



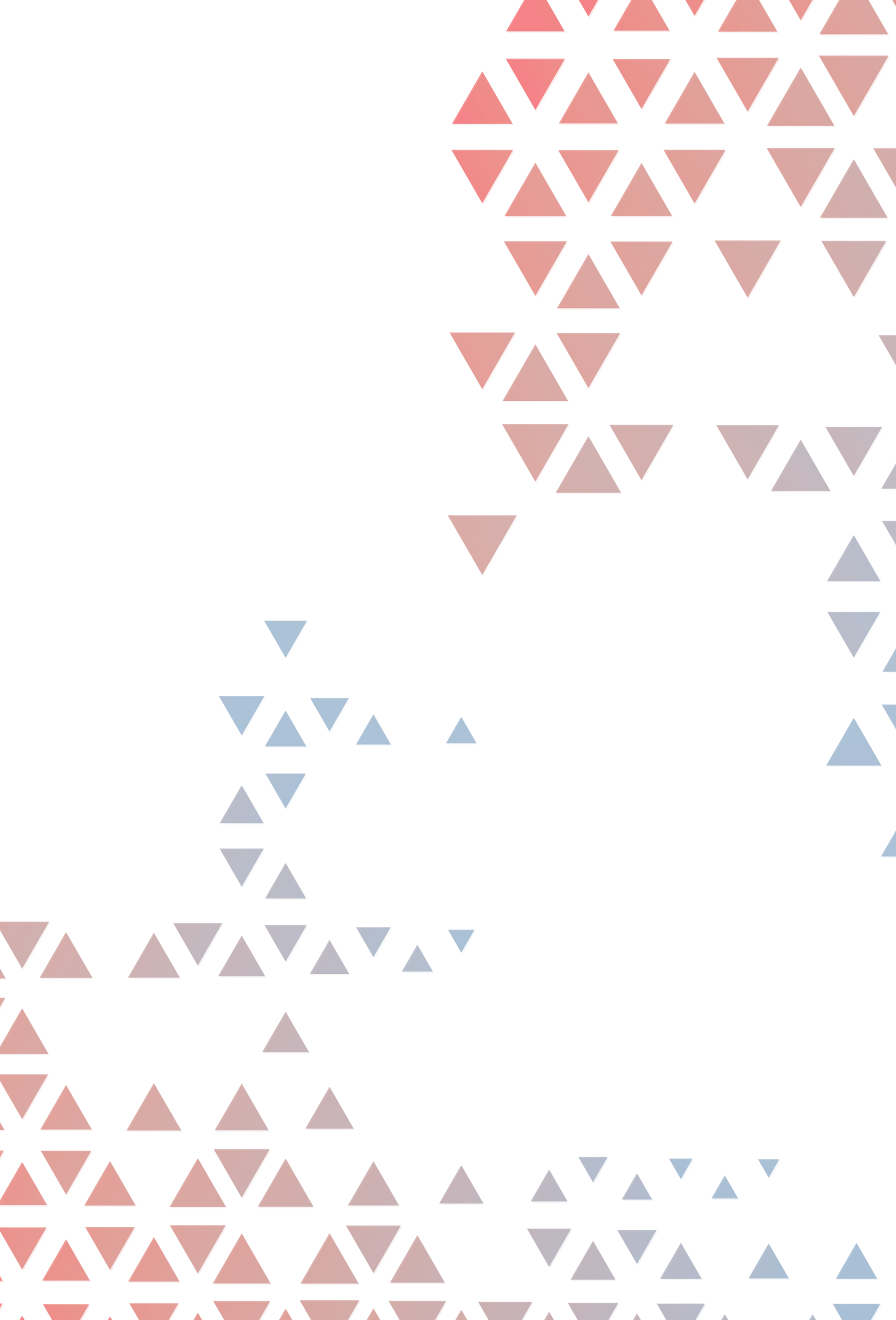
**LEMBAGA BIASISWA
KENANGAN MAULUD**
Prophet Muhammad's Birthday
Memorial Scholarship Fund Board

RENDERING ASSISTANCE, ENABLING EXCELLENCE

Dana Diagih, Kecemerlangan Diraih

FINANCIAL STATEMENTS

For year ended 31 December 2016



**LEMBAGA BIASISWA KENANGAN MAULUD
(Prophet Muhammad's Birthday Memorial
Scholarship Fund Board)**

Registration number: S66SS0027A

AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2016

TOGETHER WITH STATEMENT BY THE
EXECUTIVE COUNCIL AND
AUDITOR'S REPORT

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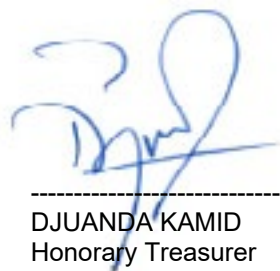
LEMBAGA BIASISWA KENANGAN MAULUD
Statement by the Executive Council
For the financial year ended 31 December 2016

In our opinion, the accompanying balance sheet, statement of financial activities and statement of cash flow together with the notes thereon are drawn up so as to exhibit a true and fair view of the financial position of LEMBAGA BIASISWA KENANGAN MAULUD (the “Society”) as at 31 December 2016, and of the financial performance and cash flows of the Society for the financial year ended on that date.

On behalf of the Executive Council,



SUHAIMI SALLEH
President



DJUANDA KAMID
Honorary Treasurer

Singapore, 23 MAY 2017

INDEPENDENT AUDITOR'S REPORT

To the Members of
LEMBAGA BIASISWA KENANGAN MAULUD

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of LEMBAGA BIASISWA KENANGAN MAULUD (the "Society") which comprise the balance sheet as at 31 December 2016, the statement of financial activities and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements of the Society are properly drawn up in accordance with the provisions of the Societies Act, Cap. 311 and the Charities Act, Cap. 37 (collectively herein known as the "Acts") and Charities Accounting Standard ("CAS") so as to give a true and fair view of the financial position of the Society as at 31 December 2016 and the financial performance 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

The Executive Council is responsible for other information. The other information included in Society's Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Reanda Adept PAC

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Co-Reg No: 200619024E

138 Cecil Street #06-01 Cecil Court Singapore 069536

Tel: 6323 1613 Fax: 6323 1763 www.reanda-adept.com.sg

Reanda is an international network of public accountants and consulting firms

To the Members of
LEMBAGA BIASISWA KENANGAN MAULUD

Executive Council's Responsibility for the Financial Statements

The Executive Council is responsible for the preparation of these financial statements that give a true and fair view in accordance with the provisions of the Acts and CAS, and devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of financial activities and balance sheet and to maintain accountability of assets.

In preparing the financial statements, the Executive Council 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 the Executive Council either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

The Executive Council's responsibilities include 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 controls 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's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Council.
- Conclude on the appropriateness of the Executive Council'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.

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Co-Reg No: 200619324E

138 Cecil Street #06-01 Cecil Court Singapore 069538

Tel: 6323 1613 Fax: 6323 1763 www.reanda-adept.com.sg

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INDEPENDENT AUDITOR'S REPORT (Continued)

To the Members of
LEMBAGA BIASISWA KENANGAN MAULUD

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

- 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 the Executive Council 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 by the Acts to be kept by the Society have been properly kept in accordance with the provisions of the Acts.

