

CASA RAUDHA WOMEN HOME
(Registered as a Society in Singapore)

AUDITED FINANCIAL STATEMENTS- 31 DECEMBER 2016

M Barak & Co.
Public Accountants and Chartered Accountants
Singapore

CASA RAUDHA WOMEN HOME
(Registered as a Society in Singapore)

REPORT AND FINANCIAL STATEMENTS- 31 DECEMBER 2016

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| | |
|-------------------------|--|
| Unique Entity Number | T08SS0051C |
| Date of Registration | 26 February 2008 |
| Postal address | Jurong Point Post Office, PO Box 455, Singapore 916416 |
| Country of Registration | Singapore |
| Functional Currency | Singapore |
| Presentation Currency | Singapore |

CASA RAUDHA WOMEN HOME
(Registered as a Society in Singapore)

STATEMENT BY THE MANAGEMENT COMMITTEE

In the opinion of the Management Committee, the accompanying statement of financial position, statement of financial activities and statement of cash flows together with the notes to the financial statements set out on pages 5 to 25 are properly drawn up so as to give a true and fair view of the state of affairs of the Society as at 31 December 2016 and of the results of its financial activities and cash flows of the Society for the financial year ended on that date. And at the date of this statement there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

On behalf of the Management Committee



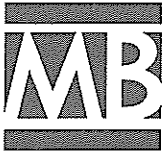
Hamzah Bin Abdul Mutalib
President



Mohamad Fairuz B Mohamad Adam
Treasurer

Singapore

03 MAR 2017



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CASA RAUDHA WOMEN HOME
(Registered as a Society in Singapore)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Casa Raudha Women Home ("the Society") which comprise the statement of financial position as at 31 December 2016, and the statement of financial activities and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act (Chapter 311), Singapore Charities Act (Chapter 37) and Charities Accounting Standard (CAS) so as to give a true and fair view of the state of affairs of the Society as at 31 December 2016 and the results of the financial activities and cash flows of the Society for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditors' 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.

Management Committee's Responsibility for the Financial Statements

The Management Committee is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Charities Accounting Standards, the Societies Act (Chapter 311), and the Singapore Charities Act (Chapter 37), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, the Management Committee 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 Management Committee either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

The Management Committee's responsibilities include overseeing the Society's financial reporting process.

Auditors' Responsibility 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 auditors' 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:

- (a) 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;
- (b) 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;
- (c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Committee;
- (d) conclude on the appropriateness of management'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 auditors' 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 auditors' report. However, future events or conditions may cause the Society to cease to continue as a going concern; and
- (e) 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 our audit.

Report on Other Legal and Regulatory Requirements

Opinion

In our opinion:

- (a) the accounting and other records required by the regulations under the Societies Act to be kept by the Society have been properly kept in accordance with the provisions of those regulations; and
- (b) the fund raising appeals conducted by the Society during the year ended 31 December 2016 have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act Chapter 311 and proper accounts and other records have been kept of the fund raising appeals.

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

- (a) The use of the donation moneys was not in accordance with the objective of the Society as required under regulation 11 of the Charities (Institutions of Public Character) Regulations; and
- (b) The Society has not complied with the requirements of regulation 15 (Fund raising expenses) of the Charities (Institutions of Public Character) Regulations.

Basis for Opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Compliance section of our report. We are independent of the Society in accordance with the 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 on management's compliance.

Management Committee's Responsibility for compliance with Legal and Regulatory requirements

The Management Committee is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the acts. This responsibility includes implementing accounting and internal controls as Management Committee determines are necessary to enable compliance with the provisions of the regulations.

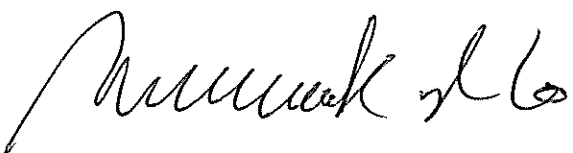
Auditors' Responsibility for the compliance audit

Our responsibility is to express an opinion on Management Committee's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Acts.

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Because of the inherent limitations in any accounting and internal control system, non-compliances may nevertheless occur and not be detected.

Other matter

The financial statements prior to 1 January 2016 have been audited by another auditor whose report dated 18 March 2016 expressed an unqualified opinion on those financial statements. Our examination does not relate to the results for the year which are presented as comparative figures. The opening balances are taken from those financial statements.



