

**Gurdwara Sahib Yishun**  
(UEN No.: S95SS0142D)

**Annual Report for the Financial Year Ended  
31 December 2016**

**Gurdwara Sahib Yishun**  
(UEN No.: S95SS0142D)

Statutory Report and Financial Statements

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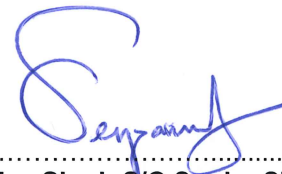
In the opinion of the management committee,

- (a) the financial statements as set out on pages 5 to 15 are drawn up so as to give a true and fair view of the state of affairs of the Gurdwara Sahib Yishun (the "Temple") as at 31 December 2016 and of the income and expenditure, changes in funds and cash flows of the Temple for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Temple will be able to pay its debts as and when they fall due.

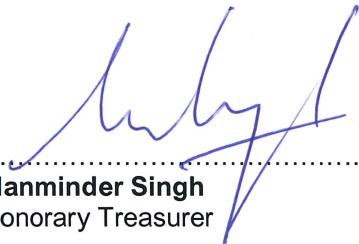
On behalf of the Management Committee,



.....  
**Dalwinder Singh S/O Jit Singh**  
President



.....  
**Sukhdev Singh S/O Sardar Singh**  
Honorary Secretary



.....  
**Manminder Singh**  
Honorary Treasurer

**Singapore**

**18 September 2017**



**Independent Auditor's Report to the Member of  
Gurdwara Sahib Yishun  
(Registration No.: S95SS0142D)**

**Report on the Financial Statements****Opinion**

We have audited the accompanying financial statements of Gurdwara Sahib Yishun (the "Temple") set out on pages 5 to 15, which comprise the statement of financial position as at 31 December 2016, the income and expenditure statement, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the Financial Reporting Standards in Singapore ("FRS") so as to give a true and fair view of the financial position of the Temple as at 31 December 2016 and of the result, changes in funds and cash flows of the Temple for the financial year ended on that date.

**Basis of 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 Temple in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

Management Committee is responsible for the other information. The other information comprises the Statement by the Management Committee.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management Committee for the Financial Statements**

Management Committee is responsible for the preparation of the financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.





**Independent Auditor's Report to the Member of  
Gurdwara Sahib Yishun  
(Registration No.:S95SS0142D)  
(Cont'd)**

**Report on the Financial Statements (Cont'd)****Responsibilities of Management Committee for the Financial Statements (Cont'd)**

In preparing the financial statements, Management Committee is responsible for assessing the Temple's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Temple or to cease operations, has no realistic alternative but to do so.

The Management Committee's responsibilities include overseeing the Temple'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 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 skepticism 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 Temple's internal control.
- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by Management Committee.
- Conclude on the appropriateness of Management Committee'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 Temple'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 Temple 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 Management Committee 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 the audit.



**Independent Auditor's Report to the Member of  
Gurdwara Sahib Yishun  
(Registration No.:S95SS0142D)  
(Cont'd)**

**Report on the Financial Statements (Cont'd)**

**Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the regulations enacted under the Societies Act (the "Act") to be kept by the Temple have been properly kept in accordance with the regulations of the Act, and there was no public fund-raising appeal held during the financial year.

**B.S.Mangat & Company**  
Public Accountants  
and Chartered Accountants  
(UEN – S87PF0017J)

**Singapore**

**18 September 2017**

	<u>Notes</u>	<u>2016</u> S\$	<u>2015</u> S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	3	1,154,488	1,045,842
Other receivables	4	8,780	26,350
		<u>1,163,268</u>	<u>1,072,192</u>
<b>Non-current asset</b>			
Property, plant and equipment	5	715,953	788,813
<b>Total assets</b>		<u><b>1,879,221</b></u>	<u><b>1,861,005</b></u>
<b>LIABILITIES</b>			
<b>Current liability</b>			
Other payables	6	-	417
<b>Total liability</b>		<u>-</u>	<u>417</u>
<b>PRESENTED BY</b>			
Accumulated fund		1,879,221	1,860,588
<b>Total liability and accumulated fund</b>		<u><b>1,879,221</b></u>	<u><b>1,861,005</b></u>

