

Financial Statements

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

Statement by Executive Committee and Financial Statements

For the Reporting Year Ended 31 March 2016

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

CONTENTS

| | Page No |
|---|---------|
| General Information | 57 |
| Statement by Executive Committee | 57 |
| Independent Auditor's Report | 58 |
| Statement of Financial Activities | 59 |
| Statement of Changes in Accumulated Funds | 60 |
| Statement of Financial Position | 60 |
| Statement of Cash Flows | 61 |
| Notes to the Financial Statements | 62 |

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
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GENERAL INFORMATION

Executive Committee Members

| | |
|-------------------------|-------------------------|
| Mr. Chan Chee Keong | President |
| Dr. Francis C. Chen | Emeritus President |
| Mr. Winston Wong | Vice President |
| Dr. Victor Tay Kah Soon | Vice President |
| Mrs. Ruby Cheah | Hon Secretary |
| Mr. Gwee Sze Chuan | Hon Treasurer |
| Mr. Tan Cheen Chong | Hon Assistant Treasurer |
| Ms. Annabel Moore | Committee Member |
| Mr. Leonard Lim | Committee Member |
| Mr. Royce Seah | Committee Member |
| Ms. Seet Chor Hoon | Committee Member |

Address

900 New Upper Changi Road
Singapore 467354

Independent Auditor

RSM Chio Lim LLP

Principal Banker

DBS Bank Ltd

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

STATEMENT BY EXECUTIVE COMMITTEE

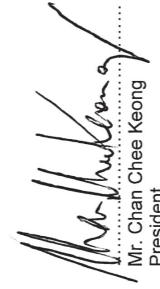
The Executive Committee is responsible for the fair presentation of the financial statements of the Association For Persons With Special Needs ("the Association") in accordance with the provisions of the Charities Act, Chapter 37, the Societies Act, Chapter 311 and Singapore Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in circumstances.

In our opinion:

- (a) the accompanying statement of financial activities, statement of changes in accumulated funds, statement of financial position, statement of cash flows and notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Association as at 31 March 2016 and of the results, changes in accumulated funds and cash flows of the Association for the reporting year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

The Executive Committee approved and authorised these financial statements for issue.

On behalf of the Executive Committee


Mr. Chan Chee Keong
President


Mr. Gwee Sze Chuan
Honorary Treasurer

Singapore

3 August 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS (Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311) (UEN : S75SS0058K)

Report on the financial statements

We have audited the accompanying financial statements of the Association For Persons With Special Needs (the "Association") which comprise the statement of financial position as at 31 March 2016, and the statement of financial activities, statement of changes in accumulated funds and statement of cash flows for the reporting year then ended, and significant accounting policies and other explanatory information.

Executive committee's responsibility for the financial statements

The Executive Committee is responsible for the preparation and fair presentation of these financial statements in accordance with the Singapore Financial Reporting Standards, the Societies Act, Chapter 311 (the "Society Act"), and the Singapore Charities Act, Chapter 37 (the "Charities Act") and for such internal control as the Executive Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial statements 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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS (Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311) (UEN : S75SS0058K)

- 2 -

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the Singapore Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Association as at 31 March 2016 and the results, changes in accumulated funds and cash flows of the Association for the reporting year ended on that date.

Reporting on other legal and regulatory requirements

In our opinion: (a) the accounting and other records required by the regulations enacted under the Societies Act to be kept by the Association have been properly kept in accordance with those regulations; and (b) the fund-raising appeals held during the reporting year have been carried out in accordance with regulation 6 of the Societies Regulations issued under the Societies Act 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 reporting year:

- The use of the donation moneys was not in accordance with the objectives of the Association as required under regulation 16 of the Charities (Institutions of a Public Character) Regulations; and
- The Association has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

3 August 2016

Partner in charge of audit: Chan Sek Wai
Effective from reporting year ended 31 March 2013

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS (Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311) (UEN : S75SS0058K)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE REPORTING YEAR ENDED 31 MARCH 2016

| | Notes | 2016 | 2015 |
|---|-------|---------------------|---------------------|
| | | \$ | \$ |
| INCOMING RESOURCES | | | |
| Amortisation of deferred capital grants | 18 | 1,101,829 | 998,561 |
| Donations | | | |
| - Designated donations & grants | 17 | 1,804,829 | 1,276,841 |
| - General donations | | 7,600 | 179,515 |
| - Donation in kind | | 240,045 | 146,483 |
| Grant from MSF | | | |
| - HR development funding | | 58,846 | 37,500 |
| - Operating grants | 4 | 574,893 | 558,853 |
| - Land rental / TOL grants | | 245,920 | 268,337 |
| Grant from MOE | | | |
| - Operating grants | 4 | 18,011,554 | 15,002,294 |
| - MOE special purpose grants | 5 | 869,134 | 784,825 |
| - MOE funds | 14 | 1,285,580 | 1,197,014 |
| - Land rental / TOL grants | | 2,323,100 | 2,317,150 |
| Grant from NCS | 4 | 7,723,694 | 6,599,851 |
| Interest income | | 120,719 | 89,061 |
| Miscellaneous income | | 18,964 | 23,086 |
| Programme / school fees | | | |
| - Local students | | 327,004 | 343,649 |
| - Foreign students | | 185,238 | 252,729 |
| Programme sales and services | | | |
| Programme sales and services (Designated) | 17 | 76,367 | 134,161 |
| Rental income from investment properties | 9 | 78,000 | 65,000 |
| Trust fund income | 15 | 2,543,744 | 1,420,010 |
| Total incoming resources | | 37,710,062 | 31,787,594 |
| Less: Total resources expended - See page 59 | | (32,374,700) | (28,982,521) |
| Surplus for the year | | 5,335,362 | 2,805,073 |
| Add / (Less): Transfer from / (to) | | | |
| - Designated donations | 17 | (629,880) | (516,049) |
| - MOE funds | 14 | 81,690 | (48,639) |
| - Trust funds | 15 | (675,755) | (537,584) |
| Net surplus transferred to accumulated funds | | 4,111,417 | 1,702,801 |