M Barak & Co.
Public Accountants and
Chartered Accountants
Singapore
3 March 2017

CASA RAUDHA WOMEN HOME
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

| ASSETS | Note | 2016 \$ | 2015 \$ |
|----------------------------------|------|-------------------------|-------------------------|
| NON-CURRENT ASSET | | | |
| Plant and equipment | 4 | <u>1,468,984</u> | <u>1,807,919</u> |
| CURRENT ASSETS | | | |
| Fixed deposits | 5 | 1,750,230 | 1,800,000 |
| Other receivables and deposits | 6 | 107,414 | 101,999 |
| Cash and cash equivalents | 7 | 1,819,519 | 1,041,937 |
| Total Current Assets | | <u>3,677,163</u> | <u>2,943,936</u> |
| TOTAL ASSETS | | <u><u>5,146,147</u></u> | <u><u>4,751,855</u></u> |
| LIABILITY AND FUNDS | | | |
| CURRENT LIABILITY | | | |
| Other payables and accruals | 8 | <u>43,050</u> | <u>161,647</u> |
| FUNDS | | | |
| Unrestricted fund | | | |
| General fund | 9 | <u>4,594,201</u> | <u>2,731,609</u> |
| Restricted funds | | | |
| Zakat fund | 9 | - | - |
| Building fund | 9 | - | 1,593,946 |
| Care and share fund | 9 | 448,855 | 220,577 |
| Other funds | 9 | 60,041 | 44,076 |
| | | <u>508,896</u> | <u>1,858,599</u> |
| Total funds | | <u><u>5,103,097</u></u> | <u><u>4,590,208</u></u> |
| TOTAL LIABILITY AND FUNDS | | <u><u>5,146,147</u></u> | <u><u>4,751,855</u></u> |

The accompanying notes from an integral part of these financial statements

**CASA RAUDHA WOMEN HOME
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016**

| | 2016 | | | | | | 2015 |
|------------------------------------|---------------------------------------|---------------------|------------------------|----------------------------|----------------------|----------------------|----------------------|
| | Unrestricted General fund \$ | Restricted funds | | | | Total funds \$ | Total funds \$ |
| | | Zakat fund \$ | Building fund \$ | Care & Share fund \$ | Other funds \$ | | |
| INCOME | | | | | | | |
| Income from Generated Funds | | | | | | | |
| <u>Voluntary Income</u> | | | | | | | |
| Donations | 336,441 | - | - | - | 100 | 336,541 | 274,149 |
| Government resilience package | 7,813 | - | - | - | - | 7,813 | 11,991 |
| Grants - MSF | 388,708 | - | - | 173,212 | - | 561,920 | 509,461 |
| Grants - others | - | - | - | 10,000 | - | 10,000 | 144,988 |
| NCSS Grants-Care & Share | - | - | 592,034 | - | - | 592,034 | 527,565 |
| Sponsorships | - | - | - | - | - | - | 3,517 |
| VCF funding | - | - | - | - | - | - | 1,668 |
| Zakat income | 45,743 | 10,175 | - | 6,237 | 16,412 | 62,155 | 39,837 |
| Other Income | | | | | | | |
| Profit income from term deposits | 43,324 | - | - | - | - | 43,324 | 15,795 |
| Membership income | 240 | - | - | - | - | 240 | 220 |
| Miscellaneous income | 4,902 | - | - | - | - | 4,902 | 5,255 |
| TOTAL INCOME | 827,171 | 10,175 | - | 189,549 | 791,758 | 1,618,929 | 1,534,446 |

The accompanying notes form an integral part of these financial statements

CASA RAUDHA WOMEN HOME
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

| | 2016 | | | | | 2015 |
|--|---------------------------------------|---------------------|------------------------|----------------------------|----------------------|----------------------|
| | Unrestricted General fund \$ | Restricted funds | | | | Total funds \$ |
| | | Zakat fund \$ | Building fund \$ | Care & Share fund \$ | Other funds \$ | |
| EXPENDITURES | | | | | | |
| Cost of generating funds | | | | | | |
| <u>Cost of generating voluntary income</u> | | | | | | |
| CPF contribution & SDL & penalty | 3,453 | - | - | - | - | 3,453 |
| Depreciation | 35,893 | - | - | - | - | 35,893 |
| General expenses | - | - | - | - | - | 353 |
| Gifts & sponsorship | 295 | - | - | - | - | 295 |
| Insurance | 84 | - | - | - | - | 84 |
| Other expense | 321 | - | - | - | - | 321 |
| Other project expenses | 1,956 | - | - | - | - | 1,956 |
| Postage, printing & stationery | 4,559 | 75 | - | - | 75 | 4,634 |
| Professional fees | 1,208 | - | - | - | - | 1,208 |
| Rental | - | - | - | 8,661 | 8,661 | 8,661 |
| Salaries & bonuses & leave | 21,280 | - | - | - | - | 21,280 |
| Staff welfare | 201 | - | - | - | - | 201 |
| Subscription | - | - | - | - | - | - |
| Telecommunication | 202 | - | - | - | - | 202 |
| Training | 691 | - | - | - | - | 691 |
| Transportation & travelling | 251 | - | - | - | - | 251 |
| Utilities | 1,228 | - | - | - | - | 1,228 |
| Total cost of generating funds | 71,622 | 75 | - | 8,661 | 8,736 | 80,358 |
| | | | | | | 90,701 |