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

- a) the controlled entities have not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations;
- b) the use of donation monies was not in accordance with the objectives of the controlled entities as required under Regulation 11 of the Charities (Institution of a Public Character) Regulations;
- c) the Society has not complied with the requirements of Regulation 7 (Fund-raising expenses) of the Charities (Fund-raising Appeals for Local and Foreign Charitable Purposes) Regulations; and
- d) the use of donation monies was not in accordance with the objectives of the Society as required under Regulation 5 of the Charities (Fund-raising Appeals for Local and Foreign Charitable Purposes) Regulations.

Other Matter

The financial statements for the financial year ended 31 December 2015 were audited by another firm of auditors whose report dated 19May 2016 expressed an unqualified opinion on those financial statements.



Reanda Adept PAC
Public Accountants and
Chartered Accountants

Singapore, 23 MAY 2017

Reanda Adept PAC

A Public Accounting Corporation with Limited Liability

Co Reg No: 200619024E

138 Cecil Street #06-01 Cecil Court Singapore 069538

Tel: 6323 1613 Fax: 6323 1763 www.reanda-adept.com.sg

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LEMBAGA BIASISWA KENANGAN MAULUD
Balance Sheet
As at 31 December 2016

	Note	2016 S\$	2015 S\$
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Plant and equipment	5	48,728	18,435
Investment securities	6	-	176,661
Investment property	7	288,288	296,296
		<u>337,016</u>	<u>491,392</u>
CURRENT ASSETS			
Cash and cash equivalents	8	4,912,429	4,159,063
Other receivables	9	33,718	49,192
		<u>4,946,147</u>	<u>4,208,255</u>
<u>LIABILITIES</u>			
CURRENT LIABILITIES			
Other payables	10	293,209	159,556
Deferred income	11	347,894	511,369
		<u>641,103</u>	<u>670,925</u>
NET CURRENT ASSETS		<u>4,305,044</u>	<u>3,537,330</u>
NET ASSETS		<u>4,642,060</u>	<u>4,028,722</u>
<u>FUNDS</u>			
Unrestricted fund	12	3,318,563	2,732,873
Restricted funds	12	1,323,497	1,295,849
TOTAL FUNDS		<u>4,642,060</u>	<u>4,028,722</u>

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

LEMBAGA BIASISWA KENANGAN MAULUD
Statement of Financial Activities
For the financial year ended 31 December 2016

	Note	2016		2015		
		Unrestricted Fund S\$	Restricted Fund S\$	Unrestricted Fund S\$	Restricted Fund S\$	Total S\$
INCOME						
Voluntary income	13	787,327	2,499,213	602,494	3,094,016	3,696,510
Activities for generating funds	13	15,994	-	11,635	-	11,635
Investment income	13	90,334	-	96,505	-	96,505
Other income	13	6,903	-	832	-	832
TOTAL INCOME		900,558	2,499,213	711,466	3,094,016	3,805,482
EXPENDITURE						
Cost of generating voluntary income	13	-	229,460	-	102,527	102,527
Fundraising expenses	13	-	15,994	-	11,636	11,636
Investment management cost	13	27,270	-	17,788	-	17,788
Charitable activities	13	128,076	2,156,185	72,843	1,945,933	2,018,776
Governance costs	13	226,647	2,801	112,074	80,810	192,884
TOTAL EXPENDITURE		381,993	2,404,440	202,705	2,140,906	2,343,611
NET SURPLUS		518,565	94,773	508,761	953,110	1,461,871
Gross transfers between funds	13	67,125	(67,125)	29,863	(29,863)	-
NET MOVEMENT IN FUNDS		585,690	27,648	538,624	923,247	1,461,871
RECONCILIATION OF FUND						
Total funds brought forward		2,732,873	1,295,849	2,194,249	372,602	2,566,851
TOTAL FUNDS CARRIED FORWARD		3,318,563	1,323,497	2,732,873	1,295,849	4,028,722

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

LEMBAGA BIASISWA KENANGAN MAULUD
Statement of Cash Flows
For the financial year ended 31 December 2016

	Note	2016	2015
		S\$	S\$
OPERATING ACTIVITIES			
Surplus for the financial year			
- Unrestricted Funds		585,690	538,624
- Restricted Funds		27,648	923,247
		<u>613,338</u>	<u>1,461,871</u>
ADJUSTMENTS FOR:			
Depreciation of investment property	7	8,008	8,008
Depreciation of plant and equipment	5	19,021	7,857
Liquidation fees for investment		992	832
Gain on disposal of investment securities		(6,903)	(832)
Dividend income		(1,065)	(1,160)
Interest income		(60,334)	(23,345)
		<u>(40,281)</u>	<u>(8,640)</u>
OPERATING SURPLUS BEFORE WORKING CAPITAL CHANGES		<u>573,057</u>	<u>1,453,231</u>
CHANGES IN WORKING CAPITAL			
Decrease in receivables		15,474	306,823
(Decrease)/Increase in payables		(29,822)	565,080
NET CHANGE IN WORKING CAPITAL		<u>(14,348)</u>	<u>871,903</u>
CASH FLOWS FROM OPERATIONS		558,709	2,325,134
Interest received		60,334	23,345
NET CASH FLOWS FROM OPERATING ACTIVITIES		<u>619,043</u>	<u>2,348,479</u>
INVESTING ACTIVITIES			
Proceeds from disposal of investment securities		248,556	75,308
Acquisition of investment securities	6	(64,919)	(73,759)
Acquisition of plant and equipment	5	(49,314)	(5,802)
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		<u>134,323</u>	<u>(4,253)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		753,366	2,344,226
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		4,159,063	1,814,837
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR		<u><u>4,912,429</u></u>	<u><u>4,159,063</u></u>

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

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

1 SOCIETY INFORMATION

LEMBAGA BIASISWA KENANGAN MAULUD (PROPHET MUHAMMAD'S BIRTHDAY MEMORIAL SCHOLARSHIP FUND BOARD) (the "Society") (Registration Number: S66SS0027A) is a Society registered in Singapore under the Societies Act, Chapter 311 on 17 February 1966. The registered office of the Society is at 448 Changi Road, #04-01 Wisma Indah, Singapore 419975.

The Society is an approved charity under the Charities Act, Cap. 37 since 16 October 1985. Its status of an Institution of a Public Character ("IPC") was renewed for another 2 1/2 years from 1 February 2016 to 31 August 2018.

The principal activity of the Society is to promote education by assisting the needy and deserving students in furthering their education through awards of scholarships, bursaries and study grants.

The financial statements for the financial year ended 31 December 2016 were authorised for issue in accordance with a circular resolution by the Executive Council on 23 May 2017.

2 EXECUTIVE COUNCIL

For the financial year under review, the members of the Executive Council were as follows:

Elected at the Society's AGM on 16 June 2016

Suhaimi Salleh	- President
Muhammad Harmizan Abdul Hamid	- Deputy President
Halil Haji Mansor	- Honorary Secretary
Yeo Nadia	- Asst Honorary Secretary
Djuanda Kamid	- Honorary Treasurer
Dr Syed Harun Taha Alhabsyi	- Asst Honorary Treasurer
Ismail Abdullah	- Council Member
Ustaz Mohd Jakfar Embek	- Council Member
Rahayu Mohamad	- Council Member
Mohammad Jamalludin M Affandi	- Council Member
Nadia Ahmad Samdin	- Council Member
Hamzah Abdul Mutalib	- Council Member

Co-opted on 16 July 2016

Wan Hussin Haji Zohri	- Past President
Abdullah Arief Ali	- Council Member
Mohammad Noor A Rahman	- Council Member

Retired at the Society's AGM on 16 June 2016

Mohamed Alam Din	- Deputy President
Mohammad Haireez Mohameed Jufferie	- Asst Honorary Treasurer
Osman Abdur Rahim Bagarib	- Council Member
Abdul Rahman Mohd Hanipah	- Council Member
Abdul Samat Ali	- Council Member
Muhammad Firdaus Rahmat	- Council Member
Ismail Pantek	- Council Member

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Preparation

The financial statements of the Society have been prepared in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37) and Charities Accounting Standard (“CAS”).

