

**AUDITED FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION**

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

Registration number: S66SS0027A

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

LEMBAGA BIASISWA KENANGAN MAULUD

Registration number: S66SS0027A

AUDITED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

EXECUTIVE COUNCIL

SUHAIMI BIN SALLEH	PRESIDENT
DR SYED HARUN BIN TAHA ALHABSYI	DEPUTY PRESIDENT
WAN HUSSIN HAJI ZOOHRI	PAST PRESIDENT
MOHAMMAD HAIREEZ BIN MOHAMEED JUFFERIE	HONORARY SECRETARY
HALIL BIN HAJI MANSOR	ASSISTANT HONORARY SECRETARY
ABDULLAH ARIEF BIN ALI	HONORARY TREASURER
DJUANDA BIN KAMID	ASSISTANT HONORARY TREASURER
ABDUL ROHIM BIN SARIP	COUNCIL MEMBER
DR MOHAMED QUSAIRY BIN THAHA	COUNCIL MEMBER
FARIS BIN ABDUL MALIK	COUNCIL MEMBER
HAMZAH BIN ABDUL MUTALIB	COUNCIL MEMBER
MALYANAH BINTE MAWAR	COUNCIL MEMBER
RAHAYU BINTE MOHAMAD	COUNCIL MEMBER
SHAIK MOHAMMAD IQBAL BIN SHAIK HUSSAIN	COUNCIL MEMBER
YEO NADIA	COUNCIL MEMBER

REGISTERED OFFICE

448 Changi Road
#04-01 Wisma Indah
Singapore 419975

AUDITOR

Reanda Adept PAC
138 Cecil Street
#06-01 Cecil Court
Singapore 069538

INDEX PAGE

STATEMENT BY THE EXECUTIVE COUNCIL	1
INDEPENDENT AUDITOR'S REPORT	2
BALANCE SHEET	5
STATEMENT OF FINANCIAL ACTIVITIES	6
STATEMENT OF CASH FLOWS	7
NOTES TO THE FINANCIAL STATEMENTS	8

LEMBAGA BIASISWA KENANGAN MAULUD

Statement by the Executive Council

For the financial year ended 31 December 2021

In our opinion, the accompanying balance sheet, statement of financial activities and statement of cash flows 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 2021, 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



ABDULLAH ARIEF ALI
Honorary Treasurer

Singapore

20 May 2022

LEMBAGA BIASISWA KENANGAN MAULUD

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2021

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 of the Society as at 31 December 2021, the statement of financial activities and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Cap. 311 and the Charities Act, Cap. 37 and other relevant regulations (collectively herein known as the "Acts") and Charities Accounting Standard ("CAS") so as to give a true and fair view of the state of affairs of the Society as at 31 December 2021 and the results and changes in cash flows of the Society for the financial 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 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 the other information. The other information (obtained by us prior to the date of our auditor's report) comprises the Annual Report for the year ended 31 December 2021, but does not include the financial statements and our auditor's report thereon. The Society's 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. If, based on the work we 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.

LEMBAGA BIASISWA KENANGAN MAULUD

INDEPENDENT AUDITOR'S REPORT (CONT'D)

For the financial year ended 31 December 2021

Responsibilities of Executive Council 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 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.

LEMBAGA BIASISWA KENANGAN MAULUD

INDEPENDENT AUDITOR'S REPORT (CONT'D)

For the financial year ended 31 December 2021

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

- 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.
- 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.

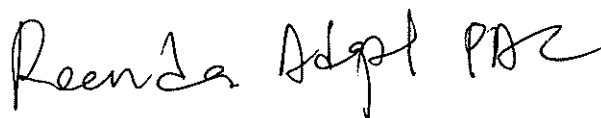
We communicate with the Executive Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



Reanda Adept PAC
Public Accountants and
Chartered Accountants

Singapore

20 May 2022

LEMBAGA BIASISWA KENANGAN MAULUD

Balance Sheet

For the financial year ended 31 December 2021

	Note	2021 S\$	2020 S\$
ASSETS			
NON-CURRENT ASSETS			
Plant and equipment	5	12,433	20,643
Investment property	6	248,248	256,256
		<u>260,681</u>	<u>276,899</u>
CURRENT ASSETS			
Cash and cash equivalents	7	6,634,632	6,106,718
Other receivables	8	17,349	17,099
		<u>6,651,981</u>	<u>6,123,817</u>
LIABILITIES			
CURRENT LIABILITIES			
Other payables	9	213,775	292,581
Deferred income	10	8,704	18,279
		<u>222,479</u>	<u>310,860</u>
NET CURRENT ASSETS		<u>6,429,502</u>	<u>5,812,957</u>
NET ASSETS		<u>6,690,183</u>	<u>6,089,856</u>
FUNDS			
Unrestricted fund	11	4,437,434	4,067,769
Restricted funds	11	2,252,749	2,022,087
TOTAL FUNDS		<u>6,690,183</u>	<u>6,089,856</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

