

PERTAPIS EDUCATION AND WELFARE CENTRE

*[A Society registered under the Societies Act
1966 in the Republic of Singapore]
Unique Entity Number: S71SS0014H*

**FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 MARCH 2023**

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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 2023

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 2023, 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 Khan
Secretary General	Shaharin Nordin
Asst. Secretary General	Hasnah Masnod
Finance Secretary	Abdul Samad Haron
Asst Finance Secretary	Ahmad Ishak Ismail
Member	Faridah Beram
Member	Dr Mohd Elmie Nekmat
Member	Mohd Razif Helmy
Member	Abdul Hazin A. Rahim
Member	Danial Khan A. Rahim
Co-Opt Member	Danial Fadzlon
Co-Opt Member	Fazil Abd Hamid

On behalf of the Executive Committee



HUSSAINI ABDULLAH
President



ABDUL SAMAD HARON
Finance Secretary

Date: 26 AUG 2023



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 2023, 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 1966 (the "Societies Act"), the Charities Act 1994 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 2023, 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 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 2023 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: 26 August 2023

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

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act 1966 in the Republic of Singapore]**Unique Entity No.: S71SS0014H***STATEMENT OF FINANCIAL ACTIVITIES***For the financial year ended 31 March 2023*

	Note	2023			2022		
		Unrestricted fund	Restricted funds	Total funds	Unrestricted fund	Restricted funds	Total funds
		\$	\$	\$	\$	\$	\$
INCOME							
Income from generated funds							
Voluntary income		997,653	3,293,335	4,290,988	766,956	2,832,546	3,599,502
Grants and subsidies		181,600	290,000	471,600	329,202	-	329,202
Activities income		118,512	-	118,512	104,764	-	104,764
Investment income		326,171	-	326,171	117,505	-	117,505
Other income		72,526	-	72,526	211,779	-	211,779
	5, 12	<u>1,696,462</u>	<u>3,583,335</u>	<u>5,279,797</u>	<u>1,530,206</u>	<u>2,832,546</u>	<u>4,362,752</u>
Income from charitable activities							
Grants and subsidies		-	7,979,838	7,979,838	-	8,188,387	8,188,387
Amortisation of capital grant		-	672,939	672,939	-	875,049	875,049
Activities income		-	65,238	65,238	-	79,165	79,165
Miscellaneous income		100	16,459	16,559	-	39,128	39,128
		<u>100</u>	<u>8,734,474</u>	<u>8,734,574</u>	<u>-</u>	<u>9,181,729</u>	<u>9,181,729</u>
Administrative fees		<u>966,000</u>	<u>-</u>	<u>966,000</u>	<u>738,000</u>	<u>-</u>	<u>738,000</u>
Total income		<u>2,662,562</u>	<u>12,317,809</u>	<u>14,980,371</u>	<u>2,268,206</u>	<u>12,014,275</u>	<u>14,282,481</u>
EXPENDITURE							
Cost of generating funds							
Salaries and related costs		-	-	-	-	11,599	11,599
Amortisation of capital grant		-	-	-	-	913	913
Balance carried forward		-	-	-	-	12,512	12,512

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

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act 1966 in the Republic of Singapore]**Unique Entity No.: S71SS0014H***STATEMENT OF FINANCIAL ACTIVITIES***For the financial year ended 31 March 2023*

	2023			2022		
	Unrestricted fund	Restricted funds	Total funds	Unrestricted fund	Restricted funds	Total funds
	\$	\$	\$	\$	\$	\$
EXPENDITURE (Continued)						
Cost of generating funds (Continued)						
Balance brought forward	-	-	-	-	12,512	12,512
Depreciation of property, plant and equipment	196	-	196	2,307	-	2,307
Activities expenses	176,117	-	176,117	112,303	-	112,303
Miscellaneous expenses	135	-	135	225	1,717	1,942
	<u>176,448</u>	<u>-</u>	<u>176,448</u>	<u>114,835</u>	<u>14,229</u>	<u>129,064</u>
Cost of charitable activities						
Salaries and related costs	-	3,271,119	3,271,119	-	3,058,746	3,058,746
Amortisation of capital grant	-	688,450	688,450	-	929,302	929,302
Depreciation of property, plant and equipment	-	760,809	760,809	-	926,265	926,265
Residents expenses	-	979,787	979,787	-	898,351	898,351
Residents' programme	-	431,664	431,664	-	355,770	355,770
Donation to others	-	715,375	715,375	-	556,195	556,195
Staff employer CPF and SDL	-	550,657	550,657	-	494,038	494,038
Miscellaneous expenses	-	1,878,594	1,878,594	-	1,734,276	1,734,276
	<u>-</u>	<u>9,276,455</u>	<u>9,276,455</u>	<u>-</u>	<u>8,952,943</u>	<u>8,952,943</u>