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

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS (Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311) (UEN : S75SS0058K)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE REPORTING YEAR ENDED 31 MARCH 2016

| | Notes | 2016 | 2015 |
|---|-------|-------------------|-------------------|
| | | \$ | \$ |
| Resources expended | | | |
| Audit fee | | 62,059 | 41,455 |
| Bank charges | | 5,281 | 4,969 |
| Client allowance | | 59,081 | 82,236 |
| Communication and postages | | 73,871 | 60,747 |
| Depreciation of property, plant and equipment | 8 | 1,674,957 | 1,476,697 |
| Depreciation of investment properties | 9 | 36,658 | 36,658 |
| Designated donation expenses | 17 | 1,251,316 | 894,953 |
| Donation in kind expenses | | 239,945 | 149,483 |
| Educational and teaching materials | | 366,141 | 308,064 |
| Employee salaries and benefit expenses | 6 | 21,099,408 | 19,041,372 |
| General insurance | | 29,202 | 37,645 |
| Ingredients and materials | | 46,795 | 69,167 |
| Land rental | 27b | 2,569,215 | 2,585,672 |
| License fee | | 1,025 | 1,226 |
| Loss on disposal of plant and equipment | | 8,875 | 534 |
| Maintenance of equipment and vehicle | | 231,263 | 206,278 |
| Maintenance of premises | | 403,880 | 390,509 |
| Membership fees | | 5,018 | 3,071 |
| MOE fund expenses | 14 | 1,367,270 | 1,148,375 |
| Professional fees | | 20,030 | 20,613 |
| Property tax | | 4,960 | 9,053 |
| Purchase of contract services | | 304,507 | 287,389 |
| Rental of equipment | | 52,015 | 34,693 |
| School fees uncollectible written-off | 27a | 1,128 | 2,912 |
| School functions and activities | | 507,633 | 543,105 |
| School breakfast programme | | 24,815 | 15,585 |
| SPED financial assistance scheme | | 142,067 | 128,902 |
| Small equipment and furniture | | 80,810 | 50,906 |
| Staff recruitment expenses | | 4,924 | 8,169 |
| Staff training & development | | 50,640 | 47,589 |
| Staff transport expenses | | 30,112 | 35,471 |
| Staff welfare expenses | | 372,312 | 354,629 |
| Stamp duties and processing fees | | 12,188 | 8,465 |
| Stationery and supplies | | 202,572 | 189,410 |
| Trust fund expenses | 15 | 1,867,989 | 882,426 |
| Transport subsidy for students | | 68,636 | 90,582 |
| Utilities | | 354,770 | 409,197 |
| Written off - inventories | | - | 1,744 |
| Utilisation of funds | 7 | (1,258,668) | (677,430) |
| Total resources expended | | 32,374,700 | 28,982,521 |

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

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
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STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

| | 2016 | 2015 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Balance at beginning of the year | 21,055,966 | 19,427,927 |
| Net surplus for the year | 4,111,417 | 1,702,801 |
| Add / (Less): | | |
| Prior year under / (over) funding from NCSS and MSF | 23,243 | (74,762) |
| Balance at end of year | <u>25,190,626</u> | <u>21,055,966</u> |

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

| | 2016 | 2015 |
|---------------------------------|-------------------|-------------------|
| | \$ | \$ |
| Non-current assets | | |
| Property, plant and equipment | 1,159,493 | 1,570,338 |
| Investment properties | 2,117,367 | 2,154,025 |
| Total non-current assets | <u>3,276,860</u> | <u>3,724,363</u> |
| Current assets | | |
| Inventories | 40,724 | 54,311 |
| Other receivables | 341,474 | 376,591 |
| Other assets | 622,822 | 727,284 |
| Net amount due from grantors | 434,831 | 116,370 |
| Cash and cash equivalents | 33,233,802 | 27,613,952 |
| Total current assets | <u>34,673,653</u> | <u>28,888,508</u> |
| Total assets | <u>37,950,513</u> | <u>32,612,871</u> |

Represented by:

Restricted funds

| | | |
|--------------------------------|-------------------|-------------------|
| Accumulated funds | | |
| Centre for Adults | 746,814 | 779,602 |
| Chaoyang School | 4,533,175 | 3,234,555 |
| Katong School | 3,205,568 | 2,539,429 |
| Tanglin School | 4,343,222 | 4,007,402 |
| Delta Senior School | 11,386,357 | 9,734,869 |
| Headquarter | 930,356 | 739,413 |
| APSN SCC | 45,134 | 20,696 |
| Total accumulated funds | <u>25,190,626</u> | <u>21,055,966</u> |

Other restricted funds

| | | |
|-------------------------------------|-------------------|-------------------|
| MOE funds | 750,032 | 833,917 |
| Trust funds | 1,802,773 | 1,124,823 |
| Association building fund | 204,931 | 204,931 |
| Refurbishment fund | 80,027 | 80,027 |
| School building fund | 3,953 | 3,953 |
| Total other restricted funds | <u>2,841,716</u> | <u>2,247,651</u> |
| Total restricted funds | <u>28,032,342</u> | <u>23,303,617</u> |

Unrestricted funds

| | | |
|---------------------------------|-------------------|-------------------|
| Designated donation funds | 4,068,465 | 3,438,585 |
| Total unrestricted funds | <u>4,068,465</u> | <u>3,438,585</u> |
| Total funds | <u>32,100,807</u> | <u>26,742,202</u> |