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, which is also the functional currency of the Society. Functional currency is the currency of the primary economic environment in which the Society operates.

The preparation of financial statements requires the Executive Council to make judgments estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Although these estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

There were no critical judgments made in the process of applying the society’s accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2 Changes in Accounting Policies

The accounting policies adopted are consistent with the requirements of the CAS and are applied consistently to similar transactions, other events and conditions.

3.3 Investment assets

Investment assets generally include investment properties, investments in debt or equity instruments (investment securities) and cash held for investment purposes.

(a) Investment property

Investment property is held to earn rental income and is measured at cost less accumulated depreciation and impairment losses. The carrying amount includes the cost of replacing part of existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

The building cost is depreciated over a 50-year period on a straight-line basis.

Investment property is derecognised when disposed of or when the investment property is permanently withdrawn from use or no future economic benefit is expected from its disposal. Any gain or loss on the retirement of an investment property is recognised in the statement of financial activities in the year of retirement or disposal.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.3 Investment assets (continued)

(a) Investment property (continued)

The carrying amount of an investment property is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful lives and depreciation method of investment property are reviewed and adjusted as appropriate at the end of each reporting period. The effects of any revision are included in profit or loss when the changes arise.

(b) Investment securities

Investment in securities is recognised on the balance sheet when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. Investment in securities is measured initially at the transaction price excluding transaction costs, if any, which shall be recognised as expenditure immediately in the statement of financial activities as incurred.

Subsequent to initial measurement, investment in securities is measured at cost less any accumulated impairment losses.

3.4 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are stated at cost less accumulated depreciation. The cost includes the cost of replacing part of the plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying plant and equipment. All borrowing costs relating to the acquisition of plant and equipment are recognised as expenditure in the Statement of Financial Activities in the period which they are incurred. Plant and equipment shall not be revalued and are not required to be assessed for impairment.

Depreciation is calculated on a straight-line basis over their estimated useful lives as follows:

Office equipment	-	5 years
Furniture and fittings	-	5 years
Computers	-	5 years
Renovations	-	5 years

When significant parts of plant and equipment are required to be replaced in intervals, the Society recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of financial activities as incurred.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of 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 the statement of financial activities in the financial year the asset is derecognised.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.5 Impairment of non-financial assets

The carrying amounts of the Society's assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. All impairment losses are recognised in profit or loss whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount.

An impairment loss is only revised to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation of impairment, if no impairment loss had been recognised. All reversals of impairment are recognised in the statement of financial activities.

3.6 Financial Assets

Financial assets are any asset that is either cash or equity instrument of another entity or the Society has a contractual right:

- To receive cash or another financial asset from another entity; or
- To exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the Society.

Financial assets are recognised on the balance sheet when, and only when the society becomes a party to the contractual provisions of the financial instruments.

The Society has its financial assets in the following categories: cash and bank balances, other receivables and investment securities. The classification depends on the purpose for which the assets were acquired.

Other receivables are presented as current assets, except those maturing later than twelve months after the balance sheet date which are classified as non-current assets.

Other receivables (excluding prepayments) are 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.

After initial recognition, other receivables are subsequently measured at cost less any accumulated impairment losses. Prepayments are subsequently measured at the amount paid less the economic resources received or consumed during the financial year.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets have expired or have been transferred and the Society has transferred substantially all risks and rewards of ownership. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in statement of financial activities.

The amount of the allowance is the difference between the asset's carrying amount and the undiscounted future cash flows, excluding unearned interest of interest-bearing assets that the Society expects to receive from the assets. The amount of the allowance for impairment is recognized in the statement of financial activities.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Impairment of Financial Assets

The Society assesses at each balance sheet 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.

An allowance for impairment is established when there is objective evidence that the Society will not be able to collect all amounts due according to the original terms of the receivables.

In the case of other receivables, the amount of impairment loss is the difference between the financial asset's carrying amount and the undiscounted future cash flows, excluding unearned interest of interest-bearing assets that the Society expects to receive from the assets.

The recognised impairment loss is subsequently reversed if the amount of the impairment loss decreases and the decrease is related objectively to an event occurring after the impairment is recognised. The reversal shall not result in a carrying amount of the financial assets, net of any allowance account that exceeds what the carrying amount would have been had the impairment not previously been recognised. The reversal of impairment loss is recognised in the statement of financial activities.

3.8 Cash and Cash Equivalents

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

3.9 Financial Liabilities

Financial liabilities are recognised on the balance sheet when, and only when the Society become a party to the contractual provisions of the financial instrument. The Society derecognises financial liabilities when, and only when, the Society's obligations are discharged, cancelled or when they have expired.

3.10 Employee Benefits - Defined Contribution Plan

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

3.11 Funds

Monies received for specific purposes, including transfers from the general fund, are credited directly to the respective fund in the financial statements. These include restricted funds and unrestricted funds. Restricted funds are funds held by the Society that can only be applied for specific purposes. These funds are subject to specific trusts which may be declared by the donors or with their authority or created through legal process but are still within the wider objects of the Society. Unrestricted funds are expendable at the discretion of the Executive Council in furtherance of the Society's objects. Designated fund is part of the unrestricted funds earmarked for a particular project. The designation is for administrative purpose only and does not restrict the Executive Council's discretion to apply the fund.

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 Funds (continued)

The Society has the following funds:

(a) Unrestricted Fund

Unrestricted fund comprises general fund and designated fund. General funds are used for the general purposes of the Society as set out in its governing document. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the Executive Council's discretion to apply the fund. The Society classifies its General Fund and Sinking Fund as unrestricted funds.

(b) Restricted Fund

Restricted funds are funds subject to specific trusts, which may be declared by the donor(s) or with their authority (e.g. in a public appeal). Or created through legal process, but still within the wider objects of the Society.

Restricted funds may only be utilised in accordance with the purposes established by the sources of funds and are in contrast with unrestricted funds over which the Executive Council retains full control to use in achieving its institutional purposes. The Society classifies its Bursary sponsorship fund, LBKM scholarship fund, LBKM – Thye Hua Kwan sponsorship fund, Donors' corpus fund and Care & Share Grant as restricted funds.

Income and expenditure relating to specific funds are accounted for directly in the funds to which they relate. Common expenses, if any, are allocated on a reasonable basis to the funds based on a method suitable to this common expense. Assets and liabilities of the specific funds are pooled in the balance sheet.

Funds received for specific purposes such as purchase of depreciable assets are taken to relevant restricted fund account. This relevant fund will be reduced over the useful life of the asset in line with its depreciation. Depreciation is charged to the relevant designated funds where the asset is held.

3.12 Income recognition

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

Donations from corporate sponsorships are accounted for on a receipt basis, except for committed donations and corporate cash sponsorship that are recorded when the commitments are signed.