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

	<u>Notes</u>	<u>2016</u> S\$	<u>2015</u> S\$
<b>INCOME:</b>			
- Building fund		34,444	31,525
- Donations received		56,483	66,780
- Electricity/Gas/Water		16,664	15,710
- Golak		106,783	85,006
- Isteri Sat Sang		848	838
- Library		413	307
- Laundry		1,121	1,021
- Punjabi School		1,351	574
- Provisions/Groceries (langgar)		91,680	85,312
- Sikh Welfare Council		1,967	1,690
- Subscriptions		1,000	1,048
- Interest Income		14,411	13,382
- Others		114	275
		<u>327,279</u>	<u>303,468</u>
<b>EXPENDITURE:</b>			
- Bank charges		100	104
- Cleaning expenses		8,410	9,330
- Depreciation of property, plant and equipment	5	107,193	120,628
- Donations		13,655	26,803
- Insurance		3,944	3,073
- Laundry		3,285	2,121
- Medical fees		585	439
- Miscellaneous expenses		4,582	3,122
- Postage and courier		1,127	1,077
- Printing and stationery		1,620	757
- Professional fee		-	4,066
- Provisions/groceries (langgar)		77,033	77,075
- Pest control		960	-
- Repair and maintenance		14,887	15,619
- Road show performance costs		-	240
- Salaries and wages		36,550	34,124
- Security bonds and license fees		28	518
- Telecommunication		400	442
- Travelling expense		444	600
- Utilities		33,843	34,247
		<u>308,646</u>	<u>334,385</u>
Surplus/(deficit) of income over expenditure		18,633	(30,917)
Income tax expense	7	-	-
Surplus/(deficit) for the financial year		<u><u>18,633</u></u>	<u><u>(30,917)</u></u>

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



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	<b>Accumulated Fund</b>
	<b>S\$</b>
<b><u>2016</u></b>	
<b>Beginning of financial year</b>	1,860,588
Total surplus for the year	18,633
<b>End of financial year</b>	<u><u>1,879,221</u></u>
<b><u>2015</u></b>	
<b>Beginning of financial year</b>	1,891,505
Total deficit for the year	(30,917)
<b>End of financial year</b>	<u><u>1,860,588</u></u>

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

	Notes	2016 S\$	2015 S\$
<b>Cash flows from operating activities</b>			
Net deficit before tax expense		18,633	(30,917)
Adjustments for:			
Depreciation of property, plant and equipment	5	107,193	120,628
Interest income		(14,411)	(13,382)
		111,415	76,329
<b>Changes in working capital</b>			
Other receivables		17,570	(16,967)
Other payables		(417)	(8,449)
Cash generated from operations		128,568	50,913
Income tax paid		-	-
<b>Net cash provided by operating activities</b>		128,568	50,913
<b>Cash flow from investing activities</b>			
Interest income		14,411	13,382
Additions of property, plant and equipment		(34,333)	-
<b>Net cash provided by investing activity</b>		(19,922)	13,382
<b>Net increase in cash and cash equivalents</b>		108,646	64,295
<b>Cash and cash equivalents at beginning of year</b>		1,045,842	981,547
<b>Cash and cash equivalents at end of year</b>	3	1,154,488	1,045,842

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

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

## 1 Corporate information

Gurdwara Sahib Yishun (the "Temple") is registered under Societies Act.

The address of its registered office is 601 Yishun Ring Road, Singapore 768684.

The principal activities of the Temple are those of charity.

The financial statements are presented in Singapore dollar, which is the Temple's functional currency.

## 2 Significant accounting policies

### (a) *Basis of preparation*

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Temple's accounting policies. It also requires the use of certain critical accounting estimates and assumptions.

In making these judgments, the Temple has relied on past experience and their view of the economy. There are no other areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements.

#### **Interpretations and amendments to published standards effective in 2016**

On 1 January 2016, the Temple adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application from that date.

The following are the new or amended FRS that is relevant to the Temple:

FRS 1      Presentation of Financial Statements

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Temple and had no material effect on the amounts reported for the current or prior financial years.

## 2 Significant accounting policies (cont'd)

### (b) *Property, plant and equipment*

#### Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

#### Depreciation

Depreciation is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	<u>Useful lives</u>
Leasehold land and building	30 years
Furniture, fittings and signboards	10 years
Renovation	10 years
Equipment and utensils	8 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each financial year. The effects of any revision are recognised in the income statement when the changes arise.

#### Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Temple and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expense in the income statement during the financial year in which it is incurred.

#### Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the income statement.

## 2 Significant accounting policies (cont'd)

### (c) *Impairment of non-financial assets*

Property, plant and equipment are reviewed for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing of the assets, recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the income statement.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the income statement.

### (d) *Financial asset*

#### Loans and receivables

Loans and receivables include "cash and cash equivalents" and "other receivables" in the statement of financial position.

These financial assets are initially recognised at fair value plus transaction cost and subsequently carried at amortised cost using the effective interest method. They are presented as current assets, except for those maturing later than 12 months after the financial year end which are presented as non-current assets.

The Temple assesses at each financial year end whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists. Allowance for impairment is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

### (e) *Other payables*

Other payables are initially measured at fair value, and subsequently measured at amortised cost using the effective interest method.