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

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ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
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STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

| | 2016 | 2015 |
|--------------------------------------|-------------------|-------------------|
| | \$ | \$ |
| Non-current liabilities | | |
| Deferred capital grants | 2,643,476 | 3,038,725 |
| Provision, non-current | 41,588 | 58,270 |
| Total non-current liabilities | <u>2,685,064</u> | <u>3,096,995</u> |
| Current liabilities | | |
| Other creditors and accruals | 3,066,049 | 2,621,721 |
| School fees received in advance | 81,700 | 85,376 |
| Provision, current | - | 41,588 |
| AFID conference fund | 16,893 | 24,989 |
| Total current liabilities | <u>3,164,642</u> | <u>2,773,674</u> |
| Total liabilities | <u>5,849,706</u> | <u>5,870,669</u> |
| Total funds and liabilities | <u>37,950,513</u> | <u>32,612,871</u> |

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

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

STATEMENT OF CASH FLOWS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

| | 2016 | 2015 |
|--|--------------------|--------------------|
| | \$ | \$ |
| Cash flows from operating activities | | |
| Net surplus for the year | 4,111,417 | 1,702,801 |
| Adjustments for: | | |
| Depreciation of plant and equipment | 1,674,957 | 1,476,697 |
| Depreciation of investment properties | 36,658 | 36,658 |
| Prior years under / (over) funding from NCSS and MSF | 23,243 | (74,762) |
| Amortisation of deferred capital grants | (1,101,829) | (988,561) |
| Interest income | (120,719) | (89,061) |
| Loss on disposal of plant and equipment | 8,875 | 534 |
| Surplus before changes in working capital | 4,632,602 | 2,054,306 |
| Inventories | 13,587 | (12,207) |
| Other receivables | 35,117 | (131,868) |
| Other assets | 104,462 | (29,595) |
| Other creditors and accruals | 444,328 | 896,322 |
| Provision for reinstatement | (58,270) | - |
| School fees received in advance | (3,676) | (18,574) |
| Amount due to grantors | (318,461) | 929,039 |
| Net cash flows from operating activities | <u>4,849,689</u> | <u>3,687,426</u> |
| Cash flows from investing activities | | |
| Purchase of plant & equipment | (1,344,481) | (1,115,691) |
| Receipt from disposal of plant and equipment | 71,494 | 118 |
| Interest income | 120,719 | 89,061 |
| Net cash flows used in investing activities | <u>(1,152,268)</u> | <u>(1,026,512)</u> |
| Cash flows from financing activities | | |
| Net payment in AFID conference fund | (8,096) | (2,056) |
| Gross receipt in deferred capital grants | 706,580 | 2,686,098 |
| Cash restricted in use | 30 | 30 |
| Net (payment) receipt in MOE funds | (81,690) | 537,584 |
| Net receipt in trust funds | 675,755 | 48,639 |
| Net payment in association building fund | - | (2,190,683) |
| Net receipt in designated donation fund | 629,880 | 561,715 |
| Net payment in refurbishment fund | - | (45,666) |
| Net cash flows from financing activities | <u>1,922,459</u> | <u>1,595,661</u> |
| Net increase in cash and cash equivalents | 5,619,880 | 4,256,575 |
| Cash and cash equivalents, statement of cash flows, Beginning balance | 27,445,236 | 23,188,661 |
| Cash and cash equivalents, statement of cash flows, Ending balance (Note 13a) | <u>33,065,116</u> | <u>27,445,236</u> |

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

1. Association information

The Association for Persons with Special Needs ("APSN" or the "Association") is registered in Singapore on 12 December 1975 under the Societies Act, Cap 311. The Association is also a charity registered under the Charities Act, Cap 37 and is an approved Institution of Public Character ("IPC") under the Singapore Income Tax Act, Cap 134. The financial statements are presented in Singapore dollar.

The principal activities of the APSN are to provide education and training to persons with mild intellectual disability so that they have the necessary skills, attitude and personality to lead normal independent lives in adulthood.

The Association is situated in Singapore and has its head office at 900 New Upper Changi Road Singapore 467354.

There are 1,217 (2015:1,194) students and clients, and 390 (2015:366) staff as at end of the reporting year.

The financial statements include the state of affairs and the results of the APSN and the following:

Chaoyang School ("CYS")
Katong School ("KS")
Tanglin School ("TS")
Delta Senior School ("DSS")
Centre for Adults ("CFA")
APSN Student Care Centre ("APSN SCC")

Chaoyang School, Katong School, Tanglin School and Delta Senior School are registered under Ministry of Education ("MOE") and APSN Student Care Centre is registered under Ministry of Social and Family Development ("MSF"). Centre for Adults is operated as a division of APSN.

The financial statements of APSN for the reporting year ended 31 March 2016 are authorised for issuance by the executive committee on the date of the statement by the executive committee.

The Constitution of the Association restricts the use of fund monies to the furtherance of the objective of the Association, and prohibits the payment of dividends.

Accounting convention

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS"), as well as all related interpretation to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council. The Association is also subject to the provisions of the Charities Act, Cap. 37. The financial statements are prepared on a going concern basis under the historical cost convention except where an FRS require an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in FRSs may not be applied when the effect of applying them is immaterial. The disclosures required by FRSs need not be made if the information is immaterial. Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in the income statement, as required or permitted by FRS. Reclassification adjustments are amounts reclassified to profit or loss in the income statement in the current period that were recognised in other comprehensive income in the current or previous periods.

Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the Executive Committee to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reporting period. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, the Executive Committee has made judgements in the process of applying the Association's accounting policies. The areas requiring the Executive Committee most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Income recognition

Income including donations, gifts and grants that provide core funding or are of general nature are recognised where there is (a) entitlement (b) certainty and (c) sufficient reliability of measurement. Such income is only deferred when: the donor specifies that the grant or donations must only be used in future accounting periods; or the donor has imposed conditions which must be met before the Association has unconditional entitlement.