The accompanying notes form an integral part of these financial statements

CASA RAUDHA WOMEN HOME
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

| | 2016 | | | | | | 2015 | |
|--|----------------|------------------|------------|----------------|-------------------|----------------|----------------|----------------|
| | Unrestricted | Restricted funds | | | | | Total funds | Total funds |
| | | General fund | Zakat fund | Building fund | Care & Share fund | Other funds | | |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| EXPENDITURES (continued) | | | | | | | | |
| Charitable activities | | | | | | | | |
| CPF contribution & SDL & penalty | 4,310 | - | - | 5,121 | - | 5,121 | 9,431 | 26,547 |
| Depreciation | 178,579 | - | - | 108,561 | - | 108,561 | 287,140 | 142,465 |
| Financial assistances | 234 | 4,437 | - | - | - | 4,437 | 4,671 | 19,220 |
| Foreign workers levy | 1,637 | - | - | 6,547 | - | 6,547 | 8,184 | 8,004 |
| Gifts & sponsorship | 120 | - | - | - | - | - | 120 | - |
| Insurance | 168 | - | - | - | - | - | 168 | 302 |
| Meals & refreshments | 10,124 | 1,630 | - | 4,548 | - | 6,178 | 16,302 | 2,216 |
| Medical expenses | - | - | - | 416 | - | 416 | 416 | 189 |
| Office supplies | - | - | - | - | - | - | - | 4,367 |
| Other expense | 857 | 857 | - | - | - | 857 | 1,714 | - |
| Other project expenses | 81 | 737 | - | 13,931 | - | 14,668 | 14,749 | 17,134 |
| Postage, printing & stationery | 1,360 | 225 | - | 1,112 | - | 1,337 | 2,697 | 1,673 |
| Professional fees | 21,650 | - | - | 2,406 | - | 2,406 | 24,056 | 15,420 |
| Rental | - | - | - | - | 138,569 | 138,569 | 138,569 | 138,569 |
| Repair & maintenance | 5,491 | - | - | 43,981 | - | 43,981 | 49,472 | 37,944 |
| Resident's expense | 5,352 | 1,264 | - | 7,461 | 372 | 9,097 | 14,449 | 27,297 |
| Salaries & bonuses & leave | - | - | - | 80,147 | - | 80,147 | 80,147 | 181,006 |
| Security | - | - | - | 56,912 | - | 56,912 | 56,912 | 44,211 |
| Staff welfare | - | - | - | - | - | - | - | 957 |
| Telecommunication | 258 | - | - | 1,158 | - | 1,158 | 1,416 | 3,564 |
| Training | - | - | - | 14,268 | - | 14,268 | 14,268 | 8,270 |
| Transportation & travelling | 1,244 | 500 | - | - | - | 500 | 1,744 | 1,082 |
| Utilities | - | - | - | 17,187 | - | 17,187 | 17,187 | 16,027 |
| Total cost of charitable activities | 231,465 | 9,650 | - | 363,756 | 138,941 | 512,347 | 743,812 | 696,464 |

The accompanying notes form an integral part of these financial statements

CASA RAUDHA WOMEN HOME
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

| | 2016 | | | | | | 2015 |
|---|---------------------------------------|---------------------|------------------------|----------------------------|----------------------|---------------------------------|----------------------|
| | Unrestricted General fund \$ | Restricted funds | | | | Total restricted funds \$ | Total funds \$ |
| | | Zakat fund \$ | Building fund \$ | Care & Share fund \$ | Other funds \$ | | |
| EXPENDITURES (continued) | | | | | | | |
| Governance costs | | | | | | | |
| Advertising & promotion | 941 | - | - | - | - | 941 | - |
| Audit Fees | 4,200 | - | - | - | - | 4,200 | - |
| Bank charges | 8,186 | - | - | - | - | 8,186 | 513 |
| Books & periodicals | 81 | - | - | - | - | 81 | - |
| CPF contribution & SDL & penalty | 13,826 | - | - | - | - | 13,826 | - |
| Depreciation | 35,893 | - | - | - | - | 35,893 | 142,465 |
| Financial & accounting services | 13,632 | - | - | - | - | 13,632 | 14,995 |
| Fire insurance | - | - | - | - | - | - | 635 |
| Foreign workers levy | 2,046 | - | - | - | - | 2,046 | 2,001 |
| Gifts & sponsorships | 548 | - | - | - | - | 548 | 419 |
| Insurance | 588 | - | - | - | - | 588 | 928 |
| Meals & refreshments | 2,218 | - | - | - | - | 2,218 | 1,796 |
| Medical expenses | 618 | - | - | - | - | 618 | 162 |
| Office supplies | 1,352 | - | - | - | - | 1,352 | - |
| Other expense | 501 | - | - | - | - | 501 | - |
| Other project expenses | 629 | - | - | - | - | 629 | - |
| Postage, printing & stationery | 2,431 | 450 | - | - | 450 | 2,881 | 2,227 |
| Professional fees | 10,197 | - | - | - | - | 10,197 | - |
| Property, plant & equipment expense off | 2,772 | - | - | - | - | 2,772 | - |
| Rental | - | - | - | 25,982 | - | 25,982 | 25,982 |
| Repair & maintenance | 26,712 | - | - | - | - | 26,712 | 22,279 |
| Resident's expense | 345 | - | - | - | - | 345 | 150 |
| Salaries & bonuses & leave | 113,167 | - | - | - | - | 113,167 | - |
| Staff welfare | 1,793 | - | - | - | - | 1,793 | 783 |
| Subscription | 429 | - | - | - | - | 429 | 217 |
| Telecommunication | 404 | - | - | - | - | 404 | 1,087 |
| Training | 4,033 | - | - | - | - | 4,033 | 559 |
| Transportation & travelling | 1,758 | - | - | - | - | 1,758 | 679 |
| Utilities | 6,138 | - | - | - | - | 6,138 | 3,725 |
| Total governance costs | 255,438 | 450 | - | 25,982 | - | 281,870 | 221,602 |

