

Rendering Assistance, Enabling Excellence

Audited Financial Statements for the Year
Ended 31 December 2023



43rd Annual
General Meeting

22nd June 2024,
Saturday

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 2023

LEMBAGA BIASISWA KENANGAN MAULUD

Registration Number: S66SS0027A

AUDITED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

EXECUTIVE COUNCIL

Dr. Syed Harun Bin Taha Alhabsyi	President
Djuanda Bin Kamid	Deputy President
Suhaimi Bin Salleh	Immediate Past President
Mohammad Haireez Bin Mohameed Jufferie	Honorary Secretary
Halil Bin Haji Mansor	Assistant Honorary Secretary
Abdullah Arief Bin Ali	Honorary Treasurer
Hamzah Bin Abdul Mutalib	Assistant Honorary Treasurer
Abdul Rohim Bin Sarip	Council Member
Azrulnizam Shah Bin Sohaimi	Council Member
Muhammad Hafiz Bin Noorahman	Council Member
Rahayu Binte Mohamad	Council Member
Ridhwan Bin Mohd Basor	Council Member
Shaik Mohammad Iqbal Bin Shaik Hussain	Council Member
Suree Rohan	Council Member
Ustazah Dr Siti Nur Alaniah Binte Abdul Wahid	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
DIRECTORS' STATEMENT	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 2023

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 Basiswa Kenangan Maulud (the Society) as at 31 December 2023, 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,


Syed Harun Alhabsyi (Jun 6, 2024 16:44 GMT+8)

Dr. Syed Harun Bin Taha Alhabsyi

President

6 June 2024



Abdullah Arief Bin Ali

Honorary Treasurer

LEMBAGA BIASISWA KENANGAN MAULUD

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

TO THE MEMBERS OF LEMBAGA BIASISWA KENANGAN MAULUD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lembaga Basiswa Kenangan Maulud (the Society), which comprise the balance sheet as at 31 December 2023, the statement of financial activities and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the Societies Act), the Charities Act 1994 and other relevant regulations (the Charities Act and Regulations) and Charities Accounting Standard (CAS) so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2023 and the results and cash flows of the Society for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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 2023, 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 have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

LEMBAGA BIASISWA KENANGAN MAULUD

INDEPENDENT AUDITOR'S REPORT (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Report on the Audit of the Financial Statements (Cont'd)

Responsibilities of Executive Council for the Financial Statements

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

In preparing the financial statements, the Executive 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 are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- 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 2023

Report on the Audit of the Financial Statements (Cont'd)

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

- 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 to be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations.

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

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

Reanda Adept PAC

REANDA ADEPT PAC

Public Accountants and
Chartered Accountants

Singapore
6 June 2024

LEMBAGA BIASISWA KENANGAN MAULUD

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Note	2023 S\$	2022 S\$
ASSETS			
Non-current assets			
Plant and equipment	4	17,789	7,593
Investment property	5	232,232	240,240
		<u>250,021</u>	<u>247,833</u>
Current assets			
Other receivables	6	87,929	25,843
Current investments	7	410,141	434,402
Cash and cash equivalents	8	6,565,057	5,931,224
		<u>7,063,127</u>	<u>6,391,469</u>
Total assets		<u>7,313,148</u>	<u>6,639,302</u>
LIABILITIES			
Current liabilities			
Other payables	9	186,428	214,838
Deferred income	10	57,168	7,687
		<u>243,596</u>	<u>222,525</u>
Total liabilities		<u>243,596</u>	<u>222,525</u>
Net current assets		<u>6,819,531</u>	<u>6,168,944</u>
Net assets		<u>7,069,552</u>	<u>6,416,777</u>
FUNDS			
Unrestricted funds	11	4,052,958	4,069,955
Restricted funds	11	3,016,594	2,346,822
Total funds		<u>7,069,552</u>	<u>6,416,777</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 2023