LEMBAGA BIASISWA KENANGAN MAULUD

Statement of Financial Activities

For the financial year ended 31 December 2021

	Note	2021			2020		
		Unrestricted Funds S\$	Restricted Funds S\$	Total S\$	Unrestricted Funds S\$	Restricted Funds S\$	Total S\$
INCOME							
Voluntary income	12	976,950	2,296,951	3,273,901	548,847	2,519,471	3,068,318
Activities for generating funds	12	-	-	-	5,222	-	5,222
Investment income	12	96,852	74	96,926	111,332	89	111,421
Other income	12	35,309	-	35,309	125,045	-	125,045
TOTAL INCOME		1,109,111	2,297,025	3,406,136	790,446	2,519,560	3,310,006
EXPENDITURE							
Cost of generating voluntary income	12	168,487	-	168,487	58,420	54,330	112,750
Fundraising expenses	12	-	-	-	5,222	-	5,222
Investment management cost	12	17,784	-	17,784	15,114	-	15,114
Charitable activities	12	268,990	2,045,003	2,313,993	205,225	2,008,620	2,213,845
Governance costs	12	305,545	-	305,545	261,622	23,500	285,122
TOTAL EXPENDITURE		760,806	2,045,003	2,805,809	545,603	2,086,450	2,632,053
NET SURPLUS FOR THE FINANCIAL YEAR		348,305	252,022	600,327	244,843	433,110	677,953
Gross transfers between funds	12	21,360	(21,360)	-	13,750	(13,750)	-
NET MOVEMENT IN FUNDS		369,665	230,662	600,327	258,593	419,360	677,953
RECONCILIATION OF FUND							
Total funds brought forward		4,067,769	2,022,087	6,089,856	3,809,176	1,602,727	5,411,903
TOTAL FUNDS CARRIED FORWARD		4,437,434	2,252,749	6,690,183	4,067,769	2,022,087	6,089,856

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

LEMBAGA BIASISWA KENANGAN MAULUD

Statement of Cash Flows

For the financial year ended 31 December 2021

	Note	2021 S\$	2020 S\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Net surplus for the financial year			
- Unrestricted funds		348,305	244,843
- Restricted funds		252,022	433,110
		<u>600,327</u>	<u>677,953</u>
ADJUSTMENTS FOR:			
Depreciation of investment property	6	8,008	8,008
Depreciation of plant and equipment	5	9,866	22,812
Interest income	12	(26,926)	(56,421)
		<u>(9,052)</u>	<u>(25,601)</u>
OPERATING CASH FLOW BEFORE WORKING CAPITAL CHANGES			
		591,275	652,352
CHANGES IN WORKING CAPITAL:			
(Increase)/Decrease in other receivables		(250)	2,865
(Decrease)/Increase in other payables		(78,806)	72,934
CASH GENERATED FROM OPERATING ACTIVITIES			
		512,219	728,151
Interest received		17,351	8,369
NET CASH GENERATED FROM OPERATING ACTIVITIES			
		<u>529,570</u>	<u>736,520</u>
CASH FLOW FROM INVESTING ACTIVITY			
Acquisition of plant and equipment	5	(1,656)	(2,959)
NET CASH USED IN INVESTING ACTIVITY			
		<u>(1,656)</u>	<u>(2,959)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		527,914	733,561
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR			
		6,106,718	5,373,157
CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL YEAR			
	7	<u>6,634,632</u>	<u>6,106,718</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements

For the financial year ended 31 December 2021

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 and is accorded status of an Institution of a Public Character ("IPC") from 1 September 2021 to 31 August 2024.

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 2021 were authorised for issue in accordance with a resolution by the Executive Council passed on the date of the Statement by the Executive Council.

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 28 August 2020

Suhaimi bin Salleh	- President
Dr Syed Harun bin Taha Alhabsyi	- Deputy President
Mohammad Haireez bin Mohameed Jufferie	- Honorary Secretary
Halil bin Haji Mansor	- Asst Honorary Secretary
Abdullah Arief bin Ali	- Honorary Treasurer
Djuanda bin Kamid	- Asst Honorary Treasurer
Abdul Rohim bin Sarip	- Council Member
Dr Mohamed Qusairy bin Thaha	- Council Member
Hamzah bin Abdul Mutalib	- Council Member
Rahayu binte Mohamad	- Council Member
Shaik Mohammad Iqbal bin Shaik Hussain	- Council Member
Yeo Nadia	- Council Member

Co-opted on 19 September 2020

Wan Hussin Haji Zohri	- Past President
Faris bin Abdul Malik	- Council Member
Malyanah binte Mawar	- Council Member

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

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 other relevant regulations 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 ("S\$"), 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 the Society's financial statements requires the Executive Council to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The Executive Council is of the opinion that there are no significant judgments made in applying the Society's accounting policies and estimates, 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 Change in basis of accounting

The accounting policies adopted are consistent with the requirements of the CAS and are applied consistently to similar transactions, other events and conditions. There has been no change to the accounting policies since prior year.

