

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 2018**

Gurdwara Sahib Yishun
(UEN No.: S95SS0142D)

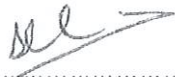
Statutory Report and Financial Statements

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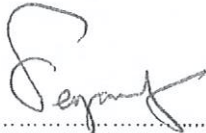
We, the undersigned, being the officers primarily responsible for the financial management of Gurdwara Sahib Yishun (the "Temple"), hereby confirm that the financial statements set out on pages 5 to 14 are properly drawn up in accordance with the provisions of the Constitution of the Society so as to give a true and fair view of the financial position of the Temple as at 31 December 2018 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.

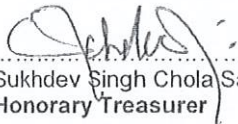
On behalf of the Management Committee,



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



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



.....
Sukhdev Singh Chola Sahib
Honorary Treasurer

Singapore

Date: 17 May 2019

**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 14, which comprise the statement of financial position as at 31 December 2018, 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 2018 and of the financial performance, 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.

Dendrobium Audit PAC

DENDROBIUM AUDIT PAC

Singapore

Date: 17 May 2019

	<u>Notes</u>	<u>2018</u> S\$	<u>2017</u> S\$
ASSETS			
Current assets			
Cash and cash equivalents	3	1,301,251	1,212,550
Other receivables	4	15,961	20,197
		<u>1,317,212</u>	<u>1,232,747</u>
Non-current asset			
Property, plant and equipment	5	560,311	660,906
Total assets		<u>1,877,523</u>	<u>1,893,653</u>
LIABILITIES			
Current liability			
Other payables	6	21,992	-
Total liability		<u>21,992</u>	<u>-</u>
PRESENTED BY			
Accumulated fund		1,855,531	1,893,653
Total liability and accumulated fund		<u>1,877,523</u>	<u>1,893,653</u>

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

	<u>Notes</u>	<u>2018</u> S\$	<u>2017</u> S\$
INCOME:			
- Building fund		17,938	48,996
- Donations received		56,248	59,276
- Electricity/Gas/Water		17,495	15,808
- Golak		97,835	93,142
- Isteri Sat Sang		2,234	8,087
- Library		234	221
- Laundry		1,291	1,191
- Punjabi School		865	1,289
- Provisions/Groceries (langgar)		92,361	89,034
- Sikh Welfare Council		1,004	1,627
- Subscriptions		2,072	2,298
- Others		-	100
		<u>289,577</u>	<u>321,069</u>
OTHER INCOME:			
- Interest earned		10,338	13,138
		<u>10,338</u>	<u>13,138</u>
EXPENDITURE:			
- Audit fees		500	-
- Bank charges		109	1
- Cleaning expenses		4,960	4,237
- Sikh Welfare Council contribution expenses – Purchase of hearse		10,000	-
- Depreciation on property, plant and equipment	5	104,794	104,177
- Donations		13,051	12,906
- Insurance		3,743	3,536
- Laundry		4,589	3,179
- Medical fees		514	596
- Miscellaneous expenses		4,004	5,321
- Postage and courier		1,224	1,170
- Program expenses		507	-
- Printing and stationery		1,159	1,288
- Provisions/groceries (langgar)		83,559	86,466
- Pest control		2,160	1,560
- Repair and maintenance		18,319	15,748
- Salaries and wages		44,342	44,250
- Security bonds and license fees		1,247	650
- Staff welfare		2,097	-
- Telecommunication		442	440
- Travelling and transport expenses		-	300
- Utilities		36,717	33,950
		<u>338,037</u>	<u>319,775</u>
(Deficit) / Surplus of income over expenditure		(38,122)	14,432
Income tax expense		-	-
Net (deficit) / surplus of income over expenditure		<u>(38,122)</u>	<u>14,432</u>

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

	Notes	Accumulated Fund S\$
<u>2018</u>		
Beginning of financial year		1,893,653
Total recognised net deficit for the financial year		(38,122)
End of financial year		<u>1,855,531</u>
<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>1,893,653</u>