	Note	2023		2022		
		Unrestricted Funds S\$	Restricted Funds S\$	Unrestricted Funds S\$	Restricted Funds S\$	Total S\$
Income						
Voluntary income	12	545,613	2,396,123	634,967	2,525,163	3,160,130
Investment income	12	292,337	-	154,140	41	154,181
Other income	12	837,950	2,396,123	789,107	2,525,204	3,314,311
		33,942	-	15,967	-	15,967
Total income		871,892	2,396,123	805,074	2,525,204	3,330,278
Expenditure						
Cost of generating voluntary income	12	126,454	-	117,613	-	117,613
Investment management cost	12	39,728	-	76,363	-	76,363
Charitable activities	12	413,644	1,700,682	679,215	2,408,098	3,087,313
Governance costs	12	334,732	-	322,395	-	322,395
Total expenditures		914,558	1,700,682	1,195,586	2,408,098	3,603,684
Net surplus/(deficit) for the financial year		(42,666)	695,441	(390,512)	117,106	(273,406)
Gross transfers between funds	12	25,669	(25,669)	23,033	(23,033)	-
Net movement in funds		(16,997)	669,772	(367,479)	94,073	(273,406)
Reconciliation of fund						
Total funds brought forward	12	4,069,955	2,346,822	4,437,434	2,252,749	6,690,183
Total funds carried forward		4,052,958	3,016,594	4,069,955	2,346,822	6,416,777

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 2023

	Note	2023 S\$	2022 S\$
Cash flows from operating activities			
Surplus/(Deficit) for the financial year			
- Unrestricted funds		(42,666)	(390,512)
- Restricted funds		695,441	117,106
		<u>652,775</u>	<u>(273,406)</u>
Adjustments for:			
Depreciation of investment property	5	8,008	8,008
Depreciation of plant and equipment	4	8,310	5,889
Dividend income from current investments		(27,540)	(22,950)
Gain on disposal of plant and equipment		-	(1,077)
Impairment loss on current investments	7	24,261	60,598
Interest income		(192,797)	(59,231)
Operating cash flows before working capital changes		<u>473,017</u>	<u>(282,169)</u>
Changes in working capital:			
Increase in other receivables		(62,086)	(8,494)
(Decrease)/Increase in other payables		(28,410)	1,063
Cash generated from/(used in) operating activities		382,521	(289,600)
Interest received		242,278	58,214
Net cash generated from/(used in) operating activities		624,799	(231,386)
Cash flows from investing activity			
Purchase of plant and equipment	4	(18,506)	(2,197)
Proceeds from disposal of plant and equipment		-	2,225
Dividends received from current investments		27,540	22,950
Purchase of current investments		-	(495,000)
Net cash generated from/(used in) investing activity		9,034	(472,022)
Net increase/(decrease) in cash and cash equivalents		633,833	(703,408)
Cash and cash equivalents			
- at the beginning of financial year		5,931,224	6,634,632
- at the end of financial year	8	<u>6,565,057</u>	<u>5,931,224</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 2023

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

1. CORPORATE INFORMATION

Lembaga Biasiswa Kenangan Maulud (the Society) is a Society registered in Singapore under the Societies Act, 1966, 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 1994, 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.

2. EXECUTIVE COUNCIL

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

Elected at the Society's Annual General Meeting on 25 June 2022

Dr. Syed Harun Bin Taha Alhabsyi	President
Djuanda Bin Kamid	Deputy President
Mohammad Haireez Bin Mohameed Jufferie	Honorary Secretary
Halil Bin Haji Mansor	Assistant Honorary Secretary
Abdullah Arief Bin Ali	Honorary Treasurer
Hamzah Bin Abdul Mutalib	Assistant Honorary Treasurer
Abdul Rohim Bin Sarip	Council Member
Muhammad Hafiz Bin Noorahman	Council Member
Rahayu Binte Mohamad	Council Member
Shaik Mohammad Iqbal Bin Shaik Hussain	Council Member
Ustazah Dr Siti Nur Alaniah Binte Abdul Wahid	Council Member
Yeo Nadia	Council Member

Co-opted on 23 July 2022

Suhaimi Bin Salleh	Immediate Past President
Azrulnizam Shah Bin Sohaimi	Council Member
Ridhwan Bin Mohd Basor	Council Member

Co-opted on 25 August 2023

Suree Rohan	Council Member
-------------	----------------

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1. Basis of preparation

The financial statements of the Society have been prepared in accordance with the provisions of the Societies Act 1966, Charities Act 1994 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 2023

3. MATERIAL ACCOUNTING POLICY INFORMATION (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 is 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:

	<u>Useful lives</u>
Computers	5 years
Furniture & fittings	5 years
Office equipment	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 2023

3. MATERIAL ACCOUNTING POLICY INFORMATION (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 instruments

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, current investment and other receivables. The classification depends on the purpose for which the assets were acquired.