Rental income from operating leases are recognised on a straight line basis in accordance with the substance of the relevant agreements.

Interest income on bank accounts, fixed deposits placed with banks and bonds are recognised on a time apportioned basis using the effective interest method.

Cash grants received from the government in relation to the Special Employment Credit and Wages Credit Scheme are recognised upon receipt.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 Expenditure

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to that activity.

Cost of Generating Funds

The cost of generating funds are those costs attributable to generating income for the Society, other than those costs incurred in undertaking charitable activities in furtherance of the Society's objects.

Charitable Activities

Expenditure on charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Society. Those costs, where not wholly attributable, are apportioned between the categories of charitable expenditure. The total costs of each category of charitable expenditure therefore include an apportionment of support cost, where possible.

Governance Costs

Governance costs include the costs of governance arrangements, which relate to the general running of the Society as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. Expenditure on the governance of the charity will normally include both direct and related support costs which include internal and external audit, apportioned manpower costs and general costs in supporting the governance activities, legal advice for governing board members, and costs associated with constitutional and statutory requirements.

Other Expenditure

Other expenditure includes the payment of any expenditure that the Society has not been able to analyse within the main expenditure categories.

3.14 Operating Lease

As Lessee

Payments made under operating leases are taken to the statement of financial activities on a straight-line basis over the year 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 year in which termination takes place.

As Lessor

Leases of assets in which a significant portion of the risks and rewards of ownership of the assets are retained by the Society are classified as operating leases.

Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 3.12.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Provisions

Provisions are recognised when the Society has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources 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 economic resources 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 current pre tax rate that reflects, where appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.16 Related Parties and Transactions

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Society if that person:
 - (i) Has control or joint control over the Society;
 - (ii) Has significant influence over the Society; or
 - (iii) Is a governing board member, trustee or a member of the key management personnel of the Society.
- b) An entity is related to the Society if any of the following conditions applies:
 - (i) The entity and the Society are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to 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 Society or an entity related to the Society. If the Society is itself a plan, the sponsoring employers are also related to the Society;
 - (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 of, provides key management personnel services to the Society or to the parent of the Society.

A related party transaction is a transfer of resources, services or obligations between the Society and a related party, regardless of whether a price is charged.

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

3.17 Goods and Services Tax (GST)

GST incurred on purchase of assets or expenses are recognised as part of the cost of acquisition of the asset or as part of the expense item where applicable. Payables are stated with the amount of GST included.

4 RELATED PARTY TRANSACTIONS

For the purpose of financial statements, parties are considered to be related to the Society if the Society has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Society and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Except, for the related parties transactions on terms agreed between the Society and its related parties as disclosed below, there are no other transactions and arrangements between the Society and related parties.

Remuneration of key management personnel, Board of Trustees and Executive Council members.

(i) Meeting attendance allowance paid:

	2016	2015
	S\$	S\$
Suhaimi Salleh	350	600
Mohamed Alam Din*	100	400
Wan Hussin Haji Zoochri	250	200
Halil Haji Mansor	400	500
Muhd Harmizan Abdul Hamid	300	450
Mohd Haireez Mohd Jufferie*	100	250
Ismail Abdullah	200	300
Osman Abdur Rahim Bagarib*	200	300
Abdul Samat Ali*	200	400
Supki Haji Sidek	200	200
Ibrahim Hassan	50	100
Isa Hassan	100	100
Fatma Osman	100	150
Hamzah Abdul Mutalib	200	300
Mohamed Firdaus Rahmat*	150	250
Yeo Nadia	300	200
Nadia Ahmad Samdin	150	-
Syed Muhammad Aljunied*	-	150
Dr Syed Harun Taha Alhabshy**	-	250
Ismail Pantek*	-	200
Mohd Ma'mun H M F Suheimi **	-	150
Abdul Rahman Mohd Hanipah*	-	150
Lukman Afandi *	-	50
Mohamed Amrin Mohamed Amin*	-	250
	-----	-----
	3,350	5,900
	=====	=====

* retired during the year

** cheques not encashed/returned later cancelled

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
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4 RELATED PARTY TRANSACTIONS (continued)

For the purpose of financial statements, parties are considered to be related to the Society if the Society has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Society and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Except, for the related parties transactions on terms agreed between the Society and its related parties as disclosed below, there are no other transactions and arrangements between the Society and related parties.

Remuneration of key management personnel, Board of Trustees and Executive Council members.

(ii) Key management personnel remuneration

	2016	2015
	S\$	S\$
Salaries and bonuses	120,452	114,342
Contributions to Central Provident Fund	11,085	10,600
Skill Development levy	238	462
	-----	-----
	131,775	125,404
	=====	=====

Key management personnel comprise the Executive Secretary and the Senior Account Executive.

The number of employees (including key management personnel) whose remuneration amount is over S\$ 100,000 in the financial year is Nil (2015: Nil).

(iii) Staff welfare & gratuity paid to an Executive Secretary who retired on 31 December 2016 was S\$26,250.

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

5 PLANT AND EQUIPMENT

COST	Office Equipment S\$	Furniture and Fittings S\$	Computers S\$	Renovation S\$	Total S\$
At 1.1.2015	8,701	6,952	14,842	18,205	48,700
Additions	2,624	2,985	193	-	5,802
At 31.12.2015 and 1.1.2016	11,325	9,937	15,035	18,205	54,502
Additions	2,352	10,362	-	36,600	49,314
At 31.12.2016	13,677	20,299	15,035	54,805	103,816

ACCUMULATED DEPRECIATION

At 1.1.2015	5,888	5,790	9,568	6,964	28,210
Depreciation charge	1,779	887	1,550	3,641	7,857
At 31.12.2015 and 1.1.2016	7,667	6,677	11,118	10,605	36,067
Depreciation charge	2,166	4,947	947	10,961	19,021
At 31.12.2016	9,833	11,624	12,065	21,566	55,088

NET CARRYING VALUE

At 31.12.2016	3,844	8,675	2,970	33,239	48,728
At 31.12.2015	3,658	3,260	3,917	7,600	18,435

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

6 INVESTMENT SECURITIES

	2016	2015
	S\$	S\$
COST		
Balance at beginning of the financial year	176,661	177,050
Additions – Dividend	1,065	1,160
Additions - cash	64,919	73,759
Disposals	(242,645)	(75,308)
	-----	-----
Balance at end of the financial year	-	176,661
	=====	=====
ACCUMULATED IMPAIRMENT LOSSES		
Balance at beginning of the financial year	-	-
Charge for the year	-	-
Reversal	-	-
	-----	-----
Balance at end of the financial year	-	-
	=====	=====
NET CARRYING VALUE	-	176,661
	=====	=====

Quoted bonds and unit trust

Quoted bonds and unit trust offer the Society an opportunity for return through dividend income and fair value gains. They have no fixed maturity and are traded on the Singapore Stock Exchange.

The fair value of these bonds and unit trust are based on the bid price on the last market day of the financial year and amounts to S\$ Nil (2015: S\$ 178,875).

The investment securities have been disposed during the year.