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

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act 1966 in the Republic of Singapore]**Unique Entity No.: S71SS0014H***STATEMENT OF FINANCIAL ACTIVITIES***For the financial year ended 31 March 2023*

	2023			2022		
	Unrestricted fund	Restricted funds	Total funds	Unrestricted fund	Restricted funds	Total funds
	\$	\$	\$	\$	\$	\$
EXPENDITURE (Continued)						
Governance and administrative costs						
Salaries and related costs	1,505,369	-	1,505,369	1,088,707	-	1,088,707
General donations	52,600	-	52,600	262,800	-	262,800
General expenses	29,416	-	29,416	218,188	-	218,188
Rental of premises and equipment	198,303	-	198,303	189,210	-	189,210
Staff employer CPF and SDL	230,707	-	230,707	148,687	-	148,687
Repairs and maintenance	140,656	-	140,656	98,153	-	98,153
Advertisement	78,889	-	78,889	92,838	-	92,838
Printing, postage and stationery	80,575	-	80,575	91,500	-	91,500
Depreciation of property, plant and equipment	66,880	-	66,880	79,364	-	79,364
Utilities	32,664	-	32,664	30,289	-	30,289
Meals & entertainment	4,955	-	4,955	27,446	-	27,446
Meeting, function and seminar expenses	68,175	-	68,175	24,647	-	24,647
Audit fees	13,500	18,900	32,400	15,380	20,324	35,704
Gifts and souvenirs	4,365	-	4,365	12,884	-	12,884
Staff welfare	36,080	-	36,080	11,101	-	11,101
Depreciation of investment properties	12,200	-	12,200	12,200	-	12,200
Bank charges	19,369	-	19,369	9,435	-	9,435
Property tax	5,600	-	5,600	8,155	-	8,155
Insurance	8,423	-	8,423	7,948	-	7,948
Professional fees	50,027	-	50,027	4,105	-	4,105
Transportation & petrol	12,428	-	12,428	4,021	-	4,021
Balance carried forward	2,651,181	18,900	2,670,081	2,437,058	20,324	2,457,382

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

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act 1966 in the Republic of Singapore]**Unique Entity No.: S71SS0014H***STATEMENT OF FINANCIAL ACTIVITIES***For the financial year ended 31 March 2023*

	2023			2022		
	Unrestricted fund	Restricted funds	Total funds	Unrestricted fund	Restricted funds	Total funds
	\$	\$	\$	\$	\$	\$
EXPENDITURE (Continued)						
Governance and administrative costs (Continued)						
Balance brought forward	2,651,181	18,900	2,670,081	2,437,058	20,324	2,457,382
Low value assets	24,867	-	24,867	3,013	-	3,013
Staff training	104,774	-	104,774	2,430	-	2,430
Disposal of fixed assets	1,320	-	1,320	2,342	-	2,342
Staff medical expenses	1,606	-	1,606	2,070	-	2,070
Recruitments	4,061	-	4,061	572	-	572
Newspapers and periodicals	-	-	-	484	-	484
Subscription /Membership	6,965	-	6,965	389	-	389
Administrative fees charged	-	966,000	966,000	-	738,000	738,000
Licenses fees	424	-	424	-	-	-
Impairment losses on investment properties	495,600	-	495,600	-	-	-
Expenses from movers service	2,312	-	2,312	-	-	-
	<u>3,293,110</u>	<u>984,900</u>	<u>4,278,010</u>	<u>2,448,358</u>	<u>758,324</u>	<u>3,206,682</u>
Total expenditure	<u>3,469,558</u>	<u>10,261,355</u>	<u>13,730,913</u>	<u>2,563,193</u>	<u>9,725,496</u>	<u>12,288,689</u>
Net income/(expenditure) before Zakat allocation	(806,996)	2,056,454	1,249,458	(294,987)	2,288,779	1,993,792
Allocation of zakat	-	-	-	-	-	-
Net income/(expenditure) for the financial year	<u>(806,996)</u>	<u>2,056,454</u>	<u>1,249,458</u>	<u>(294,987)</u>	<u>2,288,779</u>	<u>1,993,792</u>

