

	2022			2021		
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	\$	\$	\$	\$	\$	\$
Cost of generating funds	2,307	-	2,307	5,166	-	5,166
Cost of charitable activities	-	926,265	926,265	-	893,419	893,419
Governance and other administrative costs	79,364	-	79,364	91,191	-	91,191
	<u>81,671</u>	<u>926,265</u>	<u>1,007,936</u>	<u>96,357</u>	<u>893,419</u>	<u>989,776</u>

During the financial year ended 31 March 2021, assets under construction for the cyclical maintenance renovation works on the Division, Centre for Women and Girls and Senior Citizens' Fellowship Home were completed and transferred to Renovation under Property, Plant and Equipment. The Society has written off of carrying amount of property, plant and equipment for S\$4,016 under the "Cost of generating funds" for under Unrestricted Fund due to closure of Kiddy Campus.

10 OTHER PAYABLES

	2022	2021
	\$	\$
SPS - Rental grant received in advance	394,830	394,830
Accruals	374,919	336,085
Deposits received	19,917	22,425
Resident's funds	6,250	15,100
GST payable	4,395	-
Advance receipts for rental income	2,381	3,156
Deferred grant income- Job Support Scheme	-	198,937
Other payables	260,599	70,217
	<u>1,063,291</u>	<u>1,040,750</u>

The deferred grant income - Jobs Support Scheme ("JSS") was recognised as a grant income, on a systematic basis, over the estimated 17 months of economic uncertainty till August 2021 in which the entity recognises the related salary costs.

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11 UNRESTRICTED FUNDS

Unrestricted funds comprise of the following:

(a) *General fund*

This fund is to be used for non-specific purposes at the discretion of the Executive Committee in furtherance of the Society's objects.

(b) *Childcare fund*

This fund is set up to account for funds of the Division to carry on the business as operators of childcare centres.

12 RESTRICTED FUNDS

(a) *Designated Capital Grant*

The Capital Grant Fund is set up to account for funds received for the purchases of plant and equipment. The fund will be subsequently amortised on a systematic basis to match the rate of depreciation of the corresponding property, plant and equipment.

(b) *Community Silver Trust Fund*

The Community Silver Trust Fund is set up to account for funds received to provide direct social support services that are relevant and critical to helping the disadvantaged.

(c) *Care and Share Grant Fund*

Care and Share is a national fund-raising and volunteerism movement led by the Ministry of Social and Family Development ("MSF") for the social service sector. It aims to recognise the contributions made by Voluntary Welfare Organisations ("VWOs") in the social service sector. Eligible donations raised by the Society will be matched dollar-for-dollar by MSF. The matched amount will go towards building the Society's capabilities and capacities.

(d) *Yellow Ribbon Fund*

This fund is set up to account for funds received from SCORE for the purpose of managing and operating the Residential Aftercare Support Programme (RASP).

(e) *President Challenge fund*

This fund is set up to account for funds received from National Council of Social Service ("NCSS") for the purpose of managing and operating social service programmes.

(f) *Welfare Trust and Zakat fund*

This fund is set up to account for Zakat and Fidyah receipts and their distributions.

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12 RESTRICTED FUNDS (Continued)

(g) *Women and Girls Home fund*

This fund is set up to account for funds of the Division catering for the welfare of young women and girls who need assistance and rehabilitation. These community services are carried out by restoring Individual's confidence, organising programme of moral uplifting and counselling.

(h) *Children Home fund*

This fund is set up to account for funds of the Division to provide welfare for the under-privileged children to inculcate good values in these children.

(i) *Halfway House fund*

This fund is set up to account for funds of the Division to provide treatment and rehabilitative services to substance abusers to enable them to reintegrate into society. These community services are carried out by restoring the individual's confidence, organising programmes of moral uplifting and counselling.

(j) *Senior Citizen Fellowship Home fund*

This fund is set up to account for funds of the Division to house destitutes without family support.