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

7	INVESTMENT PROPERTY	2016
		S\$
	COST	
	At 1.1.2015 and 31.12.2015	400,400
	At 1.1.2016 and 31.12.2016	----- 400,400 =====
	ACCUMULATED DEPRECIATION	
	At 1.1.2015	96,096
	Depreciation charge	8,008
	At 31.12.2015 and 1.1.2016	----- 104,104
	Depreciation charge	8,008
	At 31.12.2016	----- 112,112 =====
	NET CARRYING VALUE	
	At 31.12.2016	----- 288,288 =====
	At 31.12.2015	----- 296,296 =====

Investment property is stated at cost less accumulated depreciation and impairment losses. The building cost is depreciated over a period of 50 years on a straight line basis.

The Executive Council's estimate of the open market value of the property based on its existing use as at 31 December 2016 is between S\$ 2,800,000 to S\$ 3,200,000 (2015: S\$ 2,800,000). The value is an estimate of the amount for which the asset could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at the valuation date. As a result of this valuation, no provision for impairment was recognised in the financial statements for the financial year end as the recoverable amount is greater than the carrying value of the investment property.

The rental income earned from leasing out the investment property for the financial year end amounted to S\$ 30,000 (2015: S\$ 72,000). The lease is an operating lease. Direct operating expenses (including property maintenance and property tax) with regards to the investment property and its use amounted to S\$ 19,262 (2015: S\$ 9,780).

The property is located at 33 Bussorah Street, Singapore 199451. It is a 2 storey shop house on a piece of land located at Lot 473X Town Subdivision 14. It has a tenure of 99 years beginning 15 October 2003 (86 years remaining).

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

8 CASH AND CASH EQUIVALENTS

	2016	2015
	S\$	S\$
Fixed deposits	3,706,545	3,374,161
Cash at banks	1,205,484	784,402
Cash in hand	400	500
	-----	-----
	4,912,429	4,159,063
	=====	=====

The fixed deposits earn interest and hibah ranging from 0.35% to 2.02% (2015: 0.15% to 2.02%) per annum and have maturity periods of not more than 24 months.

For the purpose of the statement of cash flows, cash and bank balances are comprised of the balances as shown above.

9 OTHER RECEIVABLES

	2016	2015
	S\$	S\$
Other receivables	-	6,000
Deposits	15,193	13,369
Prepayments	18,525	29,823
	-----	-----
	33,718	49,192
	=====	=====

10 OTHER PAYABLES

	2016	2015
	S\$	S\$
Dr. Muhd Ariff Endowment Fund	33,246	32,776
Rohaya Zainal Abidin Trust Fund	100,137	-
Deposits received	10,280	80
Accrued operating expenses	42,258	7,000
Bursary payable	97,205	119,700
Research grant payable	10,000	-
Others	83	-
	-----	-----
	293,209	159,556
	=====	=====

11 DEFERRED INCOME

	2016	2015
	S\$	S\$
MUIS – MUIS-WAREES - Bursary Sponsorship	300,000	300,000
MUIS – Administration grant	40,000	40,000
50th Anniversary dinner	-	150,400
Islamic fixed deposit hibah received in advance	7,894	20,919
Others	-	50
	-----	-----
	347,894	511,369
	=====	=====

The Society has been managing the award of the MUIS-Warees Bursary Sponsorship since 1996 amounting to S\$300,000 annually. For the service, MUIS gives the Society an annual administration grant of S\$40,000.

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

12 FUND ACCOUNTS BALANCES

(a) Unrestricted Funds

Sinking Fund

The Sinking Fund was set up on 31st December 2006 to provide for major repair and maintenance expenditure in respect of the investment property.

Designated Capital Grant Fund

The Designated Capital Grant Fund is set up to account for funds released from the Care & Share Fund for the purchase of plant and equipment. The fund will be subsequently be reduced annually with the depreciation of the corresponding plant and equipment.

(b) Restricted Funds

Bursary Sponsorship Fund

The Bursary Sponsorship Fund, is a restricted fund for distribution on behalf of the donors as per their expressed wishes and when no wishes were expressed, the fund will be used as bursaries for needy students.

LBKM Scholarship Fund

The LBKM Scholarship Fund was created for students who have gained entry into the world's top ten universities such as Harvard, Cambridge and Oxford. The scholarship is also awarded to meritorious students pursuing master degrees in public administration/public policy with the National University of Singapore's Lee Kuan Yew School of Public Policy.

LBKM – Thye Hua Kwan Sponsorship Fund

The LBKM – Thye Hua Kwan Sponsorship Fund was created for bursaries to needy students in specified courses.

Donors' Corpus Fund

The Donors' Corpus fund was entrusted to the Society for the purpose of distributing the income generated from the investment of the funds as bursaries for needy students.

Care & Share Grant Fund

The Care and Share Grant Fund is set up to account the dollar-for-dollar matching grant received to build the capabilities for the social service sector and supporting social services to meet rising needs.

Unless specifically indicated, the fund balances are not represented by any specific accounts, but are represented by all assets and liabilities of the Society.

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

13 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	2016										TOTAL
	UNRESTRICTED FUNDS					RESTRICTED FUNDS					
	General Fund S\$	Sinking Fund S\$	Capital Grant Fund S\$	Total S\$	Bursary Sponsorship Fund S\$	LBKM-Thye Hua Kwan Fund S\$	LBKM-Scholarship Fund S\$	Donors Corpus Fund S\$	Care & Share Grant Fund S\$	Total S\$	
INCOME											
<i>Income from generated funds</i>											
Voluntary income											
CARE & SHARE Matching grant	-	-	-	-	-	-	-	-	498,800	498,800	498,800
50th Anniversary celebration	260,940	-	-	260,940	-	-	-	-	-	-	260,940
General donations	325,783	-	-	325,783	-	-	-	-	-	-	325,783
Mosque collection	100,188	-	-	100,188	-	-	-	-	-	-	100,188
Maulud appeal	40,582	-	-	40,582	164,078	1,817	-	-	-	165,895	206,477
Other income	19,834	-	-	19,834	-	-	-	-	-	-	19,834
Administration grant	40,000	-	-	40,000	-	-	-	-	-	-	40,000
Zakat	-	-	-	-	305,252	-	-	-	-	305,252	305,252
Bursary Sponsorship	-	-	-	-	1,214,876	14,390	-	-	-	1,229,266	1,229,266
MUIS Bursary Sponsorship	-	-	-	-	300,000	-	-	-	-	300,000	300,000
	787,327	-	-	787,327	1,984,206	16,207	-	-	498,800	2,499,213	3,286,540
Activities for generating funds											
Rental income	15,994	-	-	15,994	-	-	-	-	-	-	15,994
	15,994	-	-	15,994	-	-	-	-	-	-	15,994
Investment income											
Rental income from investment property	30,000	-	-	30,000	-	-	-	-	-	-	30,000
Interest income	60,334	-	-	60,334	-	-	-	-	-	-	60,334
	90,334	-	-	90,334	-	-	-	-	-	-	90,334
Other income											
Gain on disposal of investment securities	6,903	-	-	6,903	-	-	-	-	-	-	6,903
	6,903	-	-	6,903	-	-	-	-	-	-	6,903
TOTAL INCOME	900,558	-	-	900,558	1,984,206	16,207	-	-	498,800	2,499,213	3,999,771

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
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13 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (continued)