Current investment and 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, current investment and 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 2023

3. MATERIAL ACCOUNTING POLICY INFORMATION (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 current investment, the amount of impairment loss is the difference between the financial asset's carrying amount and the best estimate of the amount that the Society would receive for the investment if it was to be sold at the reporting date.

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.

Recognised impairment losses are 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 becomes 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.

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.10. Leases

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 basis as rental income. The accounting policy for rental income is set out in Note 3.12(b).

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 purposes only and does not restrict the Executive Council's discretion to apply for the fund.

The Society has the following funds:

(i) Unrestricted funds

Unrestricted funds comprise general funds and designated funds. 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 for the fund. The Society classifies its General Fund and Sinking Fund as unrestricted funds.

Capital grant funds 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.

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.11. Funds (Cont'd)

The Society has the following funds: (Cont'd)

(ii) 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.

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.

(a) Donation income

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.

(b) Rental income

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

(c) Interest income

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

(d) Dividend income

Dividend income on investment are recognised when the Society's right to receive payments is established.

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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. Expenditures

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

(a) Costs 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.

(b) 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.

(c) 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.

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.15. Employee benefits

Defined contribution plans

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.

3.16. 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 2023

4. PLANT AND EQUIPMENT

	Computers S\$	Furniture and fittings S\$	Office equipment S\$	Renovation S\$	Total S\$
Cost					
As at 1 January 2022	42,210	23,345	18,773	69,295	153,623
Additions	298	1,899	-	-	2,197
Disposals	(2,871)	-	-	-	(2,871)
As at 31 December 2022 and 1 January 2023	39,637	25,244	18,773	69,295	152,949
Additions	14,631	-	3,875	-	18,506
As at 31 December 2023	54,268	25,244	22,648	69,295	171,455
Accumulated Depreciation					
As at 1 January 2022	31,682	22,686	17,816	69,006	141,190
Additions	4,263	906	431	289	5,889
Disposals	(1,723)	-	-	-	(1,723)
As at 31 December 2022 and 1 January 2023	34,222	23,592	18,247	69,295	145,356
Charge for the year	6,590	512	1,208	-	8,310
As at 31 December 2023	40,812	24,104	19,455	69,295	153,666
Carrying Amount					
As at 31 December 2022	5,415	1,652	526	-	7,593
As at 31 December 2023	13,456	1,140	3,193	-	17,789

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

5. INVESTMENT PROPERTY

	S\$
Cost	
As at 1 January 2022, 31 December 2022 and 31 December 2023	<u>400,400</u>
Accumulated Depreciation	
As at 1 January 2022	152,152
Charge for the year	<u>8,008</u>
As at 31 December 2022 and 1 January 2023	160,160
Charge for the year	<u>8,008</u>
As at 31 December 2023	<u>168,168</u>
Carrying Amount	
As at 31 December 2022	<u>240,240</u>
As at 31 December 2023	<u>232,232</u>

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 (80 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 2023 is S\$2,800,000 (2022: 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\$72,000 (2022: S\$72,000). Direct operating expenses (including property maintenance and property tax) with regards to the investment property and its use amounted to S\$7,459 (2022: S\$7,757).

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

6. OTHER RECEIVABLES

	2023 S\$	2022 S\$
Other receivables	65,263	9,580
Deposits	21,247	14,353
Prepayments	<u>1,419</u>	<u>1,910</u>
	<u>87,929</u>	<u>25,843</u>

7. CURRENT INVESTMENTS

	S\$
Cost	
As at 1 January 2022	-
Additions	<u>495,000</u>
As at 31 December 2022 and 1 January 2023	495,000
Additions	<u>-</u>
As at 31 December 2023	<u>495,000</u>
Accumulated Impairment Losses	
As at 1 January 2022	-
Charge for the year	<u>60,598</u>
As at 31 December 2022 and 1 January 2023	60,598
Charge for the year	<u>24,261</u>
As at 31 December 2023	<u>84,859</u>
Carrying Amount	
As at 31 December 2022	<u>434,402</u>
As at 31 December 2023	<u>410,141</u>

The current investment is an investment in Maybank Focus – Maybank Asian Growth and Income Fund instituted on 28 October 2014 and managed by Maybank Asset Management Singapore Pte. Ltd.