The accompanying notes form an integral part of these financial statements

CASA RAUDHA WOMEN HOME
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

| | 2016 | | | | | | 2015 |
|------------------------------------|------------------|------------------|-------------|----------------|-------------------|----------------|------------------|
| | Unrestricted | Restricted funds | | | | | Total funds |
| | | General fund | Zakat fund | Building fund | Care & Share fund | Other funds | |
| \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| TOTAL EXPENDITURES | 558,525 | 10,175 | - | 363,756 | 173,584 | 547,515 | 1,106,040 |
| NET INCOME | 268,646 | - | - | 228,278 | 15,965 | 244,243 | 525,679 |
| <u>Reconciliation of funds</u> | | | | | | | |
| Total funds brought forward | 2,731,609 | - | 1,593,946 | 220,577 | 44,076 | 1,858,599 | 4,590,208 |
| Transfers | 1,593,946 | - | (1,593,946) | - | - | (1,593,946) | - |
| Total funds carried forward | 4,594,201 | - | - | 448,855 | 60,041 | 508,896 | 5,103,097 |
| | | | | | | | 4,590,208 |

The accompanying notes form an integral part of these financial statements

CASA RAUDHA WOMEN HOME

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

| | Note | 2016 \$ | 2015 \$ |
|---|------|-------------------------|-------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Net income before tax expense | | 512,889 | 525,679 |
| Adjustments for : | | | |
| Depreciation | 4 | 358,926 | 356,161 |
| Profit income from term deposits | | (43,324) | (15,795) |
| Operating cash flows before changes in working capital | | <u>828,491</u> | <u>866,045</u> |
| Increase in other receivables | | (5,415) | (4,144) |
| Decrease in other payables | | (118,597) | (61,327) |
| NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES | | 704,479 | 800,574 |
| INVESTING ACTIVITIES | | | |
| Purchase of property, plant and equipment | 4 | (19,991) | - |
| Placement of fixed deposits | | 49,770 | (250,000) |
| Profit income from term deposits | | 43,324 | 15,795 |
| NET CASH FLOWS GENERATED FROM / (USED IN) INVESTING ACTIVITIES | | <u>73,103</u> | <u>(234,205)</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | | 777,582 | 566,369 |
| CASH & CASH EQUIVALENTS AT BEGINNING OF YEAR | | 1,041,937 | 475,568 |
| CASH & CASH EQUIVALENTS AT END OF YEAR | 7 | <u><u>1,819,519</u></u> | <u><u>1,041,937</u></u> |

The accompanying notes from part of these statutory financial statements

CASA RAUDHA WOMEN HOME

Notes to the Financial Statements

Accounting policies and explanatory notes to the financial statements for the year ended 31 December 2016

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

1 General information

Casa Raudha Women Home (“the Society”) is registered under the Societies Act, Chapter 311 on 26th February 2008. The Society is domiciled in the Republic of Singapore. Its Unique Entity number (UEN) is T08SS0051C.

The Society is an approved charity under the Charities Act, Cap.37 and an Institution of Public Character (IPC). Its present IPC status is effective from 1 September 2015 to 31 May 2018.

The principal activities of the Society are to provide immediate care, shelter and protection for the abused and homeless women. There have been no significant changes in the nature of these activities.

The postal address of the Society is Jurong Point Post Office, PO Box 455, Singapore 916416.

2 Basis of preparation and accounting policies

Statement of Compliance

The financial statements have been prepared in accordance with the Charities Accounting Standards (CAS) issued by the Accounting Standards Council of Singapore. The Society is also subject to the provisions of the Charities Act, Cap 37.

Basis of Preparation

(i) Functional and presentation currency

The financial statements are expressed in Singapore Dollars (\$), which is the Society’s functional and presentation currency.

(ii) Basis of measurement

The financial statements have been prepared on historical cost convention except as described in the accounting policies that follow.