3.3 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.

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Investment property (Cont'd)

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 the statement of financial activities when the changes arise.

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
Renovation	-	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.

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Impairment of non-financial assets

The carrying amounts of the Society's non-financial 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 statement of financial activities 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 assets that are either cash or equity instruments of another entity or that 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 and other receivables. The classification depends on the purpose for which the assets were acquired.

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 period.

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.

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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.

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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.

The Society has the following funds:

(a) Unrestricted funds

Unrestricted funds 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 funds 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.

Capital grant fund received for specific purposes such as purchase of depreciable assets are taken to relevant unrestricted 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.

(b) Restricted funds

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, STUF EZ-Link Top-Up fund, Invictus fund, Donors' corpus fund and Care & Share Grant fund 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.

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 are recognised on a time apportioned basis using the effective interest method.

3.13 Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

3.14 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.

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Expenditure (Cont'd)

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

3.15 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.

3.16 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.

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

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 are as follows:

	2021 S\$	2020 S\$
Key management personnel remuneration		
Salaries and bonuses	158,470	153,010
Contributions to Central Provident Fund	<u>18,766</u>	<u>18,764</u>
	<u>177,236</u>	<u>171,774</u>

Key management personnel comprise the Executive Director and the Finance Manager.

The number of employees (including key management personnel) whose remuneration amount is over S\$ 100,000 in the financial year is Nil (2020: Nil).

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

5 PLANT AND EQUIPMENT

	Office equipment S\$	Furniture and fittings S\$	Computers S\$	Renovations S\$	Total S\$
Cost					
As at 1 January 2020	18,541	23,345	37,827	69,295	149,008
Additions	-	-	2,959	-	2,959
As at 31 December 2020 and 1 January 2021	18,541	23,345	40,786	69,295	151,967
Additions	232	-	1,424	-	1,656
As at 31 December 2021	18,773	23,345	42,210	69,295	153,623
Accumulated Depreciation					
As at 1 January 2020	15,729	15,419	21,476	55,888	108,512
Depreciation for the year	1,078	6,660	4,856	10,218	22,812
As at 31 December 2020 and 1 January 2021	16,807	22,079	26,332	66,106	131,324
Depreciation for the year	1,009	607	5,350	2,900	9,866
As at 31 December 2021	17,816	22,686	31,682	69,006	141,190
Carrying Amount					
As at 31 December 2021	957	659	10,528	289	12,433
As at 31 December 2020	1,734	1,266	14,454	3,189	20,643

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

6 INVESTMENT PROPERTY

S\$

COST

As at 1 January 2020, 31 December 2020 and 31 December 2021	400,400
--	---------

ACCUMULATED DEPRECIATION

As at 1 January 2020	136,136
Depreciation charge for the year	8,008
As at 31 December 2020	144,144
Depreciation charge for the year	8,008
As at 31 December 2021	152,152

NET CARRYING VALUE

As at 31 December 2020	256,256
As at 31 December 2021	248,248

The investment 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 (81 years remaining).

The property is held in trust by Wan Hussin Haji Zohri, Sidek Saniff and Zainul Abidin Rasheed.

The 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 2021 is S\$2,800,000 (2020: 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\$70,000 (2020: S\$55,000). In 2020, the Society has extended a 2 months rental rebate of \$11,000 to the tenant under the Rental Relief Framework. 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\$9,776 (2020: S\$506).

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

7 CASH AND CASH EQUIVALENTS

	2021 S\$	2020 S\$
Cash at banks	904,832	781,918
Cash in hand	1,800	1,800
Fixed deposits	<u>5,728,000</u>	<u>5,323,000</u>
Cash and cash equivalents in the statement of cash flows	<u>6,634,632</u>	<u>6,106,718</u>

The fixed deposits earn interest and hibah ranging from 0.05% to 0.55% (2020: 0.06% to 1.10%) per annum and have maturity periods of not more than 24 months.

8 OTHER RECEIVABLES

	2021 S\$	2020 S\$
Deposits	16,161	17,099
Prepayments	1,088	-
Other receivables	<u>100</u>	<u>-</u>
	<u>17,349</u>	<u>17,099</u>

9 OTHER PAYABLES

	2021 S\$	2020 S\$
Accrued operating expenses	124,688	197,732
Deposits received	18,000	17,160
Dr. Muhd Ariff Administration Fund	12,392	12,392
Rohaya Zainal Abidin Trust Fund	<u>58,695</u>	<u>65,297</u>
	<u>213,775</u>	<u>292,581</u>

Dr. Muhd Ariff Administration Fund was set up for the administration and secretarial services of an endowment fund namely the Dr. Muhd Ariff Endowment Fund. The Dr. Muhd Ariff Endowment Fund is placed at and managed by Nanyang Technological University (NTU) for the provision of scholarships and grants for postgraduate research in Malay language, literature, culture and multi-racial relations.