### (f) *Cash and cash equivalents*

Cash and cash equivalents include cash at bank and cash on hand which are subject to an insignificant risk of changes in value.

## 2 Summary of significant accounting policies (Cont'd)

### (g) *Income taxes*

Current income tax is recognised at the amount expected to be paid to or recovered from the tax authorities.

Deferred income tax is recognised for all temporary differences except when the deferred income tax arises from the initial recognition of an asset or liability affects neither accounting nor taxable profit or loss at the time of the transaction.

Current and deferred income tax is measured using the tax rates and tax laws that have been enacted or substantively enacted by the financial year end, and are recognised as income or expenses in the income statement.

### (h) *Income recognition*

All income is recognised on a cash basis, except for interest income which is recognised on an accrual basis.

### (i) *Provisions for other liabilities and charges*

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

### (j) *Fair value estimation*

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

## 3 Cash and cash equivalents

	2016 \$	2015 \$
Cash on hand and at bank	974,488	95,842
Fixed deposits	180,000	950,000
	<u>1,154,488</u>	<u>1,045,842</u>

Cash and cash equivalents comprise of cash held by the Temple and short-term fixed deposits with an original maturity of 12 months, bearing interest at range of 1.45% to 1.80% (2014: 1.35%) per annum.

The carrying amount of these assets are approximate their fair value.



#### 4 Other receivables

	2016 \$	2015 \$
Interest receivable	2,089	3,479
Deposit	3,860	3,860
Prepayments	2,831	19,011
	8,780	26,350

#### 5 Property, plant and equipment

	<u>Leasehold land and building</u> \$	<u>Furniture, fittings and signboards</u> \$	<u>Renovation</u> \$	<u>Equipment and utensils</u> \$	<u>Total</u> \$
<b>2016</b>					
<b>Cost</b>					
Beginning of financial year	2,216,421	227,296	200,569	115,403	2,759,689
Additions	-	-	31,230	3,103	34,333
End of financial years	2,216,421	227,296	231,799	118,506	2,794,022
<b>Accumulated depreciation</b>					
Beginning of financial year	1,554,631	208,745	97,881	109,619	1,970,876
Additions	73,881	8,438	22,564	2,310	107,193
End of financial year	1,641,075	212,963	120,445	111,929	2,078,069
<b>Net book value</b>					
End of financial year	575,346	14,333	111,354	6,577	715,953

## 5 Property, plant and equipment (Cont'd)

	<u>Leasehold land and building</u> \$	<u>Furniture, fittings and signboards</u> \$	<u>Renovation</u> \$	<u>Equipment and utensils</u> \$	<u>Total</u> \$
<b>2015</b>					
<b>Cost</b>					
Beginning of financial year	2,216,421	227,296	200,569	115,403	2,759,689
Additions	-	-	-	-	-
End of financial years	<u>2,216,421</u>	<u>227,296</u>	<u>200,569</u>	<u>115,403</u>	<u>2,759,689</u>
<b>Accumulated depreciation</b>					
Beginning of financial year	1,480,751	187,996	78,440	103,061	1,850,248
Additions	73,880	20,749	19,441	6,558	120,628
End of financial year	<u>1,554,631</u>	<u>208,745</u>	<u>97,881</u>	<u>109,619</u>	<u>1,970,876</u>
<b>Net book value</b>					
End of financial year	<u>661,790</u>	<u>18,551</u>	<u>102,688</u>	<u>5,784</u>	<u>788,813</u>

## 6 Other payables

	2016 \$	2015 \$
Deferred interest income	-	417
	<u>                    </u>	<u>                    </u>

## 7 Income tax expense

The Temple is a non-profitable charity organization and hence no provision for income tax is made.

## 8 Financial risk management

The Temple transacts its business in Singapore dollars. It maintains a level of cash and cash equivalents that is sufficient for working capital purposes. The Temple is not exposed to any significant interest rate risk, credit risk, currency risk or market risks.

## 9 New or revised accounting standards and interpretations

Below is the mandatory standards, amendments and interpretations to existing standards that have been published, and is relevant for the Temple's accounting periods beginning on or after 1 January 2017 or later periods and which the Temple has not early adopted:

<i><u>Annual period Commencing on</u></i>	<i><u>Description</u></i>
1 January 2017	FRS 7 Statement of Cash Flows
1 January 2018	FRS 109 Financial Instruments

The Temple anticipates that the adoption of the above amendments to FRS in the future periods will not have a material impact on the Temple's financial statement in the period of their initial adoption.

## 10 Authorisation of financial statements

These financial statements were for issue by the Temple's Management Committee on 18 September 2017.