In the process of applying the Society’s accounting policies in the preparation of financial statements in conformity with CAS requires management to exercise its judgements, certain critical accounting estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources and disclosure of contingent assets and liabilities at the reporting date, and the amounts of income and expenses during the financial year. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Although these estimates are based on Management Committee’s best knowledge of the current events and actions, actual results may ultimately differ from those estimates.

CASA RAUDHA WOMEN HOME

Notes to the Financial Statements

Accounting policies and explanatory notes to the financial statements for the year ended 31 December 2016

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Revenue Recognition

Income (both for income and endowment funds) is recognised in the statement of financial activities when the effect of a transaction or other event results in an increase in the Society's net assets. Income is recognised when the following 3 factors are met:

(i) Entitlement

The Society has control over the rights or other access to the resource, enabling the Society to determine its future application.

(ii) Certainty

It is probable that the income will be received; and

(iii) Measurement

The amount of the income can be measured by the Society with sufficient reliability.

Donations, corporate sponsorship and zakat

Income from donations from individuals, corporate sponsorship and zakat are accounted for when received, except for committed donations and corporate cash sponsorship that are recorded when the commitments are signed.

Grants

Grants including those for the acquisition of property, plant and equipment are recognised as income when there is evidence of entitlement, which will normally exist when the grant is formally expressed in writing. Where entitlement is demonstrable and no conditions are attached, such promises are recognised as income once the criteria of certainty and measurement are met.

Membership fees

Revenue received from fees is recognised on an accrual basis.

Profit from term deposits

Profit from term deposits is recognised on a time proportion basis using the effective profit method.

CASA RAUDHA WOMEN HOME

Notes to the Financial Statements

Accounting policies and explanatory notes to the financial statements for the year ended 31 December 2016

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation. All items of property, plant and equipment are initially recorded at cost.

The initial cost of property, plant and equipment comprises its purchase price, including legal and brokerage fees, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates. It also comprise of any direct attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of property, plant and equipment.

Individual asset items in excess of \$1,000 are capitalised when acquired.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following annual rate is used for the depreciation of property, plant and equipment:

| | |
|------------------------|-----------|
| Leasehold improvements | 9 years |
| Office equipment | 3-5 years |
| Furniture and fittings | 9 years |

The residual values and useful lives of property, plant and equipment are reviewed and adjusted as appropriate, at each statement of financial position date. The effects of any revision of the residual values and useful lives are included in the statement of financial activities for the financial year in which the changes arise.

Fully depreciated assets still in use are retained in the financial statements.

Subsequent expenditure relating to property, plant and equipment that have 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 Society and the cost of the item can be measured reliably. Cost of day-to-day servicing of an item of property, plant and equipment such as repairs and maintenance is normally charged to the statement of financial activities in the period in which the costs are incurred.

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 statement of financial activities.

Financial assets

Classifications

The Society classifies its financial assets in the following categories: loans and receivables. The classification depends on the purpose for which the assets were acquired. Management depends the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

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Notes to the Financial Statements

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Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets, except those expected to be realised later than 12 months after the statement of financial position date which are classified as non-current assets. Loans and receivables comprises of trade and other receivables, fixed deposits and cash and cash equivalents.

Recognition and de-recognition

Financial assets are recognised when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. Usual purchases and sales of financial assets are recognised on trade-date – the date on which the Society commits to purchase or sell the asset.

A financial asset is 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.

Measurement

When financial assets are recognised initially, they are measured at the transaction price excluding transaction costs, if any, which shall be recognised as expenditure immediately in the statement of financial activities.

Impairment

The Society assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired.

An allowance for impairment of loans and receivables, including other receivables, is recognised 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 and investments. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments is considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance for impairment is recognised in the statement of financial activities.

If, in subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to any event occurring after the impairment was recognised, the previously recognised impairment loss will be reversed. Any reversal, however, shall not exceed what the carrying amount would have been had the impairment not been recognised previously. The reversed amount shall be recognised in the statement of financial activities immediately.

Trade and other receivables

Trade and other receivables, excluding prepayments, are initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs are recognised as expenditure in the statement of financial activities. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

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Notes to the Financial Statements

Accounting policies and explanatory notes to the financial statements for the year ended 31 December 2016

Subsequent to initial recognition, trade and other receivables, excluding prepayments, are measured at cost less any accumulated impairment losses. Prepayments are measured at the amount paid less the economic resources received or consumed during the financial period.

Cash and cash equivalents

Cash and cash equivalent comprises of cash at banks, on hand and short-term deposits, highly liquid investments that are readily convertible to known amount of cash which are subject to insignificant risk of changes in value.

Trade and other payables

Trade and other payables, excluding accruals, are recognised at their transaction price excluding transaction costs, if any, at both initial recognition and subsequent measurement. Transaction costs are recognised as expenditure in the statement of financial activities as incurred. Accruals are recognised at the best estimate of the amount payable.