The Rohaya Zainal Abidin Trust Fund is a trust fund created in 2016 from monies collected in a third party crowd funding exercise. The fund is held to pay for regular education expenses of the children of Rohaya binte Zainal Abidin. Each of her 4 children will get biannual sums of between S\$ 750 (for primary school) to S\$ 1,500 (for tertiary institution).

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

10 DEFERRED INCOME

	2021 S\$	2020 S\$
Islamic fixed deposit hibah received in advance	<u>8,704</u>	<u>18,279</u>

11 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.

School Top-Up Fund ("STUF") EZ-Link Top-Up

The STUF EZ-Link Top-Up fund was set up based on the fundamental belief that no child should be disadvantaged in his or her pursuit of education. The Fund assists students in EZ-Link cards top-ups and the purchase of concession passes on a monthly basis so that they do not have to worry about transport for the month.

Invictus Fund

The Invictus Fund is set up to account for grant received from the National Council of Social Services towards initiatives that seek to enhance the Society's service continuity to meet the needs of service users and/or improve staff welfare of frontline workers.

Donors' Corpus Fund

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

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

11 FUND ACCOUNTS BALANCES (CONT'D)

(b) Restricted Funds (Cont'd)

Care & Share Grant Fund

The Care and Share Grant Fund is set up to account for 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 (Cont'd)

For the financial year ended 31 December 2021

12 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	2021									
	UNRESTRICTED FUNDS				RESTRICTED FUNDS					TOTAL
	General Fund S\$	Sinking Fund S\$	Capital Grant Fund S\$	Total S\$	Bursary Sponsorship Fund S\$	STUF EZ-Link Top-Up S\$	Invictus Fund S\$	Donors Corpus Fund S\$	Total S\$	S\$
INCOME										
<i>Income from generated funds</i>										
<u>Voluntary income</u>										
Administration grant	40,000	-	-	40,000	-	-	-	-	-	40,000
Bicentennial Community Fund (BCF)	400,000	-	-	400,000	-	-	-	-	-	400,000
Bursary sponsorship	-	-	-	-	1,383,905	-	-	-	1,383,905	1,383,905
Friday collection	8,028	-	-	8,028	-	-	-	-	-	8,028
General donations (includes GIRO)	299,239	-	-	299,239	-	-	-	-	-	299,239
Maulud appeal	229,683	-	-	229,683	348,740	-	-	-	348,740	578,423
MUIS bursary sponsorship	-	-	-	-	300,000	-	-	-	300,000	300,000
Scholarship sponsorship	-	-	-	-	30,000	-	-	-	30,000	30,000
STUF EZ-Link top-up	-	-	-	-	-	20,705	-	-	20,705	20,705
Zakat	-	-	-	-	213,601	-	-	-	213,601	213,601
	976,950	-	-	976,950	2,276,246	20,705	-	-	2,296,951	3,273,901
<u>Investment income</u>										
Interest income	26,852	-	-	26,852	74	-	-	-	74	26,926
Rental income from investment property	70,000	-	-	70,000	-	-	-	-	-	70,000
	96,852	-	-	96,852	74	-	-	-	74	96,926
<u>Other income</u>										
Government grants	34,467	-	-	34,467	-	-	-	-	-	34,467
Other income	842	-	-	842	-	-	-	-	-	842
	35,309	-	-	35,309	-	-	-	-	-	35,309
TOTAL INCOME	1,109,111	-	-	1,109,111	2,276,320	20,705	-	-	2,297,025	3,406,136