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

8. CASH AND CASH EQUIVALENTS

	2023 S\$	2022 S\$
Cash at bank	1,313,557	627,064
Cash in hand	1,500	1,278
Fixed deposits	5,250,000	5,302,882
Cash and cash equivalents as stated in the statement of cash flows	<u>6,565,057</u>	<u>5,931,224</u>

The fixed deposits earn interest and hibah ranging from 3.25% to 3.90% (2022: 0.90% to 3.75%) per annum and have maturity periods of not more than 24 months.

9. OTHER PAYABLES

	2023 S\$	2022 S\$
Accrued operating expenses	117,557	130,371
Deposits received	18,000	18,000
Dr. Muhd Ariff Ahmad Administration Fund	15,836	15,892
Rohaya Zainal Abidin Trust Fund	35,035	50,575
	<u>186,428</u>	<u>214,838</u>

Dr. Muhd Ariff Ahmad Administration Fund was set up for the administration and secretarial services of an endowment fund namely the Dr. Muhd Ariff Ahmad Endowment Fund. The Dr. Muhd Ariff Ahmad 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.

	2023 S\$	2022 S\$
<i>Movement in Dr. Muhd Ariff Ahmad Administration Fund:</i>		
Balance at beginning of year	15,892	12,392
Receipt in the year	-	3,500
Utilisation in the year	(56)	-
Balance at end of year	<u>15,836</u>	<u>15,892</u>

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

9. OTHER PAYABLES (CONT'D)

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).

	2023 S\$	2022 S\$
<i>Movement in Rohaya Zainal Abidin Trust Fund:</i>		
Balance at beginning of year	50,575	58,695
Utilisation in the year	(15,540)	(8,120)
Balance at end of year	<u>35,035</u>	<u>50,575</u>

Trade and other payables are unsecured and non-interest bearing. Trade payables are normally settled on 30 to 60 days' terms.

10. DEFERRED INCOME

	2023 S\$	2022 S\$
Islamic fixed deposits hibah received in advance	<u>57,168</u>	<u>7,687</u>

11. FUNDS

(a) Unrestricted Funds

Sinking Fund

The Sinking Fund was set up on 31 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 subsequently be reduced annually with the depreciation of the corresponding plant and equipment.

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

11. FUNDS (CONT'D)

(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.

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 2023

12. DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	2023										TOTAL
	UNRESTRICTED FUNDS					RESTRICTED FUNDS					
	General Fund (\$)	Sinking Fund (\$)	Capital Grant Fund (\$)	Total (\$)		Bursary Sponsorship Fund (\$)	Education Sponsorship Fund (\$)	STUF EZ-Link Top-Up Fund (\$)	Invictus Fund (\$)	Donors Corpus Fund (\$)	Total (\$)
INCOME											
Income from generate of funds											
Voluntary income											
Administration grant	40,000	-	-	40,000	-	88,269	-	-	-	-	40,000
Bursary sponsorship	-	-	-	-	-	-	1,221,954	-	-	1,310,223	1,310,223
Education sponsorship	-	-	-	-	-	-	478,384	-	-	478,384	478,384
General donations (includes GIRO)	333,793	-	-	333,793	-	-	-	-	-	-	333,793
Maulud appeal	155,783	-	-	155,783	-	-	-	-	-	-	155,783
Mosque and Friday collection	16,037	-	-	16,037	-	-	-	-	-	-	16,037
MUIS bursary sponsorship	-	-	-	-	-	-	300,000	-	-	-	300,000
Scholarship sponsorship	-	-	-	-	-	-	22,500	-	-	-	22,500
STUF EZ-Link top-up	-	-	-	-	-	-	-	28,322	-	-	28,322
Zakat	-	-	-	-	-	256,694	-	-	-	-	256,694
	545,613	-	-	545,613	-	344,963	500,884	1,521,954	28,322	-	2,396,123
Investment income											
Dividend from investment in unit trust	27,540	-	-	27,540	-	-	-	-	-	-	27,540
Interest income	192,797	-	-	192,797	-	-	-	-	-	-	192,797
Rental income from investment property	72,000	-	-	72,000	-	-	-	-	-	-	72,000
	292,337	-	-	292,337	-	-	-	-	-	-	292,337
Other income											
Government grants	33,640	-	-	33,640	-	-	-	-	-	-	33,640
Other income	302	-	-	302	-	-	-	-	-	-	302
	33,942	-	-	33,942	-	-	-	-	-	-	33,942
TOTAL INCOME	871,892	-	-	871,892	-	344,963	500,884	1,521,954	28,322	-	3,268,015