Provision for other liabilities and charges

Provisions are recognised when the Society has a present obligation (legal or constructive) as a result of a past event, it is probable that the Society will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

Operating lease

Leases are classified as operating leases when the lessor effectively retains substantially all the risks and benefits of ownership of the leased item. Operating lease payments are recognised as an expense in the statement of financial activities on a straight-line basis over the lease term.

The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

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Notes to the Financial Statements

Accounting policies and explanatory notes to the financial statements for the year ended 31 December 2016

Expenditures

Expenditures are recognised in the statement of financial activities once the goods or services have been delivered or rendered. Expenditure on performance-related grants are recognised to the extent the specified services or goods have been provided. Expenditures in the statement of financial activities are classified under the costs of generating funds, cost of charitable activities, and governance costs.

Classification

Cost of generating funds

All cost associated with generating income from all sources other than from undertaking charitable activities are included under cost of generating funds.

Cost of charitable activities

All resources applied in undertaking activities to meet the Society's charitable objectives are classified under cost of charitable activities.

Governance costs

Costs incurred in respect of governance arrangements which relate to the general running of the Society, activities that provide the governance infrastructure, which allows the Society to operate, and to generate the information required for public accountability and costs incurred in relation to strategic planning processes that contribute to future development of the Society are classified under governance costs.

Allocation of costs

Where appropriate, expenditures which are specifically identifiable to each costs classifications are allocated directly to the type of costs incurred. Where apportionment between each costs classification is necessary, the following apportionment bases are applied:

- Usage
- Per capita (i.e. on the number of people employed within an activity) ;
- Floor area occupied by an activity; and
- On time basis.

Employee compensation

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Society pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual, or voluntary basis. The Society has no further payment obligations once the contributions have been paid. The Society's contribution to defined contribution plans are recognised as employee compensation expenses when they are due.

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Notes to the Financial Statements

Accounting policies and explanatory notes to the financial statements for the year ended 31 December 2016

Employment leave entitlement

Employment entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date.

Related party

A related party is a person or entity that is related to the Society:

- (a) A person or a close member of that person's family is related to a Society if that person:
 - (i) has control or joint control over the Society;
 - (ii) has significant influence over the Society; or
 - (iii) is a member of the key management personnel of the Society or of a parent of the Society.

- (b) An entity is related to a Society if any of the following conditions applies:
 - (i) The entity and the Society are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) The entity is an associate or joint venture of the Society (or an associate or joint venture of a member of a group of which the Society is a member) and vice versa.
 - (iii) The entity and the Society are joint ventures of the same third party.
 - (iv) The entity is a joint venture of a third entity and the Society is an associate of the third entity and vice versa.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Society or an entity related to the Society. If the Society is itself such a plan, the sponsoring employers are also related to the Society.
 - (vi) The entity is controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a governing board member, trustee or member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Events after reporting date

Post year-end events that provide additional information about the Society's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

3 Critical Accounting Estimates, Assumptions and Judgments

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

CASA RAUDHA WOMEN HOME

Notes to the Financial Statements

Accounting policies and explanatory notes to the financial statements for the year ended 31 December 2016

The Management Committee are of the opinion that there are no critical judgements (other than those involving estimates) that have significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Allowance for impairment of receivables

The Society reviews the adequacy of allowance for impairment of receivables at each closing by reference to the ageing analysis of receivables, and evaluate the risks of collection accordingly to the credit standing and collection history of individual customer. If there are indications that the financial position of a customer has deteriorated resulting in an adverse assessment of his risk profile, an appropriate amount of allowance will be provided.

Estimated useful life of property, plant and equipment

The Society reviews annually the estimated useful lives of property, plant and equipment based on factors such as business plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

4 Property, plant & equipment

| | Leasehold improvements \$ | Office equipment \$ | Furniture and fittings \$ | Total \$ |
|--|---------------------------------|---------------------------|---------------------------------|-------------|
| Cost | | | | |
| Balance as at 1 January 2015 | 3,151,638 | 25,413 | 8,000 | 3,185,051 |
| Additions | - | - | - | - |
| Balance as at 31 December 2015 | 3,151,638 | 25,413 | 8,000 | 3,185,051 |
| Additions | - | 6,295 | 13,696 | 19,991 |
| Balance as at 31 December 2016 | 3,151,638 | 31,708 | 21,696 | 3,205,042 |
| Accumulated Depreciation | | | | |
| Balance as at 1 January 2015 | 1,003,056 | 15,248 | 2,667 | 1,020,971 |
| Charge for the year | 350,182 | 5,082 | 897 | 356,161 |
| Balance as at 31 December 2015 | 1,353,238 | 20,330 | 3,564 | 1,377,132 |
| Charge for the year | 350,182 | 6,342 | 2,402 | 358,926 |
| Balance as at 31 December 2016 | 1,703,420 | 26,672 | 5,966 | 1,736,058 |
| Carrying amount as at 31 December 2016 | 1,448,218 | 5,036 | 15,730 | 1,468,984 |
| Carrying amount as at 31 December 2015 | 1,798,400 | 5,083 | 4,436 | 1,807,919 |