(a) Grants

Grants to cover a particular expenditure or programme are accounted for as incoming resources upon receipt of notification of the grant award, which normally coincides with the year when the related expenses, for which the grant is intended to cover, are incurred. The corresponding asset (grants receivable account) is also recognised then. Grants received for the purchase of depreciable assets and refurbishment for school is taken to the deferred capital grants account. The deferred grants are recognised in the statement of financial activities over the years necessary to match the depreciation of assets to which the grants relate. A government grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. Grants and government subvention receipts in recognition of specific expenses are recognised as income to match them with the related costs that they are intended to compensate.

Under the conditions of grant received, over or under funding from National Council of Social Services ("NCSS"), Tote Board, Ministry of Social and Family Development ("MSF") and Ministry of Education ("MOE") are refundable to or from NCSS, Tote Board, MSF and MOE.

(b) Donations and corporate sponsorship

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

(c) Rendering of services

Rendering of services including school fees that are of short duration is recognised when the services are completed.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Income recognition (cont'd)

(d) Fund raising

Revenue from special event is recognised when the event takes place.

(e) Other income

Interest income is recognised on a time-proportion basis using the effective interest rate that takes into account the effective yield on the asset. The income from sale of education materials and uniforms is recognised when significant risks and rewards are transferred to the buyer, the amount of income and cost incurred or to be incurred in respect of the transaction can be measured reliably.

Gifts in kind

A gift in kind is included in the statement of financial activities based on an estimate of the fair value at the date of the receipt of the gift of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised if the amount of the gift can be measured reliably and there is no uncertainty that it will be received.

Employee benefits

Contributions to defined contribution retirement benefit plans are recorded as an expense as they fall due. The Association's legal or constructive obligation is limited to the amount that it is obliged to contribute to an independently administered fund which is the Central Provident Fund in Singapore (a government managed retirement benefit plan). For employee leave entitlement, the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the Association is contractually obliged or where there is constructive obligation based on past practice.

Income tax

As a charity, the Association is exempt from tax on income and gains falling within section 13U(1) of the Income Tax Act to the extent that these are applied to its charitable objects. No tax charges have arisen in the Association.

Foreign currency transactions and functional currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the Association operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. The presentation is in the functional currency.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in the statement of financial activities. The residual value and the useful life of an asset is reviewed at least at each end of reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Items costing \$1,000 or less are expensed off in the year of acquisition to the statement of financial activities.

Cost also includes acquisition cost, any cost 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. Subsequent cost are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of financial activities when they are incurred.

Cost includes the initial estimate of the costs of dismantling and removing the item and restoring it at the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. See Note 21 on provision.

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives:

| | |
|---------------------------------|---------|
| Freehold building improvement | 5 years |
| Leasehold improvement | 3 years |
| Furniture, fittings & equipment | 5 years |
| Computers | 1 year |
| Software | 1 year |
| Motor vehicles | 5 years |

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle.

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

Fully depreciated assets are maintained at a nominal value of \$1 until they are no longer in use when they are written off.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Investment property

Investment property is property (land or a building or part of a building or both) owned or held under a finance lease to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business. It includes an investment property in the course of construction. After initial recognition at cost including transaction costs the cost model is used to measure the investment property using the treatment for property, plant and equipment, that is, at cost less any accumulated depreciation and any accumulated impairment losses. An investment property that meets the criteria to be classified as held for sale is carried at the lower of carrying amount and fair value. For disclosure purposes, the fair values are measured periodically on a systematic basis at least once yearly by management or by external independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The annual rates of depreciation are as follows:

Freehold building (exclude Land) – 50 years

Reserves management

The reserve of the Association is mainly the accumulated fund. APSN Executive Committee's objective is to maintain an optimal balance in the accumulated fund to support the continuity of the activities of the Association and for future developments of the Schools and Centre for Adults. The Executive Committee monitors the level of the funds for working capital flexibility.

There were no changes in the Executive Committee's approach to reserve management during the year. The Association is not subject to externally imposed capital reserve requirements.

Leases

Leases are classified as finance leases if substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases. At the commencement of the lease term, a finance lease is recognised as an asset and as a liability in the statement of financial position at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each measured at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine, the lessee's incremental borrowing rate is used. Any initial direct costs of the lessee are added to the amount recognised as an asset. The excess of the lease payments over the recorded lease liability are treated as finance charges which are allocated to each reporting year during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the reporting years in which they are incurred. The assets are depreciated as owned depreciable assets. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. For operating leases, lease payments are recognised as an expense in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Lease incentives received are recognised in statement of financial activities as an integral part of the total lease expense.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Leases (cont'd)

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Impairment of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through the statement of financial activities to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in the statement of financial activities. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. When the fair value less costs to sell method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial assets

Initial recognition, measurement and derecognition:

A financial asset is recognised on the statement of financial positions when, and only when, the Association becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss is expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based on the derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control. Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial assets (cont'd)

Subsequent measurement based on the classification of the financial assets in one of the following four categories under FRS 39 is as follows:

- Financial assets at fair value through profit or loss: As at end of the reporting year date, there were no financial assets classified in this category.
- Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a loss event) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically the trade and other receivables are classified in this category.
- Held-to-maturity financial assets: As at end of the reporting year date, there were no financial assets classified in this category.
- Available for sale financial assets: As at end of the reporting year date, there were no financial assets classified in this category.