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

12 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	2021									
	UNRESTRICTED FUNDS				RESTRICTED FUNDS					TOTAL
	General Fund S\$	Sinking Fund S\$	Capital Grant Fund S\$	Total S\$	Bursary Sponsorship Fund S\$	STUF EZ-Link Top-Up S\$	Invictus Fund S\$	Donors Corpus Fund S\$	Total S\$	S\$
Less: EXPENDITURE										
Cost of generating funds										
Cost of generating voluntary income										
Anniversary expenses	53,800	-	-	53,800	-	-	-	-	-	53,800
Cost of donation collection	43,138	-	-	43,138	-	-	-	-	-	43,138
Salaries and related cost	71,549	-	-	71,549	-	-	-	-	-	71,549
	<u>168,487</u>	<u>-</u>	<u>-</u>	<u>168,487</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>168,487</u>
Investment management cost										
Depreciation of investment property	8,008	-	-	8,008	-	-	-	-	-	8,008
Insurance	422	-	-	422	-	-	-	-	-	422
Periodic Inspection	2,354	-	-	2,354	-	-	-	-	-	2,354
Property tax	7,000	-	-	7,000	-	-	-	-	-	7,000
	<u>17,784</u>	<u>-</u>	<u>-</u>	<u>17,784</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,784</u>
Charitable activities										
Financial awards										
Bursary awards	-	-	-	-	1,547,765	-	-	-	1,547,765	1,547,765
Dana Ihsan	-	-	-	-	9,650	-	-	-	9,650	9,650
LBKM ITE Education Fund	-	-	-	-	10,000	-	-	-	10,000	10,000
LBKM ITE Merit awards	-	-	-	-	38,400	-	-	-	38,400	38,400
LBKM-NUS Endowment Fund	-	-	-	-	150,000	-	-	-	150,000	150,000
LBKM NUS Merit awards	-	-	-	-	28,000	-	-	-	28,000	28,000
Madrasah awards	-	-	-	-	5,265	-	-	-	5,265	5,265
Scholarship awards	-	-	-	-	212,500	-	-	-	212,500	212,500
STUF EZ-Link top-up	-	-	-	-	-	31,260	-	-	31,260	31,260
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,001,580</u>	<u>31,260</u>	<u>-</u>	<u>-</u>	<u>2,032,840</u>	<u>2,032,840</u>
Balance carried forward	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,001,580</u>	<u>31,260</u>	<u>-</u>	<u>-</u>	<u>2,032,840</u>	<u>2,032,840</u>

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

12 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	UNRESTRICTED FUNDS				2021 RESTRICTED FUNDS					TOTAL
	General Fund	Sinking Fund	Capital Grant Fund	Total	Bursary Sponsorship Fund	STUF EZ-Link Top-Up	Invictus Fund	Donors Corpus Fund	Total	S\$
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
Less: EXPENDITURE (continued)										
Charitable activities (continued)										
Balance brought forward	-	-	-	-	2,001,580	31,260	-	-	2,032,840	2,032,840
Charitable activities expenses										
Awards, bursary, scholarships presentation	10,424	-	-	10,424	-	-	-	-	-	10,424
Intern allowance	6,794	-	-	6,794	-	-	-	-	-	6,794
Invictus fund expenses	-	-	-	-	-	-	12,163	-	12,163	12,163
Salaries and bonuses	210,176	-	-	210,176	-	-	-	-	-	210,176
Software, website development and maintenance	26,239	-	-	26,239	-	-	-	-	-	26,239
Trainee cost	15,357	-	-	15,357	-	-	-	-	-	15,357
	<u>268,990</u>	<u>-</u>	<u>-</u>	<u>268,990</u>	<u>2,001,580</u>	<u>31,260</u>	<u>12,163</u>	<u>-</u>	<u>2,045,003</u>	<u>2,313,993</u>
Governance costs										
Advertising and promotions	8,052	-	-	8,052	-	-	-	-	-	8,052
Annual general meeting expenses	6,337	-	-	6,337	-	-	-	-	-	6,337
Audit fee	10,282	-	-	10,282	-	-	-	-	-	10,282
Bank charges	1,223	-	-	1,223	-	-	-	-	-	1,223
Consultancy fees	11,000	-	-	11,000	-	-	-	-	-	11,000
Depreciation of plant and equipment	6,966	-	2,900	9,866	-	-	-	-	-	9,866
Insurance	4,721	-	-	4,721	-	-	-	-	-	4,721
General expenses	1,663	-	-	1,663	-	-	-	-	-	1,663
	<u>50,244</u>	<u>-</u>	<u>2,900</u>	<u>53,144</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,144</u>
Balance carried forward	<u>50,244</u>	<u>-</u>	<u>2,900</u>	<u>53,144</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,144</u>

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

12 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	UNRESTRICTED FUNDS				2021 RESTRICTED FUNDS					TOTAL
	General Fund	Sinking Fund	Capital Grant Fund	Total	Bursary Sponsorship Fund	STUF EZ-Link Top-Up	Invictus Fund	Donors Corpus Fund	Total	S\$
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
Less: EXPENDITURE (continued)										
Governance costs (continued)										
Balance brought forward	50,244	-	2,900	53,144	-	-	-	-	-	53,144
Membership and subscription fees	276	-	-	276	-	-	-	-	-	276
Postage, courier, stamps and PAYPAL fees	2,438	-	-	2,438	-	-	-	-	-	2,438
Printing and stationery	8,104	-	-	8,104	-	-	-	-	-	8,104
Rental of premises	55,093	-	-	55,093	-	-	-	-	-	55,093
Repair and maintenance	867	-	-	867	-	-	-	-	-	867
Salaries and related cost	165,458	-	-	165,458	-	-	-	-	-	165,458
Seminar and training	6,299	-	-	6,299	-	-	-	-	-	6,299
Skill development levy	883	-	-	883	-	-	-	-	-	883
SQC application fee	-	-	-	-	-	-	-	-	-	-
Staff refreshment	906	-	-	906	-	-	-	-	-	906
Staff welfare and medical	4,815	-	-	4,815	-	-	-	-	-	4,815
Telecommunication expenses	3,998	-	-	3,998	-	-	-	-	-	3,998
Transportation expenses	1,606	-	-	1,606	-	-	-	-	-	1,606
Utilities	1,658	-	-	1,658	-	-	-	-	-	1,658
	302,645	-	2,900	305,545	-	-	-	-	-	305,545
TOTAL EXPENDITURE	757,906	-	2,900	760,806	2,001,580	31,260	12,163	-	2,045,003	2,805,809

