

**ZONTA SINGAPORE – PROJECT PARI
FUND**

[UEN: T10CC0004L]

[Registered in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 APRIL 2017**

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Fiducia LLP

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STATEMENT BY THE MANAGEMENT COMMITTEE


In the opinion of the Management Committee, the accompanying financial statements set out on pages 6 to 18 are drawn up so as to present fairly, in all material respects, the state of affairs of Zonta Singapore – Project Pari Fund (the "Fund") as at 30 April 2017 and the results, changes in fund and cash flows of the Fund for the year then ended.

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


The Management Committee, comprising the following, authorised the issue of these financial statements on **26 OCT 2017**

Chairman	Cheong Swee Ying
Honorary Treasurer	Loy Sai Lan Caroline
Honorary Secretary	Kon Mei Leen
Committee Member	Julie Kwong
Committee Member	Grace Chiam Chu Teng

For and on behalf of the Management Committee,



Cheong Swee Ying
Chairman



Loy Sai Lan Caroline
Honorary Treasurer

Singapore, **26 OCT 2017**

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Independent auditor's report to the members of:

ZONTA SINGAPORE – PROJECT PARI FUND

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Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Zonta Singapore – Project Pari Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 30 April 2017, the statement of financial activities, statement of changes in fund and statement of cash flows of the Fund for the financial year 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 Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the state of affairs of the Fund as at 31 March 2017 and the results, changes in fund and cash flows of the Fund for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund 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 Management Committee set out on page 2 but does not include the financial statements and our auditor's report thereon.

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.

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Charities Act and Regulations and FRSs, 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, management is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund'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 of 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- 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 Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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, the accounting and other records required to be kept by the Fund have been properly kept in accordance with the provisions of the Charities Act and Regulations.

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

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



Fiducia LLP

Public Accountants and
Chartered Accountants
Singapore, 26 OCT 2017

Partner-in-charge: Lee Choon Keat
PAB No.: 01721

**STATEMENT OF FINANCIAL ACTIVITIES
 FOR THE FINANCIAL YEAR ENDED 30 APRIL 2017**

	Note	2017 S\$	2016 S\$
INCOME			
Income from generating funds			
<u>Voluntary income</u>			
Donations	5	<u>97,481</u>	<u>104,050</u>
		<u>97,481</u>	<u>104,050</u>
Other income			
Bank interest received		<u>124</u>	<u>124</u>
		<u>124</u>	<u>124</u>
Total income		<u>97,605</u>	<u>104,174</u>
EXPENDITURE			
Cost of generating funds			
Fundraising - bank charges		<u>407</u>	<u>1,042</u>
		<u>407</u>	<u>1,042</u>
Cost of charitable activities			
Enrichment programmes		2,527	4,477
Pocket monies		29,050	34,005
School visits		875	0
		<u>32,452</u>	<u>38,482</u>
Governance and administrative costs			
Accounting fees		720	720
Administration fees		1,200	1,200
Audit fee		1,605	1,605
Bank charges		74	134
		<u>3,599</u>	<u>3,659</u>
Total expenditure		<u>36,458</u>	<u>43,183</u>
Net income for the year		61,147	60,991
Total funds brought forward		<u>328,205</u>	<u>267,214</u>
Total funds carried forward		<u>389,352</u>	<u>328,205</u>

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

STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2017

	Note	2017 S\$	2016 S\$
ASSETS			
Current assets			
Cash and cash equivalents	6	<u>390,957</u>	<u>330,310</u>
Total assets		<u>390,957</u>	<u>330,310</u>
LIABILITIES			
Current liabilities			
Other payables	7	<u>1,605</u>	<u>2,105</u>
Total liabilities		<u>1,605</u>	<u>2,105</u>
NET ASSETS		<u>389,352</u>	<u>328,205</u>
FUND			
Unrestricted fund			
General fund	8	<u>389,352</u>	<u>328,205</u>
TOTAL FUND		<u>389,352</u>	<u>328,205</u>