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

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act 1966 in the Republic of Singapore]**Unique Entity No.: S71SS0014H***STATEMENT OF FINANCIAL POSITION***As at 31 March 2023*

	Note	<u>2023</u> \$	<u>2022</u> \$
Assets			
Current assets			
Cash and cash equivalents	6	25,916,344	23,723,145
Other receivables	7	1,149,709	2,036,171
Total current assets		<u>27,066,053</u>	<u>25,759,316</u>
Non-current assets			
Investment properties	8	3,710,000	4,217,800
Property, plant and equipment	9	2,046,521	1,697,609
Total non-current assets		<u>5,756,521</u>	<u>5,915,409</u>
Total assets		<u>32,822,574</u>	<u>31,674,725</u>
Liabilities			
Current liabilities			
Payables	10	961,682	1,063,291
Total current liabilities		<u>961,682</u>	<u>1,063,291</u>
Total liabilities		<u>961,682</u>	<u>1,063,291</u>
Net assets		<u>31,860,892</u>	<u>30,611,434</u>
Funds			
Unrestricted Fund			
General fund	11	17,165,353	17,971,291
Total Unrestricted Fund		<u>17,165,353</u>	<u>17,971,291</u>
Restricted Funds			
Designated Capital Grant fund	12	1,576,636	1,404,438
Community Silver Trust fund	12	-	130,435
Care & Share Grant fund	12	-	(290,000)
Yellow Ribbon Grant fund	12	-	4,728
President Challenge fund	12	114,603	144,726
Welfare Trust and Zakat fund	12	1,931,244	1,591,873
Children Home fund	12	2,076,146	1,748,833
Women and Girls Home fund	12	2,810,575	2,415,221
Halfway House fund	12	5,926,655	5,230,497
Senior Citizen Fellowship Home fund	12	259,680	259,392
Total Restricted Funds		<u>14,695,539</u>	<u>12,640,143</u>
Total funds		<u>31,860,892</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 1966 in the Republic of Singapore]**Unique Entity No.: S71SS0014H***STATEMENT OF CHANGES IN FUNDS***For the financial year ended 31 March 2023*

2023	At the beginning of financial year	Net income/ (expenditure) for the financial year	Transfer of funds	At the end of financial year
	\$	\$	\$	\$
Unrestricted fund				
General fund	17,971,291	(806,996)	1,058	17,165,353
	<u>17,971,291</u>	<u>(806,996)</u>	<u>1,058</u>	<u>17,165,353</u>
Restricted funds				
Designated Capital Grant Fund	1,404,438	124,869	47,329	1,576,636
Community Silver Trust fund	130,435	(130,435)	-	-
Care & Share Grant fund	(290,000)	290,000	-	-
Yellow Ribbon Grant fund	4,728	(4,728)	-	-
President Challenge fund	144,726	19,461	(49,584)	114,603
Welfare Trust and Zakat fund	1,591,873	339,371	-	1,931,244
Children Home fund	1,748,833	326,384	929	2,076,146
Women and Girls Home fund	2,415,221	395,354	-	2,810,575
Halfway House fund	5,230,497	695,890	268	5,926,655
Senior Citizen Fellowship Home fund	259,392	288	-	259,680
	<u>12,640,143</u>	<u>2,056,454</u>	<u>(1,058)</u>	<u>14,695,539</u>

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

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act 1966 in the Republic of Singapore]**Unique Entity No.: S71SS0014H***STATEMENT OF CHANGES IN FUNDS***For the financial year ended 31 March 2023*

<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
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Unrestricted fund				
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 Fund	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>