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For the financial year ended 31 March 2022

12 RESTRICTED FUNDS (Continued)

The detailed statement of financial activities for restricted funds are as follows:

	Designated Capital Grant Fund	Community Silver Trust Fund	Care & Share Grant Fund	Yellow Ribbon Fund	President Challenge Fund	Welfare Trust and Zakat Fund	Children Home Fund	Women and Girls Home Fund	Halfway House Fund	Senior Citizen Fellowship Home Fund	Total
INCOME											
Income from generated funds											
Voluntary income	-	-	-	-	-	2,404,891	226,975	158,224	520	41,936	2,832,546
Other income	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	2,404,891	226,975	158,224	520	41,936	2,832,546
Income from charitable activities											
Grants and subsidies											
Agency for Integrated Care (AIC)	-	63,254	-	-	-	-	-	-	-	-	63,254
MSF: Per Capita Grant	-	-	-	-	-	-	1,079,269	1,725,091	-	390,264	3,194,624
MSF: Rental Grant	-	-	-	-	-	-	93,347	170,495	-	-	263,842
MSF: Programme Funding	-	-	-	-	-	-	5,345	6,089	-	-	11,434
MSF: Cyclical Maintenance	-	-	-	-	-	-	27,000	-	-	6,518	33,518
MSF: Care Staff Funding	-	-	-	-	-	-	62,397	-	-	-	62,397
MSF : CRISIS BED	-	-	-	-	-	-	-	-	-	17,208	17,208
MSF : Others	-	-	-	-	-	-	20,782	9,710	405	15,058	45,955
MUIS Grants	-	-	-	-	-	-	10,000	9,400	10,000	10,000	39,400
Mendaki Grants	-	-	-	-	-	-	12,451	10,209	25,831	-	48,491
NCSS: ComChest	-	-	-	-	-	-	-	-	-	115,500	115,500
NCSS: President Challenge Fund	-	-	-	-	276,793	-	-	-	-	-	276,793
Balance carried forward	-	63,254	-	-	276,793	-	1,310,591	1,930,994	36,236	554,548	4,172,416

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12 RESTRICTED FUNDS (Continued)

The detailed statement of financial activities for restricted funds are as follows:

	Designated Capital Grant Fund	Community Silver Trust Fund	Care & Share Grant Fund	Yellow Ribbon Grant Fund	President Challenge Fund	Welfare Trust and Zakat Fund	Children Home Fund	Women and Girls Home Fund	Halfway House Fund	Senior Citizen Fellowship Home Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
INCOME (Continued)											
Income from charitable activities (Continued)											
Grants and subsidies (Continued)											
Balance brought forward	-	63,254	-	-	276,793	-	1,310,591	1,930,994	36,236	554,548	4,172,416
NCSS: Tote Board Social Service Grant	-	-	-	-	-	-	22,394	983	-	-	23,377
NCSS: Salary Support for PCPSW	-	-	-	-	-	-	64,100	25,048	4,515	-	93,663
NCSS: Others	-	-	-	-	-	-	-	25,354	3,000	-	28,354
SPS: Halfway Service Model	-	-	-	-	-	-	-	-	3,351,216	-	3,351,216
SPS: Rental Grant	-	-	-	-	-	-	-	-	394,830	-	394,830
IRAS - JSS	-	-	-	-	-	-	507	21,497	24,566	11,016	57,586
IRAS - JGI, SEC AND EEC	-	-	-	-	-	-	7,676	8,991	12,048	3,692	32,407
Training and others	-	-	-	-	-	-	14,967	17,618	891	1,062	34,538
Activities income	-	-	-	-	-	-	-	-	79,165	-	79,165
Amortisation of capital grant	-	-	-	-	-	-	295,248	255,435	258,009	66,357	875,049
Miscellaneous income	-	-	-	-	-	-	2,506	4,032	5,371	27,219	39,128
	-	63,254	-	-	276,793	-	1,717,989	2,289,952	4,169,847	663,894	9,181,729
TOTAL INCOME	-	63,254	-	-	276,793	2,404,891	1,944,964	2,448,176	4,170,367	705,830	12,014,275

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12 RESTRICTED FUNDS (Continued)

The detailed statement of financial activities for restricted funds are as follows:

	Designated Capital Grant Fund		Community Silver Trust Fund		Care & Share Grant Fund		Yellow Ribbon Grant Fund		President Challenge Fund		Welfare Trust and Zakat Fund		Children Home Fund		Women and Girls Home Fund		Halfway House Fund		Senior Citizen Fellowship Home Fund		Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
LESS: EXPENDITURE																					
Cost of generating funds																					
Miscellaneous expenses	-	-	-	-	-	-	-	-	1,717	-	-	-	-	-	-	-	-	-	-	-	1,717
Salaries and related costs	-	-	-	-	-	-	-	-	11,599	-	-	-	-	-	-	-	-	-	-	-	11,599
Amortisation of capital grant	913	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	913
	913	-	-	-	-	-	-	-	13,316	-	-	-	-	-	-	-	-	-	-	-	14,229
Cost of charitable activities																					
Salaries and related costs	-	-	-	-	-	-	-	-	-	38,302	803,794	823,921	940,159	452,570	3,058,746						
Miscellaneous expenses	-	82,881	-	-	-	-	-	18,815	52,062	357,504	432,517	748,562	41,935	1,734,276							
Donation to others	-	-	-	-	-	-	-	-	556,195	-	-	-	-	556,195							
Residents and students expenses	-	-	-	-	-	-	13,500	-	-	197,609	254,774	281,886	150,582	898,351							
Depreciation of property, plant and equipment	-	-	-	-	-	-	-	-	-	303,160	261,919	288,802	72,384	926,265							
Residents' programme	-	74,177	-	-	-	16,152	131,500	17,899	40,830	49,947	23,561	1,704	355,770								
Staff employer CPF and SDL	-	-	-	-	-	-	-	-	-	150,286	130,563	142,406	70,783	494,038							
Amortisation of capital grant	929,302	-	-	-	-	-	-	-	-	-	-	-	-	929,302							
	929,302	157,058	-	-	-	29,652	150,315	664,458	1,862,300	1,944,524	2,425,376	789,958	8,952,943								
Governance and administrative costs																					
Administrative expenses	-	-	-	-	-	-	-	-	192,000	156,000	174,000	150,000	66,000	738,000							
Audit fees	-	-	-	-	-	-	-	-	-	4,715	4,915	4,058	6,636	20,324							
	-	-	-	-	-	-	-	-	192,000	160,715	178,915	154,058	72,636	758,324							
TOTAL EXPENDITURE	930,215	157,058	-	-	-	29,652	163,631	856,458	2,023,015	2,123,439	2,579,434	862,594	9,725,496								

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 For the financial year ended 31 March 2022

12 RESTRICTED FUNDS (Continued)

The detailed statement of financial activities for restricted funds are as follows:

	Designated Capital Grant Fund	Community Silver Trust Fund	Care & Share Grant Fund	Yellow Ribbon Grant Fund	President Challenge Fund	Welfare Trust and Zakat Fund	Children Home Fund	Women and Girls Home Fund	Halfway House Fund	Senior Citizen Fellowship Home Fund	Total
Net (expenditure)/income before Zakat allocation	(930,215)	(93,804)	-	(29,652)	113,162	1,548,433	(78,051)	324,737	1,590,933	(156,764)	2,288,779
Allocation of zakat	-	-	-	-	-	(750,000)	400,000	-	-	350,000	-
Net (expenditure)/income for the financial year	(930,215)	(93,804)	-	(29,652)	113,162	798,433	321,949	324,737	1,590,933	193,236	2,288,779

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 For the financial year ended 31 March 2022

12 RESTRICTED FUNDS (Continued)

The detailed statement of financial activities for restricted funds are as follows:

	Designated Capital Grant Fund	Community Silver Trust Fund	Care & Share Grant Fund	Yellow Ribbon Grant Fund	President Challenge Fund	Welfare Trust and Zakat Fund	Children Home Fund	Women and Girls Home Fund	Halfway House Fund	Senior Citizen Fellowship Home Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
INCOME											
Income from generated funds											
Voluntary income	-	-	-	-	-	2,039,376	156,532	59,935	5,362	50,143	2,311,348
Other income	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	2,039,376	156,532	59,935	5,362	50,143	2,311,348
Income from charitable activities											
Grants and subsidies											
Agency for Integrated Care (AIC)	-	53,107	-	-	-	-	-	-	-	-	53,107
MSF: Per Capita Grant	-	-	-	-	-	-	1,728,736	2,044,917	-	374,043	4,147,696
MSF: Rental Grant	-	-	-	-	-	-	78,608	173,505	-	-	252,113
MSF: Programme Funding	-	-	-	-	-	-	216,807	261,980	-	-	478,787
MSF: Cyclical Maintenance	-	-	-	-	-	-	-	51,892	-	287,321	339,213
MSF: Care Staff Funding	-	-	-	-	-	-	52,611	-	-	-	52,611
MSF : CRISIS BED	-	-	-	-	-	-	-	-	-	12,125	12,125
MUIS Grants	-	-	-	-	-	-	22,400	25,000	22,400	22,400	92,200
NCSS: ComChest	-	-	-	-	-	-	-	-	-	-	-
NCSS: President Challenge Fund	-	-	-	-	-	-	-	-	-	108,993	108,993
NCSS: Tote Board Social Service Grant	-	-	-	-	189,540	-	-	-	-	-	189,540
Balance carried forward	-	53,107	-	-	189,540	-	37,556	19,546	22,400	804,882	57,102
	-	53,107	-	-	189,540	-	2,136,718	2,576,840	22,400	804,882	5,763,487

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12 RESTRICTED FUNDS (Continued)

The detailed statement of financial activities for restricted funds are as follows:

	Designated Capital Grant Fund	Community Silver Trust Fund	Care & Share Grant Fund	Yellow Ribbon Grant Fund	President Challenge Fund	Welfare Trust and Zakat Fund	Children Home Fund	Women and Girls Home Fund	Halfway House Fund	Senior Citizen Fellowship Home Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
INCOME (Continued)											
Income from charitable activities											
(Continued)											
Grants and subsidies (Continued)											
Balance brought forward	-	53,107	-	-	189,540	-	2,136,718	2,576,840	22,400	804,882	5,783,487
NCSS: Tote Board Social Service Grant - Overfunding	-	-	-	-	-	-	(57,372)	-	-	-	(57,372)
NCSS: Salary Support for PCPSW	-	-	-	-	-	-	25,223	9,139	11,295	-	45,657
SPS: Halfway Service Model	-	-	-	-	-	-	-	-	1,947,418	-	1,947,418
SPS: Rental Grant	-	-	-	-	-	-	-	-	350,960	-	350,960
YRF: Residential Aftercare Support	-	-	-	55,980	-	-	-	-	-	-	55,980
IRAS - JSS	-	-	-	-	-	-	228,420	207,849	281,982	107,400	825,651
IRAS - JGI, SEC AND EEC	-	-	-	-	-	-	2,121	-	-	-	2,121
Others	-	-	-	-	-	-	40,172	46,442	5,330	17,632	109,576
Activities income	-	-	-	-	-	-	-	-	58,895	-	58,895
Amortisation of capital grant	-	-	-	-	-	-	296,427	256,832	266,368	42,946	862,573
Miscellaneous income	-	-	-	-	-	-	15,137	4,528	4,924	20,899	45,488
Others	-	-	-	-	-	-	-	-	-	-	-
	-	53,107	-	55,980	189,540	-	2,686,846	3,101,630	2,949,572	993,759	10,030,434
TOTAL INCOME	-	53,107	-	55,980	189,540	2,039,376	2,843,378	3,161,565	2,954,934	1,043,902	12,341,782

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12 RESTRICTED FUNDS (Continued)

The detailed statement of financial activities for restricted funds are as follows:

	Designated Capital Fund	Community Silver Trust Fund	Care & Share Grant Fund	Yellow Ribbon Grant Fund	President Challenge Fund	Welfare Trust and Zakat Fund	Children Home Fund	Women and Girls Home Fund	Halfway House Fund	Senior Citizen Fellowship Home Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
LESS: EXPENDITURE											
Cost of generating funds	-	-	-	-	5,438	-	-	-	-	-	5,438
Miscellaneous expenses	-	-	-	-	4,550	-	-	-	-	-	4,550
Staff training	-	-	-	-	1,008	-	-	-	-	-	1,008
Staff welfare	1,111	-	-	-	-	-	-	-	-	-	1,111
Amortisation of capital grant	1,111	-	-	-	10,996	-	-	-	-	-	12,107
Cost of charitable activities											
Salaries and related costs	-	-	102	-	-	-	859,168	741,841	858,955	406,852	2,866,918
Staff employer CPF and SDL	-	-	-	-	-	-	157,903	118,812	128,822	62,208	467,745
Miscellaneous expenses	-	62,713	-	-	17	-	238,908	307,565	659,338	79,500	1,348,041
Donation to others	-	-	-	-	-	393,737	-	-	-	-	393,737
Residents and students expenses	-	-	-	21,600	-	-	269,335	204,212	302,025	140,366	937,538
Depreciation of property, plant and equipment	-	-	-	-	-	-	299,417	258,013	289,066	46,923	893,419
Residents' programme	-	7,630	-	-	106,641	61,688	34,057	45,978	10,236	3,450	269,680
Amortisation of capital grant	929,658	-	-	-	-	-	-	-	-	-	929,658
	929,658	70,343	102	21,600	106,658	455,425	1,858,788	1,676,421	2,248,442	739,299	8,106,736

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12 RESTRICTED FUNDS (Continued)

The detailed statement of financial activities for restricted funds are as follows:

	Designated Capital Grant Fund	Community Silver Trust Fund	Care & Share Grant Fund	Yellow Ribbon Grant Fund	President Challenge Fund	Welfare Trust and Zakat Fund	Children Home Fund	Women and Girls Home Fund	Halfway House Fund	Senior Citizen Fellowship Home Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
LESS: EXPENDITURE (Continued)											
Governance and administrative costs											
Administrative expenses	-	-	-	-	-	192,000	156,000	174,000	150,000	66,000	738,000
Audit fees	-	-	-	-	-	-	6,100	8,100	7,000	5,400	26,600
Expenses from movers services	-	-	-	-	-	30,730	-	-	-	-	30,730
Salaries and related costs	-	-	-	-	-	51,553	-	-	-	-	51,553
Repairs and maintenance	-	-	28,722	-	-	254	-	-	-	-	28,976
Miscellaneous expenses	-	-	-	-	-	4,979	-	-	-	-	4,979
	-	-	28,722	-	-	279,516	162,100	182,100	157,000	71,400	880,838
TOTAL EXPENDITURE	930,769	70,343	28,824	21,600	117,654	734,941	2,020,888	1,858,521	2,405,442	810,699	8,999,681
Net (expenditure)/income before Zakat allocation	(930,769)	(17,236)	(28,824)	34,380	71,886	1,304,435	822,490	1,303,044	549,492	233,203	3,342,101
Allocation of zakat	-	-	-	-	-	(1,200,000)	-	-	-	1,200,000	-
Net (expenditure)/income for the financial year	(930,769)	(17,236)	(28,824)	34,380	71,886	104,435	822,490	1,303,044	549,492	1,433,203	3,342,101

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13 TRANSFERS OF FUNDS

Transfer of funds relate to appropriations or transfers of grants/funds from Headquarter to a fund or within the different funds of the Society to recognise transfer or utilisation of funds.

14 CONTINGENT LIABILITIES

At the reporting date, the Society had no contingent liabilities (2021: S\$93,978) in respect of bank guarantees issued in favour of third parties to guarantee the due performance of the Society, secured against pledged fixed deposits.

15 INCOME TAX AND TAX-EXEMPT RECEIPTS

(a) The Society is a charity registered under the Charities Act since 17 February 1984, Consequently, the income of the Society and that of its Divisions are exempted from tax under the provisions of Section 13 of the Income Tax Act, Cap. 134.

(b) Tax-exempt receipts issued by the Society for the financial year for these donations received amounted to \$1,486,672 (2021: \$1,564,888).