	2016										
	UNRESRICTED FUNDS					RESTRICTED FUNDS					TOTAL
	General Fund S\$	Sinking Fund S\$	Capital Grant Fund S\$	Total S\$	Bursary Sponsorship Fund S\$	LBKM-Thye Hua Kwan Fund S\$	LBKM-Scholarship Fund S\$	Donors Corpus Fund S\$	Care & Share Grant Fund S\$	Total S\$	
Less: EXPENDITURE											
Cost of generating funds											
Cost of generating voluntary income											
Cost of donation collection	-	-	-	-	-	-	-	-	64,992	64,992	64,992
50th anniversary expenses	-	-	-	-	-	-	-	-	112,896	112,896	112,896
50th anniversary publications	-	-	-	-	-	-	-	-	46,551	46,551	46,551
Postage, courier, stamps and PAYPAL fees	-	-	-	-	-	-	-	-	5,021	5,021	5,021
	-	-	-	-	-	-	-	-	229,460	229,460	229,460
Fundraising expenses											
Rental of premises	-	-	-	-	-	-	-	-	15,994	15,994	15,994
	-	-	-	-	-	-	-	-	15,994	15,994	15,994
Investment management cost											
Depreciation of investment properties	8,008	-	-	8,008	-	-	-	-	-	-	8,008
Property tax	7,200	-	-	7,200	-	-	-	-	-	-	7,200
Legal and professional fees	5,000	2,354	-	7,354	-	-	-	-	-	-	7,354
Upkeep of premises	-	4,708	-	4,708	-	-	-	-	-	-	4,708
	20,208	7,062	-	27,270	-	-	-	-	-	-	27,270
Charitable activities											
Bursary awards	-	-	-	-	1,537,685	30,000	-	-	50,180	1,617,865	1,617,865
Scholarship awards	-	-	-	-	-	-	40,000	-	67,500	107,500	107,500
AMP-LBKM-SUTD Scholarship	-	-	-	-	-	-	-	-	265,000	265,000	265,000
ITE awards	-	-	-	-	31,400	-	-	-	-	31,400	31,400
Balance carried forward	-	-	-	-	1,569,085	30,000	40,000	-	382,680	2,021,765	2,021,765

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

13 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (continued)

	2016										TOTAL	
	UNRESTRICTED FUNDS					RESTRICTED FUNDS						
	General Fund S\$	Sinking Fund S\$	Capital Grant Fund S\$	Total S\$	Bursary Sponsorship Fund S\$	LBKM-Tnye Hua Kwan Fund S\$	LBKM-Scholarship Fund S\$	Donors Corpus Fund S\$	Care & Share Grant Fund S\$	Total S\$		
Less: EXPENDITURE (Continued)												
Charitable activities (Continued)												
Balance brought forward	-	-	-	-	1,569,085	30,000	40,000	-	382,680	2,021,765	2,021,765	
Special grants	-	-	-	-	7,400	-	-	-	-	7,400	7,400	
Bursary presentation ceremony	19,285	-	-	19,285	-	-	-	-	-	-	19,285	
Youth development expenses	-	-	-	-	-	-	-	-	22,610	22,610	22,610	
Contributions to CPF	20,832	-	-	20,832	-	-	-	-	-	-	20,832	
Software, website development & maintenance	-	-	-	-	-	-	-	-	15,742	15,742	15,742	
Impact Assessment study	-	-	-	-	-	-	-	-	13,600	13,600	13,600	
Community Relations	2,300	-	-	2,300	-	-	-	-	-	-	2,300	
Research grant	10,000	-	-	10,000	-	-	-	-	-	-	10,000	
General expenses	591	-	-	591	-	-	-	-	-	-	591	
Salaries and bonuses	75,068	-	-	75,068	-	-	-	-	75,068	75,068	150,136	
	128,076	-	-	128,076	1,576,485	30,000	40,000	-	509,700	2,156,185	2,284,261	
Governance costs												
Salaries and bonuses	89,009	-	-	89,009	-	-	-	-	-	-	89,009	
Rental of premises	33,581	-	-	33,581	-	-	-	-	-	-	33,581	
Contributions to CPF	10,431	-	-	10,431	-	-	-	-	-	-	10,431	
Depreciation of plant and equipment	11,701	-	7,320	19,021	-	-	-	-	-	-	19,021	
Utilities	1,750	-	-	1,750	-	-	-	-	-	-	1,750	
Printing and stationery	9,671	-	-	9,671	-	-	-	-	-	-	9,671	
Audit fee	7,200	-	-	7,200	-	-	-	-	-	-	7,200	
Balance carried forward	163,343	-	7,320	170,663	-	-	-	-	-	-	170,663	

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

13 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (continued)

	2016										
	UNRESTRICTED FUNDS					RESTRICTED FUNDS					TOTAL
	General Fund S\$	Sinking Fund S\$	Capital Grant Fund S\$	Total S\$	Bursary Sponsorship Fund S\$	LBKM-Thye Hua Kwan Fund S\$	LBKM-Scholarship Fund S\$	Donors Corpus Fund S\$	Care & Share Grant Fund S\$	Total S\$	
Less : EXPENDITURE (Continued)											
Governance costs (Continued)											
Balance brought forward	163,343	-	7,320	170,663	-	-	-	-	-	-	170,663
Annual general meeting expenses	4,222	-	-	4,222	-	-	-	-	-	-	4,222
Meeting allowances	3,850	-	-	3,850	-	-	-	-	-	-	3,850
Insurance	2,427	-	-	2,427	-	-	-	-	-	-	2,427
Telecommunication expenses	2,866	-	-	2,866	-	-	-	-	-	-	2,866
Repair and maintenance	2,947	-	-	2,947	-	-	-	-	-	-	2,947
Advertising expenses	819	-	-	819	-	-	-	-	-	-	819
Staff welfare & gratuity	29,503	-	-	29,503	-	-	-	-	-	-	29,503
Transportation expenses	1,416	-	-	1,416	-	-	-	-	-	-	1,416
Postage, courier, stamps and PAYPAL fees	1,255	-	-	1,255	-	-	-	-	-	-	1,255
Staff refreshment	1,754	-	-	1,754	-	-	-	-	-	-	1,754
Bank charges	3,740	-	-	3,740	-	-	-	-	-	-	3,740
Membership and subscription fees	664	-	-	664	-	-	-	-	-	-	664
Skills development levy	521	-	-	521	-	-	-	-	-	-	521
Seminar and training	-	-	-	-	-	-	-	-	2,801	-	2,801
	219,327	-	7,320	226,647	-	-	-	-	2,801	-	229,448
TOTAL EXPENDITURE	367,611	7,062	7,320	381,993	1,576,485	30,000	40,000	-	757,955	2,404,440	2,786,433

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

13 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (continued)

	2016										
	UNRESTRICTED FUNDS					RESTRICTED FUNDS					TOTAL
	General Fund	Sinking Fund	Capital Grant Fund	Total	Bursary Sponsorship Fund	LBKM-Thye Hua Kwan Fund	LBKM-Scholarship Fund	Donors Corpus Fund	Care & Share Grant Fund	Total	
S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR	532,947	(7,062)	(7,320)	518,565	407,721	(30,000)	(23,793)	-	(259,155)	94,773	613,338
Gross transfers between funds											
Allocation of fund balance	-	-	-	-	(10,000)	10,000	-	-	-	-	-
Allocation of Asnaf Amil	30,525	-	-	30,525	(30,525)	-	-	-	-	(30,525)	-
Allocation for renovation claims under Care & Share Grant Fund	-	-	36,600	36,600	-	-	-	-	(36,600)	(36,600)	-
Allocation of annual maintenance for investment property	(10,000)	10,000	-	-	-	-	-	-	-	-	-
NET MOVEMENT OF FUNDS	553,472	2,938	29,280	585,690	367,196	(20,000)	(23,793)	-	(295,755)	27,648	613,338
RECONCILIATION OF FUNDS											
Total funds at beginning of financial year	2,624,438	108,435	-	2,732,873	520,720	20,000	145,200	40,000	569,929	1,295,849	4,028,722
Total funds at end financial year	3,177,910	111,373	29,280	3,318,563	887,916	-	121,407	40,000	274,174	1,323,497	4,642,060