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

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act 1966 in the Republic of Singapore]**Unique Entity No.: S71SS0014H***STATEMENT OF CASH FLOWS***For the financial year ended 31 March 2023*

		<u>2023</u>	<u>2022</u>
	Note	\$	\$
Cash flows from operating activities			
Net income for the financial year		1,249,458	1,993,792
Adjustments for:			
Depreciation of property, plant and equipment	9	827,885	1,007,936
Depreciation of investment properties	8	12,200	12,200
Impairment losses on investment properties	8	495,600	-
Property, plant and equipment written off / disposed	9	9,529	5,230
Cost adjustment on property, plant and equipment	9	-	128
Interest income		(251,855)	(49,126)
Operating cash flows before changes in working capital		<u>2,342,817</u>	<u>2,970,160</u>
Changes in working capital			
Decrease/(increase) in fees and other receivables		886,462	(983,395)
(Decrease)/increase in payables		(101,609)	22,541
Total changes in working capital		<u>784,853</u>	<u>(960,854)</u>
Cash generated from operating activities		3,127,670	2,009,306
Interest income received		251,855	49,126
Net cash flows generated from operating activities		<u>3,379,525</u>	<u>2,058,432</u>
Cash flows from investing activities			
Decrease in fixed deposits pledged		-	236,808
Purchase of property, plant and equipment	9	(1,186,326)	(240,780)
Net cash flows used in investing activities		<u>(1,186,326)</u>	<u>(3,972)</u>
Net increase in cash and cash equivalents		2,193,199	2,054,460
Cash and cash equivalents at beginning of financial year		23,723,145	21,668,685
Cash and cash equivalents at end of financial year	6	<u>25,916,344</u>	<u>23,723,145</u>
Net cash flows			
Net cash flows generated from operating activities		<u>3,379,525</u>	<u>2,058,432</u>
Net cash flows used in investing activities		<u>(1,186,326)</u>	<u>(3,972)</u>

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

PERTAPIS EDUCATION AND WELFARE CENTRE

[A Society registered under the Societies Act 1966 in the Republic of Singapore]

Unique Entity No.: S71SS0014H

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

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 1966 and is a charity registered under the Charities Act 1994 since 17 February 1984.

The Society has been accorded the Institutions of a Public Character ("IPC") status from 1 July 2022 to 31 March 2023 and was subsequently extended for the period from 1 April 2023 to 31 March 2024.

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 2023 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, 1994. 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 1966 in the Republic of Singapore]

Unique Entity No.: S71SS0014H

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

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 recognised as income until they have been received by the Society. Donations are recognised 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 capitalised as appropriate.

(b) *Donations in-kind*

Donations-in-kind received for continuing use are capitalised 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 capitalise 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 recognised 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 recognised 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.

PERTAPIS EDUCATION AND WELFARE CENTRE

[A Society registered under the Societies Act 1966 in the Republic of Singapore]
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Expenditure recognition

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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NOTES TO THE FINANCIAL STATEMENTS

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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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2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Financial instruments (Continued)

(b) Financial liabilities

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

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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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 Committee. 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 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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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

3.1 Judgements made in applying accounting policies (Continued)

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 2023 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>2023</u>	<u>2022</u>
	\$	\$
<u>Related parties, Executive Committee / Spouse of Executive Committee</u>		
Benefits received from the Society	10,034	15,846
	<u>2023</u>	<u>2022</u>
	\$	\$
<u>Related party, Pertapis Community Services Limited (PCS)</u>		
Allocation of Zakat from the Society	-	250,000
Payment made on behalf by the Society	1,966	2,667

(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 (2022: NIL).

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act 1966 in the Republic of Singapore]**Unique Entity No.: S71SS0014H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2023***4 RELATED PARTY DISCLOSURES (Continued)***(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 2023, there were 14 key management personnel (2022: 10).

	<u>2023</u>	<u>2022</u>
	\$	\$
Salaries and related costs	693,413	576,453
Employer CPF	120,539	78,714
	<u>813,952</u>	<u>655,167</u>

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

	No. of staff	
	<u>2023</u>	<u>2022</u>
Breakdown by band:		
\$50,000 to \$100,000	<u>1</u>	<u>2</u>
Breakdown by name of the Executive Committee:		
Mohamed Jufri Bin Haron	1	-
Abdul Samad Bin Haron	-	1
Dr. Muhammad Fadzli Hassan and Muhammad Hasyim Mohamed Azmi	-	1
	<u>1</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 2023 and 31 March 2022.