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

	Notes	2018 S\$	2017 S\$
Cash flows from operating activities			
Net (deficit) / surplus		(38,122)	14,432
Adjustments for:			
Depreciation on property, plant and equipment	5	104,794	104,177
Interest income		(10,338)	(13,138)
		<u>56,334</u>	<u>105,471</u>
Changes in working capital			
Other receivables		4,236	(11,417)
Other payables		21,992	-
		<u>82,562</u>	<u>94,054</u>
Income tax paid		-	-
Net cash provided by operating activities		<u>82,562</u>	<u>94,054</u>
Cash flow from investing activities			
Interest income		10,338	13,138
Additions of property, plant and equipment		(4,199)	(49,130)
Net cash from / (used in) investing activities		<u>6,139</u>	<u>(35,992)</u>
Net increase in cash and cash equivalents		88,701	58,062
Cash and cash equivalents at beginning of financial year		1,212,550	1,154,488
Cash and cash equivalents at end of financial year	3	<u>1,301,251</u>	<u>1,212,550</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

These financial statements of the Temple have been drawn up in accordance with Financial Reporting Standards in Singapore ("FRSs") 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.

(b) Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Temple has adopted all the new and revised standards which are relevant to the Temple and are effective for annual financial periods beginning on or after 1 January 2018. The adoption of these standards did not have any material effect on the financial statements.

2 Summary of significant accounting policies (cont'd)

(c) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs 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. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

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 useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, 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 income and expenditure statement in the year the asset is derecognised.

(d) Impairment of non-financial assets

The Temple assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Temple makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in income and expenditure statement.

A previously recognised impairment loss is reversed 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in income and expenditure statement.

2 Summary of significant accounting policies (cont'd)

(e) Financial instruments

a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments. The Temple determines the classification of its financial assets at initial recognition.

At initial recognition, the Temple measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through income and expenditure statement, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through income and expenditure statement are expensed in income and expenditure statement.

Subsequent measurement

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in income and expenditure statement when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables comprise other receivables, and cash and cash equivalents.

Cash equivalents comprise cash at banks and on hand.

De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in income and expenditure statement.

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Temple becomes a party to the contractual provisions of the financial instrument. The Temple determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through income and expenditure statement, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through income and expenditure statement are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in income and expenditure statement when the liabilities are derecognised, and through the amortisation process.

Such financial liabilities comprise other payables.

2 Summary of significant accounting policies (cont'd)

(e) Financial instruments (cont'd)

b) Financial liabilities (cont'd)

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in income and expenditure statement.

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

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

(g) Other payables

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

(h) 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.

(i) Income recognition

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

(j) Provisions

Provisions are recognised when the Temple has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits 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 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.

(k) 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

	2018 \$	2017 \$
Cash on hand and at bank	101,251	112,550
Fixed deposits	1,200,000	1,100,000
	<u>1,301,251</u>	<u>1,212,550</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 0.75% to 1.40% (2017: 1.2% to 1.80%) per annum.

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

4 Other receivables

	2018 \$	2017 \$
Interest receivables	9,125	11,987
Deposit	3,860	3,860
Prepayments	2,976	4,350
	<u>15,961</u>	<u>20,197</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> \$
2018					
Cost					
At 1 January 2018	2,216,421	227,296	280,929	118,506	2,843,152
Additions	-	-	-	4,199	4,199
At 31 December 2018	<u>2,216,421</u>	<u>227,296</u>	<u>280,929</u>	<u>122,705</u>	<u>2,847,351</u>
Accumulated Depreciation					
At 1 January 2018	1,702,393	221,401	144,503	113,949	2,182,246
Depreciation	73,881	3,510	25,060	2,343	104,794
At 31 December 2018	<u>1,776,274</u>	<u>224,911</u>	<u>169,563</u>	<u>116,292</u>	<u>2,287,040</u>
Net book value					
End of financial year	<u>440,147</u>	<u>2,385</u>	<u>111,366</u>	<u>6,413</u>	<u>560,311</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> \$
2017					
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
Depreciation	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>
Carrying amount					
At 31 December 2017	<u>514,028</u>	<u>5,895</u>	<u>136,426</u>	<u>4,557</u>	<u>660,906</u>

6 Other payables

	2018 \$	2017 \$
Accrued operating expenses	<u>21,992</u>	<u>-</u>

7 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.

8 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.

9 Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2018 were authorised for issue by the Temple's Management Committee on 17 May 2019.