Cash and cash equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand (if any) that form an integral part of cash management.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial liabilities

Initial recognition, measurement and derecognition:

A financial liability is recognised on the statement of financial position when, and only when, the Association becomes a party to the contractual provisions of the instrument and it is derecognised when the obligation specified in the contract is discharged or cancelled or expired. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit or loss is expensed immediately. The transactions are recorded at the trade date. Financial liabilities including bank and other borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

- Liabilities at fair value through profit or loss: Liabilities are classified in this category when they are incurred principally for the purpose of selling or repurchasing in the near term (trading liabilities) or are derivatives (except for a derivative that is a designated and effective hedging instrument) or have been classified in this category because the conditions are met to use the "fair value option" and it is used. Financial guarantee contracts if significant are initially recognised at fair value and are subsequently measured at the greater of (a) the amount determined in accordance with FRS 37 and (b) the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with FRS 18. All changes in fair value relating to liabilities at fair value through profit or loss are charged to profit or loss as incurred. As at end of the reporting year, there were no financial liabilities classified in this category.
- Other financial liabilities: All liabilities, which have not been classified in the previous category fall into this residual category. These liabilities are carried at amortised cost using the effective interest method. Trade and other payables and borrowings are usually classified in this category. Items classified within current trade and other payables are not usually re-measured, as the obligation is usually known with a high degree of certainty and settlement is short-term.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Fair value measurement

Fair value is taken to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. When measuring fair value, management uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value. In making the fair value measurement, management determines the following: (a) the particular asset or liability being measured (these are identified and disclosed in the relevant notes below); (b) for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis; (c) the market in which an orderly transaction would take place for the asset or liability; and (d) the appropriate valuation techniques to use when measuring fair value. The valuation techniques used maximise the use of relevant observable inputs and minimise unobservable inputs. These inputs are consistent with the inputs a market participant may use when pricing the asset or liability.

The fair value measurements and related disclosures categorise the inputs to valuation techniques used to measure fair value by using a fair value hierarchy of three levels. These are recurring fair value measurements unless stated otherwise in the relevant notes to the financial statements. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The level is measured on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year. If a financial instrument measured at fair value has a bid price and an ask price, the price within the bid-ask spread or mid-market pricing that is most representative of fair value in the circumstances is used to measure fair value regardless of where the input is categorised within the fair value hierarchy. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

Inventories

Inventories comprising educational materials and uniforms are measured at the lower of cost (first in first out method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write down on cost is made for where the cost is not recoverable or if the selling prices have declined. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes if any by action of the Executive Management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which Executive Committee retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense.

Monies received where the Association is not the owner and beneficiary is accounted for as trust fund. The receipts and payments in respect of trust funds are taken directly to the statement of financial activities and the net assets relating to these funds are shown as separate line in the statement of financial position.

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that 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. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

2B. Critical judgements, assumptions and estimation uncertainties

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

3. Related party relationships and transactions

FRS 24 on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between any member of the group irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

A related party includes the members of the Association's Executive Committee and Management Committee of the respective schools. Key management personnel are the Chief Executive Officer, principals, vice-principals, CFA centre director and heads of department of the Association and respective schools.

It is not the normal practice for the trustees/office bearers, or people connected with them, to receive remuneration, or other benefits, from the Association for which they are responsible, or from institutions connected with the Association.

3A. Expenses incurred by Executive Committee members

There are transactions and arrangements for members of the group and the effects of these on the basis determined between the parties are reflected in these financial statements.

| | 2016 | 2015 |
|--|----------|----------|
| Courses attended by Executive Committee members for the purpose of the Association | \$ 4,653 | \$ 1,201 |

Except for the courses attended and reimbursement of expenses as disclosed, all members of the Executive Committee are volunteers and receive no monetary remuneration for their contributions.

3B. Key management compensation:

| | 2016 | 2015 |
|--|--------------|--------------|
| Salaries and other short-term employees benefits | \$ 3,208,946 | \$ 3,283,543 |

Number of key management in compensation bands:

| | 2016 | 2015 |
|---------------------|------|------|
| \$100,000 and above | 14 | 13 |
| \$100,000 and below | 15 | 19 |

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

3. Related party relationships and transactions (cont'd)

3B. Key management compensation: (cont'd)

Key management personnel are the Chief Executive officer, principals, CFA centre director and heads of department having authority and responsibility for planning, directing and controlling the activities of the Association directly or indirectly. The above amounts for key management compensation are for the Chief Executive Officer, principals, vice-principals, CFA centre director and heads of department of the Association and respective schools.

4. Operating grants received

| | 2016 | 2015 |
|---|------------------|------------------|
| National Council of Social Service ("NCSS") | \$ 6,534,070 | \$ 5,535,414 |
| – Operating grant (NCSS Community Funding for S.E.T.) | 510,146 | 534,428 |
| – Operating grant (Community Chest Funding) | 586,429 | 532,225 |
| – HQ cost allocation | 53,275 | 48,338 |
| – SPED Financial Assistance Scheme – NCSS Share | 39,774 | (50,554) |
| Provision for under (over) funding | <u>7,723,694</u> | <u>6,599,851</u> |

| | | |
|-------------------------------|-------------------|-------------------|
| Ministry of Education ("MOE") | 18,011,554 | 15,002,294 |
| – Operating grants | <u>18,011,554</u> | <u>15,002,294</u> |

Ministry of Social and Family Development ("MSF") /
Community Development Council ("CDC")

| | | |
|--------------------|----------------|----------------|
| – Operating grants | 574,893 | 558,853 |
| | <u>574,893</u> | <u>558,853</u> |

Funding from MOE, NCSS and MSF is on a "per capita" basis based on the number of students / clients enrolled during the year.

Funding for Schools is from MOE and NCSS, for CFA is from NCSS and MSF, and for APSN Student Care Centre ("SCC") is from Community Development Council ("CDC").