5 INCOME FROM GENERATED FUNDS

	Unrestricted fund	
	<u>2023</u>	<u>2022</u>
	\$	\$
<u>Voluntary income</u>		
Non-tax exempt donations	427,872	429,299
Tax exempt donations	569,781	337,657
	<u>997,653</u>	<u>766,956</u>
<u>Grants and subsidies</u>		
Grants received	166,089	274,036
Amortisation of grants	15,511	55,166
	<u>181,600</u>	<u>329,202</u>

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act 1966 in the Republic of Singapore]**Unique Entity No.: S71SS0014H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2023***5 INCOME FROM GENERATED FUNDS (Continued)**

	Unrestricted fund	
	<u>2023</u>	<u>2022</u>
	\$	\$
<u>Activities income</u>		
Qurban & aqiqah income	89,421	86,671
Fundraising income	29,091	1,644
Consultancy income	-	16,449
	<u>118,512</u>	<u>104,764</u>
 <u>Investment income</u>		
Interest income	217,355	34,620
Islamic deposit profit	34,500	14,506
Rental income	74,316	68,379
	<u>326,171</u>	<u>117,505</u>
 <u>Other income</u>		
Membership fees	356	2,759
Miscellaneous Income	72,170	209,020
	<u>72,526</u>	<u>211,779</u>
	<u>1,696,462</u>	<u>1,530,206</u>

6 CASH AND CASH EQUIVALENTS

	<u>2023</u>	<u>2022</u>
	\$	\$
Cash at banks	12,311,456	13,684,926
Fixed deposit	13,504,000	10,004,000
Cash on hand	100,888	34,219
	<u>25,916,344</u>	<u>23,723,145</u>

The fixed deposits mature within 1 to 12 months (2022: 1 to 10 months) from the financial year end and earn interest at rate of 0.29% to 4.02% (2022: 0.29% to 0.56%) 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 1966 in the Republic of Singapore]**Unique Entity No.: S71SS0014H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2023***7 OTHER RECEIVABLES**

	<u>2023</u>	<u>2022</u>
	\$	\$
Prepayment - rental	394,830	455,206
Deposits	256,840	245,198
Interest receivable	152,192	15,919
Other receivables	65,716	96,976
Advance payment to supplier	173,880	72,050
MSF grant receivable	43,000	-
Prepayment - others	37,361	32,817
Grant receivable - others	20,463	-
Movers receivable	5,427	10,116
Grant receivable - SPS	-	1,106,828
GST receivable	-	1,061
	<u>1,149,709</u>	<u>2,036,171</u>

Receivables that are past due but not impaired

The Society had fees receivables amounting to \$5,427 (2022: \$10,116) 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>2023</u>	<u>2022</u>
	\$	\$
Other receivables past due but not impaired:		
Lesser than 30 days	4,036	10,116
31 - 60 days	-	-
61 - 90 days	428	-
More than 90 days	963	-
	<u>5,427</u>	<u>10,116</u>

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NOTES TO THE FINANCIAL STATEMENTS

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8 INVESTMENT PROPERTIES

	<u>2023</u>	<u>2022</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	454,200	442,000
Depreciation during the financial year	12,200	12,200
Impairment loss during the financial year	495,600	-
At end of financial year	<u>962,000</u>	<u>454,200</u>
Carrying amount		
At end of financial year	<u><u>3,710,000</u></u>	<u><u>4,217,800</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 2023, the fair values of the investment properties were valued by Colliers International Consultancy & Valuation (S) Pte Ltd. for S\$3,710,000, 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>2023</u>	<u>2022</u>
	\$	\$
Rental income	74,316	68,379
Direct operating expenses arising from investment property:		
Depreciation	12,200	12,200
Property tax	<u>5,600</u>	<u>8,155</u>

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act 1966 in the Republic of Singapore]**Unique Entity No.: S71SS0014H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2023***9 PROPERTY, PLANT AND EQUIPMENT**