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

13 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (continued)

	2015										TOTAL	
	UNRESTRICTED FUNDS					RESTRICTED FUNDS						
	General Fund S\$	Sinking Fund S\$	Capital Grant Fund S\$	Total S\$	Bursary Sponsorship Fund S\$	LBKM-Thye Hua Kwan Fund S\$	LBKM-Scholarship Fund S\$	Donors Corpus Fund S\$	Care & Share Grant Fund S\$	Total S\$		
INCOME												
<i>Income from generated funds</i>												
<u>Voluntary income</u>												
CARE & SHARE matching grant	-	-	-	-	-	-	-	-	1,125,000	1,125,000	1,125,000	
50th Anniversary celebration	48,542	-	-	48,542	-	-	-	-	-	-	48,542	
General donations	338,037	-	-	338,037	-	-	-	-	-	-	338,037	
Mosque collection	100,000	-	-	100,000	-	-	-	-	-	-	100,000	
Maulud appeal	71,433	-	-	71,433	-	-	-	-	-	-	71,433	
Government grants	4,482	-	-	4,482	-	-	-	-	-	-	4,482	
Administration grant	40,000	-	-	40,000	-	-	-	-	-	-	40,000	
Zakat	-	-	-	-	278,625	-	-	-	-	-	278,625	
Sponsorship/Bursary	-	-	-	-	1,672,691	-	-	17,700	-	-	1,690,391	
	602,494	-	-	602,494	1,951,316	-	-	17,700	-	-	3,094,016	3,696,510
Activities for generating funds												
Rental income	11,108	-	-	11,108	-	-	-	-	-	-	11,108	
Utilities income	527	-	-	527	-	-	-	-	-	-	527	
	11,635	-	-	11,635	-	-	-	-	-	-	11,635	
Investment income												
Rental income from investment property	72,000	-	-	72,000	-	-	-	-	-	-	72,000	
Interest income	23,345	-	-	23,345	-	-	-	-	-	-	23,345	
Dividend income	1,160	-	-	1,160	-	-	-	-	-	-	-	
	96,505	-	-	96,505	-	-	-	-	-	-	96,505	
Other income												
Gain on disposal of investment securities	832	-	-	832	-	-	-	-	-	-	832	
	832	-	-	832	-	-	-	-	-	-	832	
TOTAL INCOME	711,466	-	-	711,466	1,951,316	-	17,700	-	1,125,000	-	3,094,016	3,804,322

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

13 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (continued)

	2015										
	UNRESTRICTED FUNDS					RESTRICTED FUNDS					TOTAL
	General Fund S\$	Sinking Fund S\$	Capital Grant Fund S\$	Total S\$	Bursary Sponsorship Fund S\$	LBKM-Tnye Hua Kwan Fund S\$	LBKM-Scholarship Fund S\$	Donors Corpus Fund S\$	Care & Share Grant Fund S\$	Total S\$	
Less: EXPENDITURE											
Cost of generating funds											
Cost of generating voluntary income											
Cost of donation collection	-	-	-	-	-	-	-	-	56,858	56,858	
50th anniversary expenses & coffee table	-	-	-	-	-	-	-	-	44,082	44,082	
Postage, courier, stamps and PAYPAL fees	-	-	-	-	-	-	-	-	1,587	1,587	
	-	-	-	-	-	-	-	-	102,527	102,527	
Fundraising expenses											
Rental of premises	-	-	-	-	-	-	-	-	11,108	11,108	
Utilities	-	-	-	-	-	-	-	-	528	528	
	-	-	-	-	-	-	-	-	11,636	11,636	
Investment management cost											
Depreciation of investment properties	8,008	-	-	8,008	-	-	-	-	-	8,008	
Property tax	7,200	-	-	7,200	-	-	-	-	-	7,200	
Legal and professional fees	2,381	-	-	2,381	-	-	-	-	-	2,381	
Upkeep of premises	199	-	-	199	-	-	-	-	-	199	
	17,788	-	-	17,788	-	-	-	-	-	17,788	
Charitable activities											
Bursary awards	-	-	-	-	1,527,880	30,000	-	-	75,000	1,632,880	
Scholarship awards	60,000	-	-	60,000	-	-	-	-	79,200	139,200	
ITE awards	-	-	-	-	31,550	-	-	-	-	31,550	
Balance carried forward	60,000	-	-	60,000	1,559,430	30,000	-	-	154,200	1,743,630	

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

13 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (continued)

	2015										
	UNRESTRICTED FUNDS					RESTRICTED FUNDS					TOTAL
	General Fund S\$	Sinking Fund S\$	Capital Grant Fund S\$	Total S\$	Bursary Sponsorship Fund S\$	LBKM-Thye Hua Kwan Fund S\$	LBKM-Scholarship Fund S\$	Donors Corpus Fund S\$	Care & Share Grant Fund S\$	Total S\$	S\$
<i>Less: EXPENDITURE (Continued)</i>											
<i>Charitable activities (Continued)</i>											
Balance brought forward	60,000	-	-	60,000	1,559,430	30,000	-	-	154,200	1,743,630	1,803,630
Special grants	-	-	-	-	3,400	-	-	-	-	3,400	3,400
Bursary presentation ceremony	5,490	-	-	5,490	-	-	-	-	5,489	5,489	10,979
Donation	4,000	-	-	4,000	-	-	-	-	-	-	4,000
Youth development expenses	-	-	-	-	-	-	-	-	19,744	19,744	19,744
Salaries and bonuses	-	-	-	-	-	-	-	-	122,696	122,696	122,696
Contributions to CPF	-	-	-	-	-	-	-	-	16,255	16,255	16,255
Software, website development & maintenance	-	-	-	-	-	-	-	-	34,719	34,719	34,719
General expenses	3,353	-	-	3,353	-	-	-	-	-	-	3,353
	72,843	-	-	72,843	1,562,830	30,000	-	-	353,103	1,945,933	2,018,776
<i>Governance costs</i>											
Salaries and bonuses	84,981	-	-	84,981	-	-	-	-	-	-	84,981
Rental of premises	-	-	-	-	-	-	-	-	38,467	38,467	38,467
Contributions to CPF	9,942	-	-	9,942	-	-	-	-	-	-	9,942
Depreciation of plant and equipment	7,857	-	-	7,857	-	-	-	-	-	-	7,857
Utilities	-	-	-	-	-	-	-	-	1,368	1,368	1,368
Printing and stationery	-	-	-	-	-	-	-	-	5,521	5,521	5,521
Audit fee	-	-	-	-	-	-	-	-	7,000	7,000	7,000
Balance carried forward	102,780	-	-	102,780	-	-	-	-	52,356	52,356	155,136

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

13 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (continued)