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Notes to the Financial Statements

Accounting policies and explanatory notes to the financial statements for the year ended 31 December 2016

5 Cash and cash equivalents

| | 2016 | 2015 |
|----------------|------------------|------------------|
| | \$ | \$ |
| Fixed deposits | <u>1,750,230</u> | <u>1,800,000</u> |

The fixed deposits yield fixed and bonus profit payments of 0.70 % to 1.35% (2015: 0.40% to 1.80%) per annum and with a maturity period of 6 to 12 months (2015: 6 to 12 months).

6 Other receivables and deposits

| | 2016 | 2015 |
|-------------------|----------------|----------------|
| | \$ | \$ |
| Other receivables | 63,417 | 57,729 |
| Deposits | 42,960 | 43,540 |
| Prepayments | 1,037 | 730 |
| | <u>107,414</u> | <u>101,999</u> |

7 Cash and cash equivalents

| | 2016 | 2015 |
|---------------------|------------------|------------------|
| | \$ | \$ |
| Cash in hand | 1,795 | 1,795 |
| Cash at banks | 590,077 | 565,098 |
| Short-term deposits | <u>1,227,647</u> | <u>475,044</u> |
| | <u>1,819,519</u> | <u>1,041,937</u> |

The short-term deposits yield fixed and bonus profit payments of 0.20% to 1.15% (2015: 0.20% to 1.15%) per annum and with a maturity period of 1 to 3 months (2015: 1 to 3 months).

8 Other payables and accruals

| | 2016 | 2015 |
|-------------------------------------|---------------|----------------|
| | \$ | \$ |
| Accruals | 34,100 | 23,237 |
| Interest income received in advance | 8,950 | 16,101 |
| Grants received in advance | - | 122,309 |
| | <u>43,050</u> | <u>161,647</u> |

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Notes to the Financial Statements

Accounting policies and explanatory notes to the financial statements for the year ended 31 December 2016

9 Funds

| | Unrestricted | | Restricted funds | | | | Total funds |
|--------------------------------|--------------|------------|------------------|-------------------|-------------|------------------------|-------------|
| | General fund | Zakat fund | Building fund | Care & Share fund | Other funds | Total restricted funds | |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance as at 1 January 2015 | 2,442,430 | - | 1,593,946 | - | 28,153 | 1,622,099 | 4,064,529 |
| Net income for the year | 289,179 | - | - | 220,577 | 15,923 | 236,500 | 525,679 |
| Transfers | - | - | - | - | - | - | - |
| Balance as at 31 December 2015 | 2,731,609 | - | 1,593,946 | 220,577 | 44,076 | 1,858,599 | 4,590,208 |
| Net income for the year | 268,646 | - | - | 228,278 | 15,965 | 244,243 | 512,889 |
| Transfers | 1,593,946 | - | (1,593,946) | - | - | (1,593,946) | - |
| Balance as at 31 December 2016 | 4,594,201 | - | - | 448,855 | 60,041 | 508,896 | 5,103,097 |

CASA RAUDHA WOMEN HOME

Notes to the Financial Statements

Accounting policies and explanatory notes to the financial statements for the year ended 31 December 2016

9 Funds (continued)

Unrestricted – General fund

Unrestricted general funds are expendable at the discretion of the management committee in furtherance of the Society's objects.

Restricted funds

Restricted funds are funds subject to specific trusts, which maybe declared by the donor(s) or with their authority or created through legal process, but still within the wider objects of the Society.

As at reporting date, the Society has the following restricted funds:

Zakat fund

This represents obligatory contributions received from Muslims.

Zakat received is allocated to four asnaf i.e. fisabillillah (in the way of God), fakir (poverty stricken), miskin (poor), and riqab (individuals needing scholarships, grants, bursaries).

Building fund

The fund was raised to meet with the improvement works on the existing 4-storey building and to refurbish it with furniture and fittings in order to meet with Building Control Authority criteria and allow occupancy for the Society's beneficiaries.

Care and Share fund

The Care and Share fund is a matching grant of one dollar for every donation dollar raised by the centre provided by the Government in celebration of SG50 to build capabilities and capacities of the social service sector.

Other funds

This fund was established to assist women to take up self-development courses/life skills that could improve their lives and to also assist their children in their studies and moral development.

Unless specifically indicated, fund balances are not represented in any specific accounts, but are represented by all assets and liabilities of the Society.

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Notes to the Financial Statements

Accounting policies and explanatory notes to the financial statements for the year ended 31 December 2016

10 Transfers between funds

The cost of the leasehold improvements, which were funded by grants and donations received for the Building fund, were transferred to unrestricted – General fund upon completion of the leasehold improvements by end of the reporting periods. Depreciation relating to the leasehold improvements has been charged against the General fund to reduce the balance of the fund over the useful life of the leasehold improvements.