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12. DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	UNRESTRICTED FUNDS				RESTRICTED FUNDS					TOTAL
	General Fund (\$\$)	Sinking Fund (\$\$)	Capital Grant Fund (\$\$)	Total (\$\$)	Sponsorship Fund (\$\$)	Education Fund (\$\$)	STUF EZ-Link Top-Up Fund (\$\$)	Invictus Fund (\$\$)	Donors Corpus Fund (\$\$)	
Less: EXPENDITURE										
Cost of generating funds										
Cost of generating voluntary income										
Advertising and promotions	2,633	-	-	2,633	-	-	-	-	-	2,633
Cost of donation collection	46,645	-	-	46,645	-	-	-	-	-	46,645
Giving.sg and Paypal fees	3,986	-	-	3,986	-	-	-	-	-	3,986
Donor engagement	5,774	-	-	5,774	-	-	-	-	-	5,774
Salaries and related cost	67,416	-	-	67,416	-	-	-	-	-	67,416
	126,454	-	-	126,454	-	-	-	-	-	126,454
Investment management cost										
Depreciation of investment property	8,008	-	-	8,008	-	-	-	-	-	8,008
Insurance	259	-	-	259	-	-	-	-	-	259
Impairment loss on investment in unit trust	24,261	-	-	24,261	-	-	-	-	-	24,261
Property tax	7,200	-	-	7,200	-	-	-	-	-	7,200
	39,728	-	-	39,728	-	-	-	-	-	39,728
Charitable activities										
Financial awards										
Bursary awards	-	-	-	-	107,115	-	-	-	-	1,575,100
Dana Ihsan	-	-	-	-	28,855	-	-	-	-	28,855
LBKM ITE Education Fund	-	-	-	-	8,400	-	-	-	-	8,400
LBKM ITE Merit awards	-	-	-	-	38,400	-	-	-	-	38,400
LBKM-Mendaki EIF (Note 17)	-	-	-	-	(350,000)	-	-	-	-	(350,000)
	-	-	-	-	(167,230)	-	-	-	-	1,300,755
	-	-	-	-	(167,230)	-	-	-	-	1,300,755
Balance carried forward										

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12. DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	UNRESTRICTED FUNDS				RESTRICTED FUNDS					TOTAL
	General Fund (\$\$)	Sinking Fund (\$\$)	Capital Grant Fund (\$\$)	Total (\$\$)	Sponsorship Fund (\$\$)	Education Fund (\$\$)	STUF EZ-Link Top-Up Fund (\$\$)	Invictus Fund (\$\$)	Donors Corpus Fund (\$\$)	
Less: EXPENDITURE (CONT'D)										
Charitable activities (Cont'd)										
Financial awards (Cont'd)										
Balance brought forward										
Madrasah awards	-	-	-	-	(167,230)	-	-	-	-	1,300,755
Overseas engagement	-	-	-	-	5,400	-	-	-	-	5,400
Scholarship awards	-	-	-	-	1,750	-	-	-	-	1,750
STUF EZ-Link top-up	-	-	-	-	265,000	-	-	-	-	265,000
	-	-	-	-	-	-	118,040	-	-	118,040
Charitable activities expenses										
Awards, bursary, scholarships presentation	39,521	-	-	39,521	-	-	-	-	-	39,521
Community relations	7,691	-	-	7,691	-	-	-	-	-	7,691
Intern allowance	200	-	-	200	-	-	-	-	-	200
Invictus fund expenses	-	-	-	-	-	-	-	9,737	-	9,737
Salaries and bonuses	259,292	-	-	259,292	-	-	-	-	-	259,292
Software, website development and maintenance	97,450	-	-	97,450	-	-	-	-	-	97,450
Youth development expenses	9,490	-	-	9,490	-	-	-	-	-	9,490
	413,644	-	-	413,644	104,920	-	118,040	9,737	-	2,114,326