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

12 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	UNRESTRICTED FUNDS				2021 RESTRICTED FUNDS					TOTAL
	General Fund	Sinking Fund	Capital Grant Fund	Total	Bursary Sponsorship Fund	STUF EZ-Link Top-Up	Invictus Fund	Donors Corpus Fund	Total	
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR	351,205	-	(2,900)	348,305	274,740	(10,555)	(12,163)	-	252,022	600,327
Gross transfers between funds										
Allocation of Asnaf Amil	21,360	-	-	21,360	(21,360)	-	-	-	(21,360)	-
Allocation of annual maintenance for investment property	(10,000)	10,000	-	-	-	-	-	-	-	-
NET MOVEMENT OF FUNDS	362,565	10,000	(2,900)	369,665	253,380	(10,555)	(12,163)	-	230,662	600,327
RECONCILIATION OF FUNDS										
Total funds at beginning of financial year	3,914,407	150,173	3,189	4,067,769	1,892,906	35,433	45,748	48,000	2,022,087	6,089,856
Total funds at end financial year	4,276,972	160,173	289	4,437,434	2,146,286	24,878	33,585	48,000	2,252,749	6,690,183

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

12 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	2020										
	UNRESTRICTED FUNDS				RESTRICTED FUNDS						TOTAL
	General Fund S\$	Sinking Fund S\$	Capital Grant Fund S\$	Total S\$	Bursary Sponsorship Fund S\$	STUF EZ-Link Top-Up S\$	Invictus Fund S\$	Donors Corpus Fund S\$	Care & Share Grant Fund S\$	Total S\$	S\$
INCOME											
<i>Income from generated funds</i>											
<u>Voluntary income</u>											
Administration grant	40,000	-	-	40,000	-	-	-	-	-	-	40,000
Bursary sponsorship	-	-	-	-	1,070,320	-	-	-	-	1,070,320	1,070,320
Care & Share matching grant	-	-	-	-	-	-	-	-	362,280	362,280	362,280
COVID-19 fund	3,000	-	-	3,000	-	-	-	-	-	-	3,000
Dana Ihsan (Financial assistance grant)	-	-	-	-	30,000	-	-	-	-	30,000	30,000
General donations (includes GIRO)	325,385	-	-	325,385	-	-	-	-	-	-	325,385
Invictus fund	-	-	-	-	-	-	50,000	-	-	50,000	50,000
Maulud appeal	180,462	-	-	180,462	480,580	-	-	-	-	480,580	661,042
MUIS bursary sponsorship	-	-	-	-	323,000	-	-	-	-	323,000	323,000
STUF EZ-Link top-up	-	-	-	-	-	32,655	-	-	-	32,655	32,655
Zakat	-	-	-	-	170,636	-	-	-	-	170,636	170,636
	548,847	-	-	548,847	2,074,536	32,655	50,000	-	362,280	2,519,471	3,068,318
<u>Activities for generating funds</u>											
Rental income	5,222	-	-	5,222	-	-	-	-	-	-	5,222
	5,222	-	-	5,222	-	-	-	-	-	-	5,222
<u>Investment income</u>											
Interest income	56,332	-	-	56,332	89	-	-	-	-	89	56,421
Rental income from investment property	55,000	-	-	55,000	-	-	-	-	-	-	55,000
	111,332	-	-	111,332	89	-	-	-	-	89	111,421
<u>Other income</u>											
Government grants	124,985	-	-	124,985	-	-	-	-	-	-	124,985
Other income	60	-	-	60	-	-	-	-	-	-	60
	125,045	-	-	125,045	-	-	-	-	-	-	125,045
TOTAL INCOME	790,446	-	-	790,446	2,074,625	32,655	50,000	-	362,280	2,519,560	3,310,006