16 CAPITAL COMMITMENTS

At the reporting date, the Society has capital commitments in construction included in Note 9 as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Capital commitment In respect of:		
Contract sum	-	24,289
Add: variation order	-	-
Less: Recorded as advance payment to supplier*	-	(9,716)
Less: Capitalised as Renovation for work completed	-	-
Less: Assets under construction	-	-
	<u>-</u>	<u>14,573</u>

* The advance payment is the initial deposit paid to the supplier as at 31 March 2021 and was recorded as advance payment to supplier as disclosed in Note 7. This will be recognised as utilisation when the playground is completed and submitted the fund utilisation report to NCSS in the current financial year.

PERTAPIS EDUCATION AND WELFARE CENTRE

[A Society registered under the Societies Act (Chapter 311) in the Republic of Singapore]

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17 OPERATING LEASE COMMITMENTS**(a) As a lessee**

The Society leases office premises and office equipment from non-related parties under non-cancellable operating lease agreement. The lease has renewal rights.

The future minimum rental payable under non-cancellable operating lease contracted for at the reporting date but not recognised as liabilities, are as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Rental of premises</u>		
Within one financial year	1,091,562	1,032,606
Within two to five financial years	1,334,638	1,494,608
	<u>2,426,200</u>	<u>2,527,214</u>
<u>Rental of equipment</u>		
Within one financial year	27,092	11,071
Within two to five financial years	83,535	-
	<u>110,627</u>	<u>11,071</u>

(b) As a lessor

The Society has entered into commercial property leases on its investment property to non-related parties under non-cancellable operating leases.

The future minimum rental receivables under non-cancellable operating leases contracted for at the end of the reporting period but not recognised as receivables, are as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Within one financial year	51,374	42,718
Within two to five financial years	8,207	-
	<u>59,581</u>	<u>42,718</u>

18 FUND-RAISING

	<u>2022</u>	<u>2021</u>
	\$	\$
Gross donations, representing total receipts from fund-raising	65,029	21,580
Direct fund-raising expenses	5,658	-
Percentage of direct fund raising expenses over gross donations	<u>8.7%</u>	<u>0.0%</u>

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For the financial year ended 31 March 2022

18 FUND-RAISING (Continued)

For the financial year ended 31 March 2022, the receipts and expenses from fund-raising activities relate to the crowdsourcing and public fundraising initiatives by Pertapis Centre for Women and Girls ("PCWG") for its Integrated Living Space ("ILS") campaign and the Race for Impact campaign.

For the financial year ended 31 March 2021, the receipts and expenses from fund-raising activities relate to Flag day.

19 RESERVE POLICY

The Executive Committee has established a reserve policy for the Society, pursuant to the Code of Governance for Charities and IPCs Guidelines 6.4.1. The reserve measurements are calculated as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Unrestricted funds	17,971,291	18,267,320
A Net liquid assets available to meet expenditure obligations	23,723,145	21,668,685
B Total operating expenditure	<u>12,176,386</u>	<u>12,444,266</u>
Ratio of net liquid assets to total operating expenses (A/B)	<u>1.95</u>	<u>1.74</u>

Reference:

A. Total cash and cash equivalents which available for immediate use to meet the expenditure obligations.

B. Total Annual Operating Expenditure includes expenses related to Cost of Generating Funds, Cost of Charitable Activities, Governance and Other Administrative Costs and excluded fundraising expenses.

The unrestricted funds represent the accumulated surplus and is for the purpose of meeting operating expenses of the Society. The Society reviews the level of reserves regularly for the Society's continuing obligations.

The Society does not have any externally imposed capital requirements for the financial years ended 31 March 2022 and 2021. There were no changes in the Society's reserve policy during the financial year.

20 MANAGEMENT OF CONFLICT OF INTEREST

During the current and previous financial year, none of the Executive Committee members received any remuneration from the Society.

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

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21 MANAGEMENT OF RESERVES

The primary objective of the Society is to ensure it maintains sufficient reserves in order to support its activities. Its approach to management of funds is to balance the allocation of cash and the incurrence of liabilities. Available cash is deployed primarily to cover the Society's operational requirements. The Society aims to maintain its reserves at a level of at least one year of its annual operating expenditure.

The Executive Committee reviews its reserve policy annually to ensure that the amount of reserves required is adequate.

The Society's overall approach to management of reserves remains unchanged from the previous financial year. The Society is not subject to any externally imposed reserve requirements.