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

STATEMENT OF CHANGES IN FUND
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2017

	Balance at beginning of year S\$	Net income for the year S\$	Balance at end of year S\$
2017			
Unrestricted fund			
General fund	<u>328,205</u>	<u>61,147</u>	<u>389,352</u>
Total fund	<u><u>328,205</u></u>	<u><u>61,147</u></u>	<u><u>389,352</u></u>
	Balance at beginning of year S\$	Net income for the year S\$	Balance at end of year S\$
2016			
Unrestricted fund			
General fund	<u>267,214</u>	<u>60,991</u>	<u>328,205</u>
Total fund	<u><u>267,214</u></u>	<u><u>60,991</u></u>	<u><u>328,205</u></u>

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2017

	Note	2017 S\$	2016 S\$
Cash flows from operating activities			
Net income for the year		61,147	60,991
Adjustments for:			
- Interest income		(124)	(124)
Operating cash flow before working capital changes		<u>61,023</u>	<u>60,867</u>
Changes in operating assets and liabilities			
- Other receivables		0	953
- Other payables		(500)	500
Cash generated from operations		<u>60,523</u>	<u>62,320</u>
Interest income received		<u>124</u>	<u>124</u>
Net cash generated from operating activities		<u>60,647</u>	<u>62,444</u>
Net increase in cash and cash equivalents		60,647	62,444
Cash and cash equivalents at beginning of financial year		<u>330,310</u>	<u>267,866</u>
Cash and cash equivalents at end of financial year	6	<u>390,957</u>	<u>330,310</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2017

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

1. General information

Zonta Singapore – Project Pari Fund (the “Fund”) is registered and domiciled in Singapore. The Fund was set up by the Zonta Club of Singapore, a Society registered under the Societies Act (Chapter 311) on 22 October 1971. The Fund’s registered address and principal place of business is at 42 Everton Road, #09-04 Asia Gardens, Singapore 089394.

The Fund has been registered under the Charities Act, Chapter 37 since 21 April 2010. The Fund has been accorded an Institutions of a Public Character (“IPC”) status until 30 April 2018.

The principal activities of the Fund are those of providing financial assistance to female students selected by secondary school principals in the form of pocket money of SGD 50 per month each year till they complete their secondary school education. Other than pocket money, the students selected will attend life skills workshops, group outings and other enrichment programmes.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRSs”) and the disclosure requirements of the Charities Act, Chapter 37 and other relevant regulations (the “Charities Act and Regulations”). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

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

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.1.1 Interpretations and amendments to published standards effective in 2016

In the current financial year, the Fund has adopted all the new and revised FRS and interpretations of FRS (“INT FRS”) that are relevant to its operations and effective on 1 May 2016. The adoption of the standard did not have any material effect on the financial statements.

2.1.2 Standards issued but not yet effective

The Fund did not early adopt the following relevant new/revised FRS, INT FRS and amendments to FRSs that were issued at the date of authorisation of these financial statements but not yet effective until future period:

Description	Effective for annual periods beginning on or after
FRS 109 Financial instruments	1 January 2018
FRS 115 Revenue from contracts with customers	1 January 2018
FRS 116 Leases	1 January 2019

2. Significant accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

2.1.2 Standards issued but not yet effective (Cont'd)

Management believes that the adoption of the revised standards and interpretations will have no material impact on the financial statements in the period of initial application.

2.2 Income recognition

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

2.2.1 Donations

Donations are taken up and accrued as and when they are committed. Those uncommitted donations, income from charity events and all income except as listed below, are recognised on receipt basis. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2.2.2 Interest income

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

2.2.3 Other income

Other income is recognised when received.

2.3 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.