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

12 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	2020										TOTAL	
	UNRESTRICTED FUNDS				RESTRICTED FUNDS							TOTAL
	General Fund	Sinking Fund	Capital Grant Fund	Total	Bursary Sponsorship Fund	STUF EZ-Link Top-Up	Invictus Fund	Donors Corpus Fund	Care & Share Grant Fund	Total		
S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$		
Less: EXPENDITURE												
Cost of generating funds												
Cost of generating voluntary income												
Cost of donation collection	-	-	-	-	-	-	-	-	44,111	44,111	44,111	
Salaries and related cost	58,420	-	-	58,420	-	-	-	-	10,219	10,219	68,639	
	58,420	-	-	58,420	-	-	-	-	54,330	54,330	112,750	
Fundraising expenses												
Rental of premises	5,222	-	-	5,222	-	-	-	-	-	-	5,222	
	5,222	-	-	5,222	-	-	-	-	-	-	5,222	
Investment management cost												
Depreciation of investment property	8,008	-	-	8,008	-	-	-	-	-	-	8,008	
Insurance	506	-	-	506	-	-	-	-	-	-	506	
Property tax	6,600	-	-	6,600	-	-	-	-	-	-	6,600	
	15,114	-	-	15,114	-	-	-	-	-	-	15,114	
Charitable activities												
Financial awards												
Bursary awards	-	-	-	-	1,476,390	-	-	-	-	1,476,390	1,476,390	
Dana Ihsan	-	-	-	-	4,664	-	-	-	-	4,664	4,664	
ITE Bursary	-	-	-	-	400	-	-	-	-	400	400	
LBKM ITE Merit awards	-	-	-	-	21,600	-	-	-	-	21,600	21,600	
LBKM ITE Special grants	-	-	-	-	10,000	-	-	-	-	10,000	10,000	
LBKM-NUS Endowment Fund	-	-	-	-	-	-	-	-	150,000	150,000	150,000	
LBKM-SUSS Endowment Fund	-	-	-	-	-	-	-	-	100,000	100,000	100,000	
LBKM NUS Merit awards	-	-	-	-	28,000	-	-	-	-	28,000	28,000	
Madrasah awards	-	-	-	-	4,100	-	-	-	-	4,100	4,100	
Scholarship awards	-	-	-	-	162,500	-	-	-	-	162,500	162,500	
STUF EZ-Link top-up	-	-	-	-	-	12,264	-	-	-	12,264	12,264	
	-	-	-	-	1,707,654	12,264	-	-	250,000	1,969,918	1,969,918	
Balance carried forward	-	-	-	-	1,707,654	12,264	-	-	250,000	1,969,918	1,969,918	

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

12 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	UNRESTRICTED FUNDS				2020						TOTAL
	General Fund S\$	Sinking Fund S\$	Capital Grant Fund S\$	Total S\$	RESTRICTED FUNDS					Total S\$	
					Bursary Sponsorship Fund S\$	STUF EZ-Link Top-Up S\$	Invictus Fund S\$	Donors Corpus Fund S\$	Care & Share Grant Fund S\$		
Less: EXPENDITURE (continued)											
Charitable activities (continued)											
Balance brought forward	-	-	-	-	1,707,654	12,264	-	-	250,000	1,969,918	1,969,918
Charitable activities expenses											
Awards, bursary, scholarships presentation	13,585	-	-	13,585	-	-	-	-	-	-	13,585
Community relations	1,000	-	-	1,000	-	-	-	-	-	-	1,000
Intern allowance	2,100	-	-	2,100	-	-	-	-	-	-	2,100
Invictus fund expenses	-	-	-	-	-	-	4,252	-	-	4,252	4,252
Salaries and bonuses	171,725	-	-	171,725	-	-	-	-	29,900	29,900	201,625
Software, website development and maintenance	16,815	-	-	16,815	-	-	-	-	-	-	16,815
Youth development expenses	-	-	-	-	-	-	-	-	4,550	4,550	4,550
	205,225	-	-	205,225	1,707,654	12,264	4,252	-	284,450	2,008,620	2,213,845
Governance costs											
Advertising and promotions	3,329	-	-	3,329	-	-	-	-	-	-	3,329
Annual general meeting expenses	9,272	-	-	9,272	-	-	-	-	-	-	9,272
Audit fee	7,500	-	-	7,500	-	-	-	-	-	-	7,500
Bank charges	594	-	-	594	-	-	-	-	-	-	594
Consultancy fees	12,490	-	-	12,490	-	-	-	-	-	-	12,490
COVID-19 expenses	3,000	-	-	3,000	-	-	-	-	-	-	3,000
Depreciation of plant and equipment	12,594	-	10,218	22,812	-	-	-	-	-	-	22,812
Insurance	3,776	-	-	3,776	-	-	-	-	-	-	3,776
General expenses	1,885	-	-	1,885	-	-	-	-	-	-	1,885
	54,440	-	10,218	64,658	-	-	-	-	-	-	64,658
Balance carried forward	54,440	-	10,218	64,658	-	-	-	-	-	-	64,658