5. Special purpose grants

| | 2016 | 2015 |
|--|----------------|----------------|
| MOE Secondment Fund | \$ 241,463 | \$ 198,301 |
| Provision of Administrative Managers | 356,496 | 337,396 |
| SPED Financial Assistance Scheme – MOE Share | 88,792 | 80,565 |
| School Breakfast Programme | 24,815 | 15,585 |
| Contract Teaching Resources | 153,052 | 152,978 |
| Examination Fee Subsidy | <u>4,516</u> | <u>–</u> |
| | <u>869,134</u> | <u>784,825</u> |

9. Investment properties

| | |
|--|------------------|
| At cost | \$ |
| At 1 April 2014 | — |
| Transfer from property under construction (Note 8) | 2,190,683 |
| At 31 March 2015 and 31 March 2016 | <u>2,190,683</u> |
| Accumulated depreciation | |
| At 1 April 2014 | — |
| Charge for the year | 36,658 |
| At 1 April 2015 | 36,658 |
| Charge for the year | 36,658 |
| At 31 March 2016 | <u>73,316</u> |
| Carrying value | |
| At 1 April 2014 | — |
| At 31 March 2015 | <u>2,154,025</u> |
| At 31 March 2016 | <u>2,117,367</u> |

| | |
|--|---------------|
| Fair value for disclosure purposes only: | |
| Fair value at end of the year | 2,129,018 |
| Rental income from investment properties | 78,000 |
| Direct operating expenses (including repair and maintenance) arising from investment properties that generated rental income during the year | <u>17,376</u> |
| | <u>28,145</u> |

The depreciation is charged to total resources expended.

There are no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal.

The investment properties are leased out under operating leases. Also see Note 29 on operating lease income commitments. The management has not entered into contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

The fair value of the investment property was measured at end of reporting year based on direct comparison with recent transactions of comparable properties within the vicinity and elsewhere to reflect the actual market state and circumstances as of the end of the reporting year. The fair value was based on a projection of latest average transaction prices by taking into consideration of the property index published by the Urban Development Authority ("URA"), where the price information was collected from the Singapore property market by the government bodies.

9. Investment properties (cont'd)

For fair value measurements categorised within Level 3 of the fair value hierarchy, a description of the valuation techniques and the significant other observable inputs used in the fair value measurement are as follows:

Assets: 18 Howard Road #06-03 and #06-04 Novelty BizCentre Singapore 369585

Fair value and fair value hierarchy \$2,129,018 (2015: \$2,225,000) Level 3 (2015: Level 3)

– Level: Comparison with market evidence of recent offer to sell prices for similar properties.

Valuation technique for recurring fair value measurements: Price per square meters. 2016: \$10,540 (2015: \$11,015)

Significant observable inputs and range (weighted average): NA.

Relationship of unobservable inputs to fair value: Impact – lower by \$212,902 / higher by \$212,902

Sensitivity on management's estimates – 10% variation from estimate

| | | |
|------------------------------|----------------|----------------|
| 10. Inventories | 2016 | 2015 |
| | \$ | \$ |
| Educational materials | 24,445 | 28,913 |
| Uniforms | 16,279 | 25,398 |
| | <u>40,724</u> | <u>54,311</u> |
| 11. Other receivables | 2016 | 2015 |
| | \$ | \$ |
| Sundry receivables | 323,825 | 319,294 |
| Interest receivable | 17,649 | 57,297 |
| | <u>341,474</u> | <u>376,591</u> |
| 12. Other assets | 2016 | 2015 |
| | \$ | \$ |
| Prepayments | 28,474 | 100,267 |
| Deposits to secure services | 594,348 | 627,017 |
| | <u>622,822</u> | <u>727,284</u> |

13. Cash and cash equivalents

| | | |
|-----------------------|-------------------|-------------------|
| | 2016 | 2015 |
| | \$ | \$ |
| Not restricted in use | 33,065,116 | 27,445,236 |
| Restricted in use | 168,686 | 168,716 |
| Cash at end of year | <u>33,233,802</u> | <u>27,613,952</u> |

Cash restricted in use amounting to \$168,716 (2015: \$168,716) is for grants and donations received inclusive of interest earned for costs related to the erection and extension of Della Senior School's building.

The rate of interest for cash on interest earning balances amounted to \$10,362,436 (2015: \$10,202,751) is between 0.12% and 1.70% (2015: 0.76% and 1.42%) per annum.

13a. Cash and cash equivalents in the statement of cash flows:

| | | |
|---|-------------------|-------------------|
| | 2016 | 2015 |
| | \$ | \$ |
| Amount as shown above | 33,233,802 | 27,613,952 |
| Restricted in use | (168,686) | (168,716) |
| Cash and cash equivalents for statement of cash flows purposes at end of the reporting year | <u>33,065,116</u> | <u>27,445,236</u> |