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12. DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	UNRESTRICTED FUNDS				RESTRICTED FUNDS					TOTAL
	General Fund (\$)	Sinking Fund (\$)	Capital Grant Fund (\$)	Total (\$)	Bursary Sponsorship Fund (\$)	Education Sponsorship Fund (\$)	STUF EZ-Link Top-Up (\$)	Invictus Fund (\$)	Donors Corpus Fund (\$)	
Less: EXPENDITURE (CONT'D)										
Governance costs										
Advertising and promotions	1,957	-	-	1,957	-	-	-	-	-	1,957
Annual general meeting expenses	11,531	-	-	11,531	-	-	-	-	-	11,531
Audit fee	8,800	-	-	8,800	-	-	-	-	-	8,800
Bank charges	1,860	-	-	1,860	-	-	-	-	-	1,860
Consultancy fees	7,020	-	-	7,020	-	-	-	-	-	7,020
Depreciation of plant and equipment	8,310	-	-	8,310	-	-	-	-	-	8,310
Insurance	4,697	-	-	4,697	-	-	-	-	-	4,697
General expenses	4,228	-	-	4,228	-	-	-	-	-	4,228
Membership and subscription fees	276	-	-	276	-	-	-	-	-	276
Postage, courier and stamps	1,066	-	-	1,066	-	-	-	-	-	1,066
Printing and stationery	5,691	-	-	5,691	-	-	-	-	-	5,691
Rental of premises	57,623	-	-	57,623	-	-	-	-	-	57,623
Repair and maintenance	2,026	-	-	2,026	-	-	-	-	-	2,026
Salaries and related cost	191,876	-	-	191,876	-	-	-	-	-	191,876
Seminar and training	9,953	-	-	9,953	-	-	-	-	-	9,953
Skill development levy	986	-	-	986	-	-	-	-	-	986
Special tokens (birth, death)	440	-	-	440	-	-	-	-	-	440
Staff refreshment	2,542	-	-	2,542	-	-	-	-	-	2,542
Staff welfare and medical	6,190	-	-	6,190	-	-	-	-	-	6,190
Telecommunication expenses	3,530	-	-	3,530	-	-	-	-	-	3,530
Transportation expenses	2,103	-	-	2,103	-	-	-	-	-	2,103
Utilities	2,027	-	-	2,027	-	-	-	-	-	2,027
	334,732	-	-	334,732	-	-	-	-	-	334,732
	914,558	-	-	914,558	104,920	1,467,985	118,040	9,737	-	1,700,682
TOTAL EXPENDITURE										

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12. DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	UNRESTRICTED FUNDS				RESTRICTED FUNDS					TOTAL
	General Fund (\$)	Sinking Fund (\$)	Capital Grant Fund (\$)	Total (\$)	Bursary Sponsorship Fund (\$)	Education Sponsorship Fund (\$)	STUF EZ-Link Top-Up (\$)	Invictus Fund (\$)	Donors Corpus Fund (\$)	
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEA	(42,666)	-	-	(42,666)	240,043	500,884	(89,718)	(9,737)	-	652,775
Gross transfers between funds										
Allocation of annual maintenance for investment property	(10,000)	10,000	-	-	-	-	-	-	-	-
Allocation of Asnaf Amil	25,669	-	-	25,669	(25,669)	-	-	-	-	(25,669)
Allocation to Endowment Fund / Donor Corpus Fund	-	-	-	-	-	(100,000)	-	-	100,000	-
Allocation to STUF Fund Ezilink Top up	-	-	-	-	(61,612)	-	61,612	-	-	-
NET MOVEMENT OF FUNDS	(26,997)	10,000	-	(16,997)	152,762	500,884	(28,106)	(9,737)	100,000	669,772
RECONCILIATION OF FUNDS										
Total funds at beginning of financial year	3,899,782	170,173	-	4,069,955	1,790,013	-	459,471	21,232	48,000	2,346,822
Total funds at end financial year	3,872,785	180,173	-	4,052,958	1,942,775	500,884	413,440	11,495	148,000	3,016,594