Based on the conditions specified in the Society's appeal letters to their donors, any balance remaining in the Building fund will subsequently be channelled to Unrestricted – General fund to support the Society's daily operations and its residents. This will be done once the total costs of the leasehold improvements had been finalised and agreed upon.

During the financial period, the Management Committee resolved and passed a Resolution dated 28th May 2016 unanimously in agreement to the closure of the Building fund as the total costs of the leasehold improvements had been finalised and completed. It was agreed to transfer the balance of the Building fund to the Unrestricted – General fund to be utilised for general operating and overhead expenses.

11 Related party transactions

Parties are considered related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related party if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Society and related parties at terms agreed between the parties:

Significant transactions with related parties:

| | 2016 | 2015 |
|--|-------|-------|
| | \$ | \$ |
| Donations from CuRo | 1,000 | - |
| Commission for donations received through CuRo | - | 7,100 |

12 Key management personnel compensation

Key management personnel refers to the Manager of the Society who is the spouse of the President of the Society. Included in the staff salaries and related costs are the compensation of the key management personnel, as follows:

| | 2016 | 2015 |
|-------------------------------|---------------|---------------|
| | \$ | \$ |
| Short-term benefits | | |
| - Staff salary and bonuses | 78,883 | 67,969 |
| Defined contribution plans | | |
| - Employer's CPF contribution | 11,072 | 10,094 |
| | <u>89,955</u> | <u>78,063</u> |

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Notes to the Financial Statements

Accounting policies and explanatory notes to the financial statements for the year ended 31 December 2016

The number of key management personnel in remuneration bands is as follows:

| | 2016 | 2015 |
|--------------------------------|------|------|
| Remuneration band | | |
| Between \$50,000 to \$100,000 | 1 | 1 |
| Between \$100,001 to \$150,000 | - | - |

12 Employee benefits

| | 2016 | 2015 |
|-------------------------------|----------------|----------------|
| | \$ | \$ |
| Short-term benefits | | |
| - Staff salary and bonuses | 214,594 | 181,006 |
| - Medical fees | 1,034 | 351 |
| | <u>215,628</u> | <u>181,357</u> |
| Defined contribution plans | | |
| - Employer's CPF contribution | 26,710 | 26,547 |
| | <u>242,338</u> | <u>207,904</u> |

13 Loans

During the financial year, no loans were given to any employee, management committee member or any other parties.

14 Tax-exempt receipts

During the financial year, the Society issued tax-exempt receipts for donations collected amounting to \$203,904 (2015: \$200,594).

15 Income tax

The Society is an approved charity organisation under the Charities Act, Chapter 37. It is also an IPC under the Income Tax Act, Chapter 134. No provision for taxation has been made in the financial statements as the Society is exempt from income tax in accordance with the provisions of the Income Tax Act, Chapter 134.

16 Operating lease commitments

At the end of the financial year, the Society was committed to making the following lease rental payments under non-cancellable operating leases for office premises:

| | 2016 | 2015 |
|--|---------|---------|
| | \$ | \$ |
| Not later than one year | 216,515 | 173,212 |
| Later than one year but not later than 5 years | 346,423 | 43,302 |

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Notes to the Financial Statements

Accounting policies and explanatory notes to the financial statements for the year ended 31 December 2016

17 Donations/grants and sponsorship to other charities

The Society did not provide any donations/grants and sponsorship to other charities during the financial year.

18 Fund raising income and expenses

| | 2016 | 2015 |
|--|----------|----------|
| | \$ | \$ |
| Gross donations | 120,490 | 74,168 |
| Direct cost of fundraising expenses | (27,217) | (12,720) |
| | <hr/> | <hr/> |
| Percentage of direct fundraising expenses over gross donations | 22.59% | 17.15% |

19 Overseas expenses

Included in the statement of financial activities are expenditures spent overseas as follows:

| | 2016 | 2015 |
|--|--------|-------|
| | \$ | \$ |
| Training costs | 4,673 | - |
| Support costs (Air fare, accommodation, insurance, food and transport) | 14,714 | - |
| | <hr/> | <hr/> |

20 Contingent liability

The Society has leases office premise where its lease requires it to reinstate the premise at the end of the lease. The eventual costs relate to the restoration of the alterations made to the premise.

As at reporting date, contingent liability is not recognised in the Statement of Financial Position because there is significant uncertainty at that date as to the necessity for the Society to make payments in respect of them.

21 Comparative Figures

The comparative figures presented in the financial statements have been audited by another auditor whose report dated 18 March 2016 expressed an unqualified opinion on those financial statements.

22 Authorisation of financial statements

The financial statements of the Casa Raudha Women Home (the "Society") for the financial year ended 31 December 2016 were authorised for issue in accordance with a resolution of the Management Committee on 3 March 2017.