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

12 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	UNRESTRICTED FUNDS				2020						TOTAL
	General Fund	Sinking Fund	Capital Grant Fund	Total	RESTRICTED FUNDS					Total	
					Bursary Sponsorship Fund	STUF EZ-Link Top-Up	Invictus Fund	Donors Corpus Fund	Care & Share Grant Fund		
S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
Less: EXPENDITURE (continued)											
Governance costs (continued)											
Balance brought forward	54,440	-	10,218	64,658	-	-	-	-	-	-	64,658
Membership and subscription fees	276	-	-	276	-	-	-	-	-	-	276
Postage, courier, stamps and PAYPAL fees	2,233	-	-	2,233	-	-	-	-	-	-	2,233
Printing and stationery	5,496	-	-	5,496	-	-	-	-	-	-	5,496
Rental of premises	34,525	-	-	34,525	-	-	-	-	-	-	34,525
Repair and maintenance	1,888	-	-	1,888	-	-	-	-	-	-	1,888
Salaries and related cost	135,226	-	-	135,226	-	-	-	-	23,500	23,500	158,726
Seminar and training	1,712	-	-	1,712	-	-	-	-	-	-	1,712
Skill development levy	815	-	-	815	-	-	-	-	-	-	815
SQC application fee	2,140	-	-	2,140	-	-	-	-	-	-	2,140
Staff refreshment	1,537	-	-	1,537	-	-	-	-	-	-	1,537
Staff welfare and medical	4,468	-	-	4,468	-	-	-	-	-	-	4,468
Telecommunication expenses	3,779	-	-	3,779	-	-	-	-	-	-	3,779
Transportation expenses	924	-	-	924	-	-	-	-	-	-	924
Utilities	1,945	-	-	1,945	-	-	-	-	-	-	1,945
	251,404	-	10,218	261,622	-	-	-	-	23,500	23,500	285,122
TOTAL EXPENDITURE	535,385	-	10,218	545,603	1,707,654	12,264	4,252	-	362,280	2,086,450	2,632,053

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

12 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	UNRESTRICTED FUNDS				2020						TOTAL
	General Fund S\$	Sinking Fund S\$	Capital Grant Fund S\$	Total S\$	Bursary Sponsorship Fund	STUF EZ-Link Top-Up	Invictus Fund	Donors Corpus Fund	Care & Share Grant Fund	Total	
					S\$	S\$	S\$	S\$	S\$	S\$	
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR	255,061	-	(10,218)	244,843	366,971	20,391	45,748	-	-	433,110	677,953
Gross transfers between funds											
Allocation of Asnaf Amil	17,064	-	-	17,064	(17,064)	-	-	-	-	(17,064)	-
Allocation of annual maintenance for investment property	(10,000)	10,000	-	-	-	-	-	-	-	-	-
Allocation of depreciation of PPE bought with Care & Share Grant	18,983	-	(18,983)	-	-	-	-	-	-	-	-
Allocation of fixed deposit interest earned from Donors Corpus Fund	(3,314)	-	-	(3,314)	3,314	-	-	-	-	3,314	-
NET MOVEMENT OF FUNDS	277,794	10,000	(29,201)	258,593	353,221	20,391	45,748	-	-	419,360	677,953
RECONCILIATION OF FUNDS											
Total funds at beginning of financial year	3,636,613	140,173	32,390	3,809,176	1,539,685	15,042	-	48,000	-	1,602,727	5,411,903
Total funds at end financial year	3,914,407	150,173	3,189	4,067,769	1,892,906	35,433	45,748	48,000	-	2,022,087	6,089,856

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

13 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.

14 TAX-EXEMPT RECEIPTS

During the financial year, the Society issued tax-exempt receipts for donations collected amounting to S\$1,906,477 (2020: S\$1,742,449).

15 OPERATING LEASE COMMITMENTS

As lessee

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

	2021	2020
	S\$	S\$
Payable within one year	53,374	58,559
Payable after one year but not more than five years	41,424	92,173
	<u>94,799</u>	<u>150,732</u>

Rental expenses incurred for the office premise during the financial year for the Society was S\$ 55,093 (2020: S\$ 39,747).

As lessor

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

	2021	2020
	S\$	S\$
Receivable within one year	79,200	74,800
Receivable after one year but not more than five years	105,600	184,800
	<u>184,800</u>	<u>259,600</u>

Rental income earned from the investment property during the financial year for the Society was S\$70,000 (2020: S\$ 55,000). In 2020, the Society has extended a 2 months rental rebate of \$11,000 to the tenant under the Rental Relief Framework.

The lease agreements do not contain any contingent rent payment.

LEMBAGA BIASISWA KENANGAN MAULUD

Notes to the Financial Statements (Cont'd)

For the financial year ended 31 December 2021

16 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:

	2021	2020
	S\$	S\$
Cash and cash equivalents (Note 7)	6,634,632	6,106,718
Other receivables (excluding prepayments) (Note 8)	16,261	17,099
Less: Other payables (Note 9)	<u>(213,775)</u>	<u>(292,581)</u>
	<u>6,437,118</u>	<u>5,831,236</u>

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.