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

| | 2016 | | | | 2015 | | | |
|--|---------------------|----------------|-------------|----------------------------------|---------------------|----------------|-------------|----------------------|
| | Balance at 1.4.2015 | Funds received | Expenditure | Transfer to Trust Fund (Note 15) | Balance at 1.4.2014 | Funds received | Expenditure | Transfer to/from I&E |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| a) Annual grant for discretionary financial assistance | 12,506 | 103,893 | (96,658) | - | 33,275 | 75,888 | (96,657) | 20,769 |
| b) Additional training vote | 52,000 | 1,773 | (35,479) | - | 30,082 | 74,298 | (52,380) | (21,918) |
| c) Curriculum enhancement fund | 233,672 | 115,503 | (161,133) | (2,195) | 290,369 | 123,366 | (180,063) | 56,697 |
| d) Edusave grant | 39,811 | 65,380 | (52,987) | - | 30,176 | 67,285 | (57,650) | (9,635) |
| e) High needs grant | 38,976 | 272,947 | (255,481) | - | 11,510 | 195,559 | (168,093) | (27,466) |
| f) Opportunity fund | 99,650 | 111,004 | (103,454) | - | 85,386 | 29,460 | (15,196) | (14,264) |
| g) Parents support group grant | 519 | 9,578 | (8,644) | - | 5,094 | 5,056 | (9,631) | 4,575 |
| h) Staff training fund | 196,996 | 178,543 | (175,834) | - | 197,186 | 283,045 | (283,235) | 190 |
| i) SPED innovation award | 13,766 | - | (3,356) | - | 15,253 | 5,000 | (6,487) | 1,487 |
| j) SPED outstanding teacher award | 2,625 | - | - | - | 1,469 | 5,000 | (3,844) | (1,156) |
| k) School based student award | - | 86,800 | (86,800) | - | - | 86,770 | (86,770) | - |
| l) SG50 collaboration fund | 23,516 | 58,848 | (82,364) | - | - | 26,520 | (3,004) | (23,516) |
| m) Vocational preparation grant | 119,880 | - | (34,156) | - | 85,724 | 219,767 | (185,365) | (34,402) |
| n) Public transport subsidy | - | 32,760 | (22,373) | - | - | - | - | - |
| o) ICT tier 3 funding | - | 248,551 | (248,551) | - | - | - | - | - |
| | 833,917 | 1,285,580 | (1,367,270) | (2,195) | 785,278 | 1,197,014 | (1,148,375) | (48,639) |

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

| | |
|---|--|
| 14. MOE funds (cont'd) | 14. MOE funds (cont'd) |
| 14a. Annual grant for discretionary financial assistance | 14k. School based student award |
| This is a fund for students with financial needs. Per announcement at the budget statement on 18 February 2011, all SPED schools will receive a top up fund annually from the MOE for needy students' school fee, transport, meal, medicines and stationery, etc. | This is provided by MOE to SPED students to encourage and recognise their achievements and progress. This award will be given annually to students who are Singapore citizens with good conduct and who meet the school-based criteria for the awards. |
| 14b. Additional training vote | 14l. SG50 collaboration fund |
| The Additional Training Vote (ATV) is for professional development opportunities for SPED teachers to meet their diverse learning needs. | The fund is provided by the Government of the Republic of Singapore as represented by the Ministry of Education in celebrating Singapore 50 years anniversary. |
| 14c. Curriculum enhancement fund | 14m. Vocational preparation grant |
| The Curriculum Enhancement Fund ("CEF") was set up in FY2009/2010 to promote and sustain school initiated efforts in enhancing the quality of the special education curriculum and co-curriculum. The fund is jointly administered by MOE and NCSS. | The Vocational Preparation Grant is for the implementation of vocational preparation in the school. This includes building up school's resources, facilities and manpower capability to support vocational preparation for students aged 13-18 years. |
| 14d. Edusave grant | 14n. Public transport subsidy |
| Edusave fund is a grant from MOE for enrichment programmes, purchase of resource materials and equipment for students. | The transport subsidy is funded by MOE to support the recipients who are under SPED Financial Assistance Scheme (FAS). |
| 14e. High needs grant | 14o. ICT tier 3 funding |
| The High Needs Grant (HNG) for SPED schools has been set up to provide SPED schools with additional resources to support students with exceptionally high needs due to challenging behaviour. | ICT tier 3 funding is from MOE ICT fund. It is to support SPED schools in operationalizing the intent of harnessing ICT as an enabler for teaching and learning effectively. |
| 14f. Opportunity fund | |
| The opportunity fund is a grant from MOE to provide Singapore citizen students from lower income households to enrich their learning and build firm foundation for learning. | |
| 14g. Parent support group grant | |
| This fund aims to enhance its partnership efforts with parents to set up Parent Support Group ("PSG") and / or enhance the parental engagement with schools. | |
| 14h. Staff training fund | |
| This grant from MOE is for training and professional development of staff. | |
| 14i. SPED innovation award | |
| The MOE and NCSS SPED Innovation Award is for school programmes given to Chaoyang School, Tanglin School and Delta Senior School. | |
| 14j. SPED outstanding teacher award | |
| The Outstanding SPED Teacher Award received from MOE is for teachers' professional development. | |

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

| | |
|--|--|
| 14. MOE funds (cont'd) | 14. MOE funds (cont'd) |
| 14k. School based student award | 14k. School based student award |
| This is provided by MOE to SPED students to encourage and recognise their achievements and progress. This award will be given annually to students who are Singapore citizens with good conduct and who meet the school-based criteria for the awards. | This is provided by MOE to SPED students to encourage and recognise their achievements and progress. This award will be given annually to students who are Singapore citizens with good conduct and who meet the school-based criteria for the awards. |
| 14l. SG50 collaboration fund | 14l. SG50 collaboration fund |
| The fund is provided by the Government of the Republic of Singapore as represented by the Ministry of Education in celebrating Singapore 50 years anniversary. | The fund is provided by the Government of the Republic of Singapore as represented by the Ministry of Education in celebrating Singapore 50 years anniversary. |
| 14m. Vocational preparation grant | 14m. Vocational preparation grant |
| The Vocational Preparation Grant is for the implementation of vocational preparation in the school. This includes building up school's resources, facilities and manpower capability to support vocational preparation for students aged 13-18 years. | The Vocational Preparation Grant is for the implementation of vocational preparation in the school. This includes building up school's resources, facilities and manpower capability to support vocational preparation for students aged 13-18 years. |
| 14n. Public transport subsidy | 14n. Public transport subsidy |
| The transport subsidy is funded by MOE to support the recipients who are under SPED Financial Assistance Scheme (FAS). | The transport subsidy is funded by MOE to support the recipients who are under SPED Financial Assistance Scheme (FAS). |
| 14o. ICT tier 3 funding | 14o. ICT tier 3 funding |
| ICT tier 3 funding is from MOE ICT fund. It is to support SPED schools in operationalizing the intent of harnessing ICT as an enabler for teaching and learning effectively. | ICT tier 3 funding is from MOE ICT fund. It is to support SPED schools in operationalizing the intent of harnessing ICT as an enabler for teaching and learning effectively. |

