

Gurdwara Sahib Yishun
(Registered in Singapore)
(Unique Entity Number: S95SS0142D)

**Statement by The Management Committee and Financial Statements
for the financial year ended 31 December 2017**

Gurdwara Sahib Yishun
(UEN No.: S95SS0142D)

Statutory Report and Financial Statements

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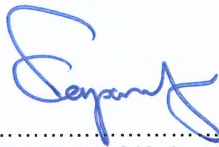
We, the undersigned, being the officers primarily responsible for the financial management of Gurdwara Sahib Yishun (the "Temple"), hereby confirm that the financial statements set out on pages 5 to 13 are properly drawn up in accordance with the provisions of the Constitution of the Society so as to give a true and fair view of the financial position of the Temple as at 31 December 2017 and of the income and expenditure statement, statement of changes in funds and statement of cash flows of the Temple for the financial year then ended and that proper accounting and other records have been kept.

The Management Committee on the date of this statement authorised these financial statements for issue.

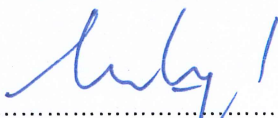
On behalf of the Management Committee,



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Dalwinder Singh S/O Jit Singh
Honorary President



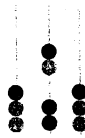
.....
Sukhdev Singh S/O Sardar Singh
Honorary Secretary



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Manminder Singh
Honorary Treasurer

Singapore

13 June 2018



**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 13, which comprise the statement of financial position as at 31 December 2017, 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 2017 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

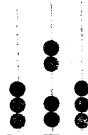
Management Committee is responsible for the other information. The other information comprises the Statement by the Management Committee.

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

Singapore

13 June 2018

	<u>Notes</u>	<u>2017</u> S\$	<u>2016</u> S\$
ASSETS			
Current assets			
Cash and cash equivalents	3	1,212,550	1,154,488
Other receivables	4	20,197	8,780
		<u>1,232,747</u>	<u>1,163,268</u>
Non-current asset			
Property, plant and equipment	5	660,906	715,953
Total assets		<u>1,893,653</u>	<u>1,879,221</u>
LIABILITIES			
Current liability			
Other payables		-	-
Total liability		<u>-</u>	<u>-</u>
PRESENTED BY			
Accumulated fund		1,893,653	1,879,221
Total liability and accumulated fund		<u>1,893,653</u>	<u>1,879,221</u>

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

	<u>Notes</u>	<u>2017</u> S\$	<u>2016</u> S\$
INCOME:			
- Building fund		48,996	34,444
- Donations received		59,276	56,483
- Electricity/Gas/Water		15,808	16,664
- Golak		93,142	106,783
- Isteri Sat Sang		8,087	848
- Library		221	413
- Laundry		1,191	1,121
- Punjabi School		1,289	1,351
- Provisions/Groceries (langgar)		89,034	91,680
- Sikh Welfare Council		1,627	1,967
- Subscriptions		2,298	1,000
- Others		100	114
		<u>321,069</u>	<u>312,868</u>
OTHER INCOME:			
- Interest earned		13,138	14,411
		<u>13,138</u>	<u>14,411</u>
EXPENDITURE:			
- Bank charges		1	100
- Cleaning expenses		4,237	8,410
- Depreciation on property, plant and equipment	5	104,177	107,193
- Donations		12,906	13,655
- Insurance		3,536	3,944
- Laundry		3,179	3,285
- Medical fees		596	585
- Miscellaneous expenses		5,321	4,582
- Postage and courier		1,170	1,127
- Printing and stationery		1,288	1,620
- Provisions/groceries (langgar)		86,466	77,033
- Pest control		1,560	960
- Repair and maintenance		15,748	14,887
- Salaries and wages		44,250	36,550
- Security bonds and license fees		650	28
- Telecommunication		439	400
- Travelling and transport expenses		300	444
- Utilities		33,950	33,843
		<u>319,775</u>	<u>308,646</u>
Surplus of income over expenditure		14,432	18,633
Income tax expense		-	-
Net surplus of income over expenditure		<u>14,432</u>	<u>18,633</u>

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

	<u>Accumulated Fund</u> S\$
<u>2017</u>	
Beginning of financial year	1,879,221
Total recognised net surplus for the financial year	14,432
End of financial year	<u><u>1,893,653</u></u>
<u>2016</u>	
Beginning of financial year	1,860,588
Total recognised net surplus for the financial year	18,633
End of financial year	<u><u>1,879,221</u></u>