	2015										TOTAL	
	UNRESTRICTED FUNDS					RESTRICTED FUNDS						
	General Fund S\$	Sinking Fund S\$	Capital Grant Fund S\$	Total S\$	Bursary Sponsorship Fund S\$	LBKM-Thye Hua Kwan Fund S\$	LBKM-Scholarship Fund S\$	Donors Corpus Fund S\$	Care & Share Grant Fund S\$	Total S\$		
Less: EXPENDITURE (Continued)												
Governance costs (Continued)												
Balance brought forward	102,780	-	-	102,780	-	-	-	-	52,356	52,356	155,136	
Annual general meeting expenses	3,294	-	-	3,294	-	-	-	-	3,294	3,294	6,588	
Meeting allowances	6,000	-	-	6,000	-	-	-	-	-	-	6,000	
Insurance	-	-	-	-	-	-	-	-	2,128	2,128	2,128	
Internship allowances	-	-	-	-	-	-	-	-	1,512	1,512	1,512	
Telecommunication expenses	-	-	-	-	-	-	-	-	2,092	2,092	2,092	
Repair and maintenance	-	-	-	-	-	-	-	-	2,722	2,722	2,722	
Advertising expenses	-	-	-	-	-	-	-	-	-	-	-	
Staff welfare & gratuity	-	-	-	-	-	-	-	-	1,064	1,064	1,064	
Transportation expenses	-	-	-	-	-	-	-	-	1,361	1,361	1,361	
Postage, courier, stamps and PAYPAL fees	-	-	-	-	-	-	-	-	376	376	376	
Staff refreshment	-	-	-	-	-	-	-	-	1,116	1,116	1,116	
Bank charges	-	-	-	-	-	-	-	-	922	922	922	
Membership and subscription fees	-	-	-	-	-	-	-	-	210	210	210	
Skills development levy	-	-	-	-	-	-	-	-	462	462	462	
Seminar and training	-	-	-	-	-	-	-	-	11,195	11,195	11,195	
TOTAL EXPENDITURE	112,074	-	-	112,074	1,562,830	30,000	-	-	80,810	80,810	192,884	
	202,705	-	-	202,705					548,076	548,076	2,343,611	

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

13 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (continued)

	2015										TOTAL
	UNRESTRICTED FUNDS					RESTRICTED FUNDS					
	General Fund S\$	Sinking Fund S\$	Capital Grant Fund S\$	Total S\$	Bursary Sponsorship Fund S\$	LBKM-Thye Hua Kwan Fund S\$	LBKM-Scholarship Fund S\$	Donors Corpus Fund S\$	Care & Share Grant Fund S\$	Total S\$	
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR	508,761	-	-	508,761	388,486	(30,000)	17,700	-	576,924	953,110	1,461,871
Gross transfers between funds											
Allocation of fund balance	2,000	-	-	2,000	-	(2,000)	-	-	-	(2,000)	-
Allocation of Asnaf Amil	27,863	-	-	27,863	(27,863)	-	-	-	-	(27,863)	-
Allocation of annual maintenance for investment property	(10,000)	10,000	-	-	-	-	-	-	-	-	-
NET MOVEMENT OF FUNDS	528,624	10,000	-	538,624	360,623	(32,000)	17,700	-	576,924	923,247	1,461,871
RECONCILIATION OF FUNDS											
Total funds at beginning of financial year	2,095,814	98,435	-	2,194,249	160,097	52,000	127,500	40,000	(6,995)	372,602	2,566,851
Total funds at end financial year	2,624,438	108,435	-	2,732,873	520,720	20,000	145,200	40,000	569,929	1,295,849	4,028,722

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

13 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (continued)

	2016	2015
	S\$	S\$
<u>Included in charitable activities:</u>		
Research grant:		
Publication of the book "Kampong Glam"	10,000	-
	=====	=====
AMP-LBKM-SUTD Scholarship:		
Scholarships given	15,000	-
Endowment Fund	250,000	-
	-----	-----
	265,000	-
	=====	=====

During the year, the Society and the Association of Muslim Professionals (AMP) have agreed to set up an Endowment Fund. The purpose of the Fund is to award scholarships to talented Malay Singaporean students undergoing studies at Singapore University of Technology and Design (SUTD) to attain engineering degrees. Both organisations made a contribution of S\$250,000 each to SUTD where in return, the government will also give a matching grant of S\$500,000. Based on a projected yield of S\$30,000 annually, two scholarships valued at S\$15,000 each, will be disbursed in perpetuity, starting from a year from the date of placement. To kick start the scholarship for the 2016 academic year, each organisation will contribute S\$15,000, for two scholarships to be awarded to eligible candidates in 2016.

14 INCOME TAX

The Society is a registered Charity under the Charities Act (Chapter 37) and being a charity, its income is exempted from income tax.

15 TAX-EXEMPT RECEIPTS

During the financial year, the Society issued tax-exempt receipts for donations collected amounting to S\$ 1,581,633 (2015: S\$ 1,683,144).

16 OPERATING LEASE COMMITMENTS

As lessee

Future minimum rental payables under operating leases at the statement of financial position date are as follows: -

	2016	2015
	S\$	
Payable within one year	39,236	38,610
Payable after one year but not more than five years	3,938	-
	-----	-----
	43,174	38,610
	=====	=====

Rental expenses incurred for the office premise during the financial year for the Society was S\$ 49,575 (2015: S\$ 49,575).

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

16 OPERATING LEASE COMMITMENTS (continued)

As lessor

Future minimum rental receivable under operating leases at the balance sheet date are as follows:-

S\$	2016 S\$	2015
Receivable within one year	60,000	-
Receivable after one year but not more than five years	15,000	-
	----- 75,000 =====	----- - =====

Rental income earned from the investment property during the financial year for the Society was S\$ 30,000(2015: S\$ 72,000).

The lease agreements do not contain any contingent rent payment.

17 MANAGEMENT OF RESERVES

The Society regards its unrestricted general fund as its reserves.

The reserves that the Society set aside provide financial stability and the means for the development of the Society's principal activities.

The Society intends to use the reserves for bursaries for needy students, financial and social assistance to needy students and scholarships to meritorious students.

The Reserve Policy adopted by the Society are as below:

- i) To maintain its reserves at a level which is at least 3 years of operating expenditure.
- ii) The Executive Council members regularly review the amount of reserves that are required to ensure that it is sufficient to fulfill the Society continuing obligations on quarterly basis.
- iii) The reserves shall not be utilised except with the approval of the President and Honorary Treasurer or Assistant Honorary Treasurer, and only when the cashflow falls below 3 months of the monthly operating expenses.

The statement of accounts were presented at each Executive Council meeting for the Council to review and monitor the reserves.

Net cash reserves of the Society are as follows:

	2016 S\$	2015 S\$
Cash and cash equivalents (Note 8)	4,812,292	4,159,063
Receivables (excluding prepayments (Note 9)	15,193	19,369
Less: Payables (Note 10)	(193,072)	(159,556)
	----- 4,634,413 =====	----- 4,018,876 =====

LEMBAGA BIASISWA KENANGAN MAULUD
Notes to the financial statements
For the financial year ended 31 December 2016

17 MANAGEMENT OF RESERVES (continued)

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 capital requirements.

18 COMPARATIVE FIGURES

The comparative figures for the financial statements for the financial year ended 31 December 2015 were audited by another audit firm.



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**Lembaga Biasiswa Kenangan Maulud
(PMBM Scholarship Fund Board)**

Tel: 6447 4770

Fax: 6447 4469

Email: enquiries@lbkm.org.sg