	<u>Computers</u>	<u>Furniture and fittings</u>	<u>Office equipment</u>	<u>Motor vehicles</u>	<u>Gymnastics equipment</u>	<u>Playground equipment</u>	<u>Gaming equipment</u>	<u>Renovation</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost									
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
Additions	157,557	42,757	30,302	-	-	-	-	955,710	1,186,326
Disposals	(5,111)	(13,600)	(12,182)	-	-	-	-	-	(30,893)
Write off	(89,654)	(16,594)	(42,024)	-	-	-	-	-	(148,272)
At 31 March 2023	329,078	352,079	207,595	826,955	2,477	24,289	7,093	5,067,900	6,817,466
Accumulated depreciation									
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
Depreciation charge	88,319	41,967	32,925	24,151	-	4,858	1,418	634,247	827,885
Write off	(88,722)	(13,440)	(42,024)	-	-	-	-	-	(144,186)
Disposal	(5,111)	(13,600)	(6,739)	-	-	-	-	-	(25,450)
At 31 March 2023	149,172	227,902	128,228	817,122	2,477	6,477	1,418	3,438,149	4,770,945
Carrying amount									
At 31 March 2022	111,600	126,541	87,433	33,984	-	22,670	7,093	1,308,288	1,697,609
At 31 March 2023	179,906	124,177	79,367	9,833	-	17,812	5,675	1,629,751	2,046,521

PERTAPIS EDUCATION AND WELFARE CENTRE*[A Society registered under the Societies Act 1966 in the Republic of Singapore]**Unique Entity No.: S71SS0014H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2023***9 PROPERTY, PLANT AND EQUIPMENT (Continued)**

The breakdown of the depreciation charge is as follows:

	2023			2022		
	Unrestricted fund	Restricted funds	Total	Unrestricted fund	Restricted funds	Total
	\$	\$	\$	\$	\$	\$
Cost of generating funds	196	-	196	2,307	-	2,307
Cost of charitable activities	-	760,809	760,809	-	926,265	926,265
Governance and other administrative costs	66,880	-	66,880	79,364	-	79,364
	<u>67,076</u>	<u>760,809</u>	<u>827,885</u>	<u>81,671</u>	<u>926,265</u>	<u>1,007,936</u>

10 OTHER PAYABLES

	<u>2023</u>	<u>2022</u>
	\$	\$
SPS - Rental grant received in advance	394,830	394,830
Accruals	266,082	214,706
Deposits received	550	19,917
Resident's funds	2,450	6,250
GST payable	3,991	4,395
Advance receipts for rental income	2,600	2,381
Provision for unutilised leaves	144,130	160,213
Outside parties	141,373	255,791
Other payables	5,676	4,808
	<u>961,682</u>	<u>1,063,291</u>

PERTAPIS EDUCATION AND WELFARE CENTRE

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NOTES TO THE FINANCIAL STATEMENTS

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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.

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 Yellow Ribbon Singapore (YRSG) 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.

PERTAPIS EDUCATION AND WELFARE CENTRE

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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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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

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
2023	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
INCOME											
Income from generated funds											
Voluntary income	-	-	-	-	-	2,963,696	227,272	46,450	360	55,557	3,293,335
Grants and subsidies	-	-	290,000	-	-	-	-	-	-	-	290,000
	-	-	290,000	-	-	2,963,696	227,272	46,450	360	55,557	3,583,335
Income from charitable activities											
Grants and subsidies											
Agency for Integrated Care (AIC)	-	-	-	-	-	-	-	-	-	-	-
MSF: Per Capita Grant	-	-	-	-	-	-	1,241,013	1,659,965	-	321,894	3,222,872
MSF: Rental Grant	-	-	-	-	-	-	117,912	257,969	-	-	375,881
MSF: Programme Funding	-	-	-	-	-	-	-	-	-	-	-
MSF: Cyclical Maintenance	-	-	-	-	-	-	-	-	-	-	-
MSF: Care Staff Funding	-	-	-	-	-	-	62,208	-	-	-	62,208
MSF : CRISIS BED	-	-	-	-	-	-	-	-	-	15,320	15,320
MSF: Integrated Living Space	813,319	-	-	-	-	-	-	-	-	-	813,319
MSF : Others	-	-	-	-	-	-	-	13,200	-	8,605	21,805
MUIS Grants	-	-	-	-	-	-	16,887	16,887	15,198	16,887	65,859
Mendaki Grants	-	-	-	-	-	-	12,312	12,667	24,628	-	49,607
NCSS: ComChest	-	-	-	-	-	-	-	-	-	113,627	113,627
NCSS: President Challenge Fund	-	-	-	-	103,868	-	-	-	-	-	103,868
Balance carried forward	813,319	-	-	-	103,868	-	1,450,332	1,960,688	39,826	476,333	4,844,366