2.3.1 Cost of generating funds

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

2.3.2 Cost of charitable activities

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

2.3.2 Governance and administrative costs

Governance costs include the cost of governance arrangement, which related to the general running of the Fund, 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. Significant accounting policies (Cont'd)

2.4 Financial assets

2.4.1 Classification

The Fund classifies its financial assets as loans and receivables. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the reporting date, which are classified as non-current assets. Loans and receivables are classified within "Cash and cash equivalents" on the statement of financial position.

2.4.2 Recognition and de-recognition

Usual purchases and sales of financial assets are recognised on trade-date – the date on which the Fund commits to purchase or sell the asset.

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

2.4.3 Initial measurement

Financial assets are initially recognised at fair value plus transaction costs.

2.4.4 Subsequent measurement

Loans and receivables are subsequently carried at amortised cost using effective interest method.

2.4.5 Impairment

The Fund assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments is considered indicators that the receivable is impaired.

An allowance for impairment of loans and receivables including other receivables, are recognised when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the amount becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment losses decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

2. Significant accounting policies (Cont'd)

2.5 Cash and cash equivalents

Cash and cash equivalents include deposits with financial institutions, which are subject to an insignificant risk of changes in value.

2.6 Other receivables

Other receivables are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

2.7 Financial liabilities

Financial liabilities are recognised when the Fund 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".

Financial liabilities which are due to be settled within 12 months after the reporting date are presented as current liabilities in the statement of financial position even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other financial liabilities due to be settled more than 12 months after the reporting date are presented as non-current liabilities in the statement of financial position.

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

2.8 Other payables

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

2.9 Provisions for other liabilities and charges

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

2.10 Foreign currencies

Transactions in foreign currencies are measured in Singapore Dollar and recorded at exchange rates approximating those ruling at the transaction dates. Foreign currency monetary assets and liabilities are measured using the exchange rates ruling at the reporting date. All exchange differences are recognised in the statement of financial activities.

2. Significant accounting policies (Cont'd)

2.11 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 Management Committee. These designated funds are treated as restricted funds as they contain funds restricted by outside sources.

The Management Committee retains full control over the use of unrestricted funds for any of the Fund's purposes.

2.12 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.

2.13 Events after the reporting date

Post year-end events that provide additional information about the Fund'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 the financial statements when material.

2.14 Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Fund if that person:
 - (i) Has control or joint control over the Fund;
 - (ii) Has significant influence over the Fund; or
 - (iii) Is a member of the key management personnel of the Fund or of a parent of the Fund;

- (b) An entity is related to the Fund if any of the following conditions applies:
 - (i) The entity and the Fund are members of the same group which means that each parent, subsidiary and fellow subsidiary is related to the others;
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Fund or an entity related to the Fund. If the Fund is itself such a plan, the sponsoring employers are also related to the Fund;
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity)
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

3. Significant accounting judgements and estimates

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

The Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income tax

The Fund is charity registered under the Charities Act since 21 April 2010. Consequently, the income of the Fund is exempted from tax under the provisions of Section 13 of the Income Tax Act Cap.134.

5. Donations

	2017 S\$	2016 S\$
Tax deductible donations	69,755	61,850
Non-tax deductible donations	27,726	42,200
	<u>97,481</u>	<u>104,050</u>

6. Cash and cash equivalents

	2017 S\$	2016 S\$
Cash at bank	<u>390,957</u>	<u>330,310</u>

At the reporting date, the carrying amounts of cash and cash equivalents approximate their fair values.

7. Other payables

	2017 S\$	2016 S\$
Accruals	<u>1,605</u>	<u>2,105</u>

At the reporting date, the carrying amounts of other payables approximate their fair values.

8. General fund

The general fund are expendable at the discretion of the Management Committee in furtherance of the Fund’s objects and purposes.

9. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related party took place at terms agreed between the parties during the financial year:

	2017 S\$	2016 S\$
Donation received from Management Committee	3,500	2,550
Donation received from a related party	5,986	170
Donation income collected on behalf by a related party	<u>10,000</u>	<u>15,000</u>

During the current and previous year, none of the Management Committee members and key management personnel received any remuneration from the Fund.