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12. DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	2022					TOTAL					
	UNRESTRICTED FUNDS		RESTRICTED FUNDS								
	General Fund (\$\$)	Sinking Fund (\$\$)	Capital Grant Fund (\$\$)	Total (\$\$)	Bursary Sponsorship Fund (\$\$)		STUF EZ-Link Top-Up Fund (\$\$)	Invictus Fund (\$\$)	Donors Corpus Share Grant Fund (\$\$)	Care & Share Grant Fund (\$\$)	Total (\$\$)
INCOME											
Income from generated funds											
Voluntary income											
Administration grant	40,000	-	-	40,000	-	-	-	-	-	-	40,000
Bursary sponsorship	-	-	-	-	1,353,327	-	-	-	-	1,353,327	1,353,327
Care & Share matching grant	-	-	-	-	-	-	-	-	290,000	290,000	290,000
Mosque and Friday collection	6,400	-	-	6,400	-	-	-	-	-	6,400	6,400
General donations (includes GIRO)	428,898	-	-	428,898	-	-	-	-	-	428,898	428,898
Maulud appeal	159,669	-	-	159,669	-	-	-	-	-	159,669	159,669
MUIS bursary sponsorship	-	-	-	-	251,215	-	-	-	-	251,215	251,215
Scholarship sponsorship	-	-	-	-	307,000	-	-	-	-	307,000	307,000
STUF EZ-Link top-up	-	-	-	-	20,000	-	-	-	-	20,000	20,000
Zakat	-	-	-	-	-	73,288	-	-	-	73,288	73,288
	634,967	-	-	634,967	230,333	-	-	-	-	230,333	230,333
					2,161,875	73,288	-	-	290,000	2,525,163	3,160,130
Investment income											
Dividend from investment in unit trust	22,950	-	-	22,950	-	-	-	-	-	-	22,950
Interest income	59,190	-	-	59,190	41	-	-	-	-	41	59,231
Rental income from investment property	72,000	-	-	72,000	-	-	-	-	-	-	72,000
	154,140	-	-	154,140	41	-	-	-	-	41	154,181
Other income											
Government grants	13,723	-	-	13,723	-	-	-	-	-	-	13,723
Other income	2,244	-	-	2,244	-	-	-	-	-	-	2,244
	15,967	-	-	15,967	-	-	-	-	-	-	15,967
TOTAL INCOME	805,074	-	-	805,074	2,161,916	73,288	-	-	290,000	2,525,204	3,330,278

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12. DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	2022					TOTAL					
	UNRESTRICTED FUNDS		RESTRICTED FUNDS								
	General Fund (\$\$)	Sinking Fund (\$\$)	Capital Grant Fund (\$\$)	Total (\$\$)	Bursary Sponsorship Fund (\$\$)		STUF EZ-Link Top-Up Fund (\$\$)	Invictus Fund (\$\$)	Donors Corpus Share Grant Fund (\$\$)	Care & Share Grant Fund (\$\$)	Total (\$\$)
Less: EXPENDITURE											
Cost of generating funds											
Cost of generating voluntary income											
Advertising and promotions	4,729	-	-	4,729	-	-	-	-	-	-	4,729
Cost of donation collection	43,142	-	-	43,142	-	-	-	-	-	-	43,142
Giving.sg bank charges	3,440	-	-	3,440	-	-	-	-	-	-	3,440
Salaries and related cost	66,302	-	-	66,302	-	-	-	-	-	-	66,302
	117,613	-	-	117,613	-	-	-	-	-	-	117,613
Investment management cost											
Depreciation of investment property	8,008	-	-	8,008	-	-	-	-	-	-	8,008
Insurance	257	-	-	257	-	-	-	-	-	-	257
Impairment loss on investment in unit trust	60,598	-	-	60,598	-	-	-	-	-	-	60,598
Other expenses	300	-	-	300	-	-	-	-	-	-	300
Property tax	7,200	-	-	7,200	-	-	-	-	-	-	7,200
	76,363	-	-	76,363	-	-	-	-	-	-	76,363
Charitable activities											
Financial awards											
Bursary awards	-	-	-	-	1,627,685	-	-	-	-	-	1,627,685
Dana Ihsan	3,365	-	-	3,365	-	-	-	-	-	-	3,365
LBKM ITE Education Fund	10,000	-	-	10,000	-	-	-	-	-	-	10,000
LBKM ITE Merit awards	38,400	-	-	38,400	-	-	-	-	-	-	38,400
LBKM-Mendaki EIF (Note 17)	-	-	-	-	350,000	-	-	-	-	-	350,000
	51,765	-	-	51,765	1,977,685	-	-	-	-	-	2,029,450
Balance carried forward	51,765	-	-	51,765	1,977,685	-	-	-	-	-	2,029,450

LEMBAGA BIASISWA KENANGAN MAULUD
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12. DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT'D)