	Notes	2017 S\$	2016 S\$
Cash flows from operating activities			
Net surplus		14,432	18,633
Adjustments for:			
Depreciation on property, plant and equipment	5	104,177	107,193
Interest income		(13,138)	(14,411)
		<u>105,471</u>	<u>111,415</u>
Changes in working capital			
Other receivables		(11,417)	17,570
Other payables		-	(417)
		<u>94,054</u>	<u>128,568</u>
Income tax paid		-	-
Net cash provided by operating activities		<u>94,054</u>	<u>128,568</u>
Cash flow from investing activities			
Interest income		13,138	14,411
Additions of property, plant and equipment		(49,130)	(34,333)
Net cash used in investing activities		<u>(35,992)</u>	<u>(19,922)</u>
Net increase in cash and cash equivalents		58,062	108,646
Cash and cash equivalents at beginning of financial year		1,154,488	1,045,842
Cash and cash equivalents at end of financial year	3	<u>1,212,550</u>	<u>1,154,488</u>

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 General information

Gurdwara Sahib Yishun (the "Temple") is registered and domiciled in Singapore.

The registered address of the Temple is 601 Yishun Ring Road, Singapore 768684.

The objectives of the Temple are those of charity.

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

2 Summary of significant accounting policies

(a) Basis of preparation of financial statements

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

The preparation of financial statements in conformity with FRS requires the Management Committee 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. However, there are no 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 2017

On 1 January 2017, the Temple adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for the financial year. The adoption of these new or amended FRS, and INT FRS did not result in substantial changes to the Temple's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2 Summary of significant accounting policies (cont'd)

(b) Property, plant and equipment

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

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.

Depreciation is calculated using the straight-line method to allocate 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.

(c) Impairment of non-financial assets

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

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset 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) Cash and other receivables

Cash and cash equivalents and other receivables are initially recognised at their fair values plus transaction costs and subsequently carried at amortised cost using the effective interest method less accumulated impairment losses.

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.

2 Summary of significant accounting policies (cont'd)

(d) Cash and other receivables (Cont'd)

The carrying amount of these assets is reduced through the use of an impairment allowance account which 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 recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

(f) Income tax expense

The temple is exempted from income tax.

With effect from the year of assessment 2008 (financial year ended 31 December 2007), all registered and exempt charities are exempt from tax.

(g) Income recognition

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

(h) Provisions

Provisions are recognised when the Temple has a present obligation as a result of past event and it is probable an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the end of the reporting period and discounted to present value where the effect is material.

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 a current pre-tax rate that reflects, where appropriate, the risks 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.

(i) Fair value estimation

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

3 Cash and cash equivalents

	2017 \$	2016 \$
Cash on hand and at bank	112,550	974,488
Fixed deposits	1,100,000	180,000
	<u>1,212,550</u>	<u>1,154,488</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 1.2% to 1.80% per annum.

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

4 Other receivables

	2017 \$	2016 \$
Interest receivables	11,987	2,089
Deposit	3,860	3,860
Prepayments	4,350	2,831
	<u>20,197</u>	<u>8,780</u>

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> \$
<u>2017</u>					
Cost					
At 1 January 2017	2,216,421	227,296	231,799	118,506	2,794,022
Additions	-	-	49,130	-	49,130
At 31 December 2017	<u>2,216,421</u>	<u>227,296</u>	<u>280,929</u>	<u>118,506</u>	<u>2,843,152</u>
Accumulated Depreciation					
At 1 January 2017	1,628,512	217,183	120,445	111,929	2,078,069
Additions	73,881	4,218	24,058	2,020	104,177
At 31 December 2017	<u>1,702,393</u>	<u>221,401</u>	<u>144,503</u>	<u>113,949</u>	<u>2,182,246</u>
Net book value					
End of financial year	<u>514,028</u>	<u>5,895</u>	<u>136,426</u>	<u>4,557</u>	<u>660,906</u>

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> \$
2016					
Cost					
At 1 January 2016	2,216,421	227,296	200,569	115,403	2,759,689
Additions	-	-	31,230	3,103	34,333
At 31 December 2016	<u>2,216,421</u>	<u>227,296</u>	<u>231,799</u>	<u>118,506</u>	<u>2,794,022</u>
Accumulated Depreciation					
At 1 January 2016	1,554,631	208,745	97,881	109,619	1,970,876
Additions	73,881	8,438	22,564	2,310	107,193
At 31 December 2016	<u>1,628,512</u>	<u>217,183</u>	<u>120,445</u>	<u>111,929</u>	<u>2,078,069</u>
Carrying amount					
At 31 December 2016	<u>587,909</u>	<u>10,113</u>	<u>111,354</u>	<u>6,577</u>	<u>715,953</u>

6 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.

7 Events after the financial year end

No events took place after the financial year end that might have any significant impact on the financial statements.

8 Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2017 were authorised for issue by the Temple's Management Committee on 13 June 2018.