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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
2023	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
INCOME (Continued)											
Income from charitable activities (Continued)											
Grants and subsidies (Continued)											
Balance brought forward	813,319	-	-	-	103,868	-	1,450,332	1,960,688	39,826	476,333	4,844,366
NCSS: Tote Board Social Service Grant	-	-	-	-	-	-	28,129	47,768	-	-	75,897
NCSS: Salary Support for PCPSW	-	-	-	-	-	-	16,549	1,365	16,965	-	34,879
NCSS: Others	-	-	-	-	-	-	77,774	70,608	142,807	-	291,189
SPS: Halfway Service Model	-	-	-	-	-	-	-	-	1,968,548	-	1,968,548
SPS: Rental Grant	-	-	-	-	-	-	-	-	526,440	-	526,440
YRSG - Residential Aftercare Support	-	-	-	28,500	-	-	-	-	-	-	28,500
IRAS - JSS	-	-	-	-	-	-	-	-	-	-	-
IRAS - JGI, SEC AND EEC	-	-	-	-	-	-	31,333	19,260	41,084	13,243	104,920
Training and others	-	-	-	-	-	-	27,315	50,280	15,139	12,365	105,099
Activities income	-	-	-	-	-	-	-	-	65,238	-	65,238
Amortisation of capital grant	-	-	-	-	-	-	79,562	289,335	244,514	59,528	672,939
Miscellaneous income	-	-	-	-	-	-	2,356	1,882	6,633	5,588	16,459
	813,319	-	-	28,500	103,868	-	1,713,350	2,441,186	3,067,194	567,057	8,734,474
TOTAL INCOME	813,319	-	290,000	28,500	103,868	2,963,696	1,940,622	2,487,636	3,067,554	622,614	12,317,809

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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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2023											
LESS: EXPENDITURE											
Cost of generating funds											
Miscellaneous expenses	-	-	-	-	-	-	-	-	-	-	-
Salaries and related costs	-	-	-	-	-	-	-	-	-	-	-
Amortisation of capital grant	-	-	-	-	-	-	-	-	-	-	-
Cost of charitable activities											
Salaries and related costs	-	-	-	-	-	25,864	909,352	934,884	912,894	488,125	3,271,119
Miscellaneous expenses	-	77,060	-	-	25,081	24,833	268,876	517,053	888,096	77,595	1,878,594
Donation to others	-	-	-	-	-	715,375	-	-	-	-	715,375
Residents expenses	-	-	-	-	-	-	216,722	242,089	358,152	162,824	979,787
Depreciation of property, plant and equipment	-	-	-	-	-	-	103,233	310,911	278,611	68,054	760,809
Residents' programme	-	53,375	-	33,228	59,326	99,253	45,583	117,316	10,225	13,358	431,664
Staff employer CPF and SDL	-	-	-	-	-	-	179,612	151,169	139,690	80,186	550,657
Amortisation of capital grant	688,450	-	-	-	-	-	-	-	-	-	688,450
	688,450	130,435	-	33,228	84,407	865,325	1,723,378	2,273,422	2,587,668	890,142	9,276,455