	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 (\$\$)
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEA	(390,223)	-	(289)	(390,512)	126,231	3,228	(12,353)	-	-	117,106	(273,406)
Gross transfers between funds											
Allocation of Asnaf Amil	23,033	-	-	23,033	(23,033)	-	-	-	-	(23,033)	-
Allocation of annual maintenance for investment property	(10,000)	10,000	-	-	-	-	-	-	-	-	-
NET MOVEMENT OF FUNDS	(377,190)	10,000	(289)	(367,479)	103,198	3,228	(12,353)	-	-	94,073	(273,406)
RECONCILIATION OF FUNDS											
Total funds at beginning of 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
Total funds at end financial year	3,899,782	170,173	-	4,069,955	2,249,484	28,106	21,232	48,000	-	2,346,822	6,416,777

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

13. INCOME TAX

The Society is a registered Charity under the Charities Act 1994, and being a charity, its income is exempt from income tax.

14. VOLUNTARY INCOME

	2023 S\$	2022 S\$
Tax exempt donations	1,873,483	1,867,296
Non-tax exempt donations	1,068,253	1,292,834
	<u>2,941,736</u>	<u>3,160,130</u>

15. SIGNIFICANT 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.

Key management personnel compensation:

	2023 S\$	2022 S\$
Salaries and bonuses	159,648	166,140
Contributions to Central Provident Fund	38,202	18,786
	<u>197,850</u>	<u>184,926</u>

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

Three highest paid employees in bands:

	2023	2022
S\$100,000 to S\$199,999	-	1

There are no paid staff who are a close member of the family of the Executive Head or Board members.

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

16. OPERATING LEASE COMMITMENTS

As lessee

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

	2023 S\$	2022 S\$
Payable within 1 year	62,100	43,299
Payable after 1 year but within 5 years	112,875	-
	<u>174,975</u>	<u>43,299</u>

Rental expenses incurred for the office premises during the financial year for the Society was S\$57,624 (2022: S\$56,065).

As lessor

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

	2023 S\$	2022 S\$
Receivable within 1 year	24,000	72,000
Receivable after 1 year but within 5 years	-	24,000
	<u>24,000</u>	<u>96,000</u>

Rental income earned from the investment property during the financial year for the Society was S\$72,000 (2022: S\$72,000).

The lease agreements do not contain any contingent rent payment.

17. CHARITABLE COMMITMENTS

In the preceding year, the Society committed to contributing S\$1,000,000 toward the LBKM-MENDAKI ETF Bursary to support deserving and financially disadvantaged students through the Society. The LBKM-MENDAKI ETF Bursary is a distinct initiative from the matching grant agreement between Yayasan MENDAKI and the Government. The S\$1 million pledged by Yayasan MENDAKI to establish the LBKM-MENDAKI ETF Bursary scheme will remain effective independently of the Government's approval of the matching grant. Subsequently, challenges arose in reaching a balanced agreement with Yayasan MENDAKI.

On 17 September 2023, the Executive Council deliberated and retracted the initial commitment to donate S\$1,000,000, citing a misalignment with the original purpose of the donation. During the year, the Society recovered the initial contribution of S\$350,000.

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

17. CHARITABLE COMMITMENTS (CONT'D)

Future contributions payable towards the pledge as at the date of the balance sheet but not recognised as liabilities, are as follow:

	2023 S\$	2022 S\$
Payable within one year	-	650,000

The Society has made a total contribution of S\$ Nil (2022: S\$350,000) towards the pledge in the financial year.

18. 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:

- To maintain its reserves at a level which is at least 3 years of operating expenditure.
- 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.
- 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 was presented at each Executive Council meeting for the Council to review and monitor the reserves.

	2023 S\$	2022 S\$
Cash and cash equivalents (Note 7)	6,565,057	5,931,224
Current investments (Note 8)	410,141	434,402
Other receivables (excluding prepayments) (Note 9)	86,510	23,933
Less: Other payables (Note 10)	<u>(186,429)</u>	<u>(214,838)</u>
	<u>6,875,279</u>	<u>6,174,721</u>

LEMBAGA BIASISWA KENANGAN MAULUD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

18. MANAGEMENT OF RESERVES (CONT'D)

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.

19. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 December 2023 were authorised for issue in accordance with a resolution of the Executive Council of the Society on the date of the Statement by the Executive Council.

This page is intentionally left blank