10. Financial instruments

The financial assets and liabilities of the Fund as at the reporting date are as follows:

	2017 S\$	2016 S\$
<u>Financial assets</u>		
Loan and receivables		
Cash and cash equivalents	<u>390,957</u>	<u>330,310</u>
<u>Financial liabilities</u>		
Other payables	<u>1,605</u>	<u>2,105</u>

11. Financial risk management

The Fund is mainly exposed to credit risk, liquidity risk and interest rate risk.

Risk management is carried out under policies approved by the Management Committee. The Management Committee provides written principles for overall risk management, as well as written policies covering specific areas, such as credit risk, liquidity risk and interest rate risk use of derivative financial instruments and investing excess liquidity.

11.1 Credit risk

Credit risk is the potential financial loss resulting from customer defaulting on its contractual obligations to the Fund.

The Fund has minimal exposure to credit risks due to the nature of its activities.

11.2 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations due to shortage of funds. The Fund exposure to liquidity risk primarily from mis-matches of the maturities of financial assets or liabilities.

Management Committee monitors and ensure the Fund maintains a level of cash and cash equivalents deemed adequate to finance the Fund's operations.

11. Financial risk management (Cont'd)

11.2 Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Fund's financial assets and liabilities at the end of the reporting period based on the contractual undiscounted repayment obligations:

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2017			
Financial assets			
Cash and cash equivalents	390,957	0	390,957
Financial liabilities			
Other payables	(1,605)	0	(1,605)
	<u>389,352</u>	<u>0</u>	<u>389,352</u>
	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2016			
Financial assets			
Cash and cash equivalents	330,310	0	330,310
Financial liabilities			
Other payables	(2,105)	0	(2,105)
	<u>328,205</u>	<u>0</u>	<u>328,205</u>

11.3 Interest rate risk

The Fund's income and operating cash flows are not substantially affected by changes in market interest rates, as they do not have significant interest-bearing assets or liabilities as at the reporting date.

12. Fair values

As at 30 April 2017, the carrying amounts of financial assets and liabilities recorded in the financial statements of the Fund approximate their fair values due to their short-term nature.

13. Reserve position and policy

The Fund's reserve position for financial year ended 30 April 2017 is as follows:

		2017 S\$'000	2016 S\$'000	Increase/ (Decrease) %
A	Unrestricted funds			
	Accumulated general fund	389	328	18.63
B	Restricted and designated funds	N/A	N/A	N/A
C	Endowment fund	N/A	N/A	N/A
D	Total funds	389	328	18.63
E	Total annual operating expenditure	36	43	(15.57)
F	Ratio of funds to annual operating expenditure (A/E)	10.68	7.63	

13. Reserve position and policy (Cont'd)

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a Fund to spend as grants.
- D. Total funds include unrestricted, restricted / designated and endowment funds.
- E. Total annual operating expenditure includes expenses related to cost of generating funds and cost of charitable activities, and governance and administrative costs.

The Fund's reserve policy is as follows:

The reserve of the Fund provide financial stability and the means for the development of the Fund's activities. The Management Committee intends to maintain the reserves at a level sufficient for its operating needs. The Fund reviews the level of reserves regularly for the Fund's continuing obligations.

14. Management of conflict of interest

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

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

15. Comparative figures

Certain reclassifications have been made to the comparative information to enhance comparability with current year's financial statements.

The following reclassifications were made:-

	As previously reported S\$	Reclassification S\$	As reclassified S\$
2016			
Statement of Financial Activities			
Cost of charitable activities			
Enrichment programmes	3,776	701	4,477
Enrichment transport	701	(701)	0
	<u>4,477</u>	<u>0</u>	<u>4,477</u>

16. Authorisation of financial statements

The financial statements for the financial year ended 30 April 2017 were authorised for issue in accordance with a resolution of the Management Committee on **26 OCT 2017**