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

12 RESTRICTED FUNDS (Continued)

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

<u>2023</u>	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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governance and administrative costs											
Administrative expenses	-	-	-	-	-	420,000	156,000	174,000	150,000	66,000	966,000
Audit fees	-	-	-	-	-	-	4,860	4,860	3,996	5,184	18,900
	-	-	-	-	-	420,000	160,860	178,860	153,996	71,184	984,900
TOTAL EXPENDITURE	688,450	130,435	-	33,228	84,407	1,285,325	1,884,238	2,452,282	2,741,664	961,326	10,261,355
Net income/(expenditure) before Zakat allocation	124,869	(130,435)	290,000	(4,728)	19,461	1,678,371	56,384	35,354	325,890	(338,712)	2,056,454
Allocation of zakat	-	-	-	-	-	(1,339,000)	270,000	360,000	370,000	339,000	-
Net income/(expenditure) for the financial year	124,869	(130,435)	290,000	(4,728)	19,461	339,371	326,384	395,354	695,890	288	2,056,454
Balance at beginning of financial year	1,404,438	130,435	(290,000)	4,728	144,726	1,591,873	1,748,833	2,415,221	5,230,497	259,392	12,640,143
Net income/(expenditure) for the financial year	124,869	(130,435)	290,000	(4,728)	19,461	339,371	326,384	395,354	695,890	288	2,056,454
Transfer of funds	47,329	-	-	-	(49,584)	-	929	-	268	-	(1,058)
Balance at end of financial year	1,576,636	-	-	-	114,603	1,931,244	2,076,146	2,810,575	5,926,655	259,680	14,695,539

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For the financial year ended 31 March 2023

12 RESTRICTED FUNDS (Continued)

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

<u>2022</u>	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	-	-	-	-	-	2,404,891	226,975	158,224	520	41,936	2,832,546
	-	-	-	-	-	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

PERTAPIS EDUCATION AND WELFARE CENTRE

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2022											
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 - Overfunding	-	-	-	-	-	-	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 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	49,947	40,830	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

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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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2022											
LESS: EXPENDITURE (Continued)											
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
Net income/(expenditure) 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 income/(expenditure) 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
Balance at beginning of financial year	2,327,548	232,285	(288,401)	34,380	48,219	793,440	1,415,017	2,090,288	3,639,564	57,982	10,350,322
Net income/(expenditure) 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
Transfer of funds	7,105	(8,046)	(1,599)	-	(16,655)	-	11,867	196	-	8,174	1,042
Balance at end of financial year	1,404,438	130,435	(290,000)	4,728	144,726	1,591,873	1,748,833	2,415,221	5,230,497	259,392	12,640,143

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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 (2022: Nil) 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 1947.
- (b) Tax-exempt receipts issued by the Society for the financial year for these donations received amounted to \$1,838,471 (2022: \$1,486,672).

16 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>2023</u>	<u>2022</u>
	\$	\$
Within one financial year	1,040,588	1,118,654
Within two to five financial years	506,085	1,418,173
	<u>1,546,673</u>	<u>2,536,827</u>

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16 OPERATING LEASE COMMITMENTS (Continued)**(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>2023</u>	<u>2022</u>
	\$	\$
Within one financial year	35,635	51,374
Within two to five financial years	-	8,207
	<u>35,635</u>	<u>59,581</u>

17 FUND-RAISING

	<u>2023</u>	<u>2022</u>
	\$	\$
Gross donations, representing total receipts from fund-raising	73,753	65,029
Direct fund-raising expenses	5,696	5,658
Percentage of direct fund-raising expenses over gross donations	<u>7.7%</u>	<u>8.7%</u>

For the financial year ended 31 March 2023, the receipts and expenses from fund-raising activities relate to the crowdsourcing and public fundraising initiatives by Pertapis Centre for Women and Girls (PCWG), Pertapis Children Home (PCH) for its Project Give a Tech, Flag Day and Race for Impact campaign.

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.

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18 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>2023</u>	<u>2022</u>
	\$	\$
Unrestricted funds	17,165,353	17,971,291
A Net liquid assets available to meet expenditure obligations	25,916,344	23,723,145
B Total operating expenditure	<u>13,730,913</u>	<u>12,176,386</u>
Ratio of net liquid assets to total operating expenses (A/B)	<u>1.89</u>	<u>1.95</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 2023 and 2022. There were no changes in the Society's reserve policy during the financial year.

19 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.

PERTAPIS EDUCATION AND WELFARE CENTRE

[A Society registered under the Societies Act 1966 in the Republic of Singapore]

Unique Entity No.: S71SS0014H

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

20 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.