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

| | 2016 | | | | 2015 | | | | | | |
|---|------------------------|-------------------|----------------|-------------------------------------|-------------------------|-------------------------|------------------------|-------------------|----------------|-------------------------|-------------------------|
| | Balance at 1.4.2015 \$ | Funds received \$ | Expenditure \$ | Transfer from MOE fund (Note 14) \$ | Balance at 31.3.2016 \$ | Transfer to/from I&E \$ | Balance at 1.4.2014 \$ | Funds received \$ | Expenditure \$ | Balance at 31.3.2015 \$ | Transfer to/from I&E \$ |
| a) Arts & culture presentation grant | - | - | - | - | - | - | 5,880 | 1,470 | (7,350) | - | 5,880 |
| b) Artist-in-school scheme | 2,142 | 1,281 | (3,423) | - | - | - | - | 5,124 | (2,982) | 2,142 | (2,142) |
| c) Care & share matching grant | 44,173 | 819,194 | (503,501) | - | 359,866 | (315,693) | - | 160,258 | (116,085) | 44,173 | (44,173) |
| d) Children's Charities Association fund | 11,215 | 163,383 | (163,383) | - | 11,215 | - | 11,215 | 115,855 | (115,855) | 11,215 | - |
| e) Community silver trust fund | 1,057,993 | 1,267,719 | (907,461) | - | 1,418,251 | (360,258) | 561,902 | 934,206 | (438,115) | 1,057,993 | (496,091) |
| f) Charities capability fund (VCF) | 320 | 8,880 | (9,200) | - | - | 320 | - | 31,680 | (31,360) | 320 | (320) |
| g) NCSS research study | - | - | - | - | - | - | (2,405) | 2,405 | - | - | (2,405) |
| h) Staff training OFA grant | 1,384 | - | - | - | 1,384 | - | 2,584 | - | (1,200) | 1,384 | 1,200 |
| i) School pocket money | 1,598 | 24,718 | (21,215) | - | 5,101 | (3,503) | 3,232 | 19,566 | (21,200) | 1,598 | 1,634 |
| j) SG Enable – transport assistance scheme | 2,515 | 248,755 | (248,804) | - | 2,466 | 49 | - | 148,606 | (146,091) | 2,515 | (2,515) |
| k) Tote Board arts grant | - | 9,814 | (9,814) | - | - | - | - | 840 | (840) | - | - |
| l) Trailblazer-Chan Chiew Ping special schools fund | 3,483 | - | 1,007 | - | 4,490 | (1,007) | 4,831 | - | (1,348) | 3,483 | 1,348 |
| m) Student curriculum development fund | - | - | (2,195) | 2,195 | - | 2,195 | - | - | - | - | - |
| | 1,124,823 | 2,543,744 | (1,867,989) | 2,195 | 1,802,773 | (675,755) | 587,239 | 1,420,010 | (882,426) | 1,124,823 | (537,584) |

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

- 15. Trust funds (cont'd)**
- 15a. Arts & culture presentation grant**
The Arts & Culture Presentation Grant is to inspire students to continue their interest in the arts beyond their schooling years by giving them the experience of presenting their works to the public.
- 15b. Artist-in-school scheme**
The Artist-in-School Scheme (AISS) supports collaboration between individual schools and local artists/arts educators in developing arts education programmes customised for their students. Its aim is to support arts projects aligned with the school's long term plans of developing a vibrant arts culture. Enhance students' appreciation of the arts and creative thinking process through interactive learning from artists.
- 15c. Care & share matching grant**
The Care & Share Matching Grant, which is given out under the Care and Share movement, is managed by the Ministry of Social and Family Development (MSF). The Grant is targeted at Agencies that provide social services and develop programmes to serve social service beneficiaries better. The allocation is based on \$1-for-\$1 matching for eligible donations raised by Agency up to \$1,000,000.
- 15d. Children's Charities Association fund**
The Children's Charities Association Fund (CCA Fund) is designated for operational costs or to run programmes or projects carried out by schools and CFA, benefiting children up to age of 21 years old. The fund is to be designated for educational programmes, job training, student welfare and enrichment programmes for students. Since 26 May 2011, CFA has been receiving CCA Fund.
- 15e. Community silver trust fund**
This Fund from the Agency for Integrated Care (AIC) is to enhance donations and provide additional resources for services providers in the intermediate and long-term care sector to enhance capabilities and provide value-added services to achieve higher quality care and affordable step down care.
- 15f. Charities capability fund (VCF)**
The Fund is administered by NCSS since 2002. It was launched to strengthen the capabilities of VVOs and to improve social services in Singapore.
- 15g. NCSS research study**
NCSS has appointed APSN to conduct a research study to examine the post-programme experiences and outcomes of persons with mind intellectual disabilities.
- 15h. Staff training OFA grant**
Staff Training Fund under Outcome Funding Agreement (OFA) was given by NCSS to build staff competencies.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

- 15. Trust funds (cont'd)**
- 15i. School pocket money fund**
This represents grants received from NCSS for the welfare of needy students.
- 15j. SG Enable - transport assistance scheme**
This fund aims to reduce the high transport costs for persons with disabilities accessing VVO services on a regular basis.
- 15k. Tote Board arts grant**
The grant aims to develop arts education in SPED. It is used for subsidising performances and Arts Education Programmes approved by the National Arts Council (NAC). The fund can be used for up to 70% of purchase cost, and schools can use their school's other operating expenses (OOE) to co-pay the other 30%.
- 15l. Trailblazer – Chan Chiew Ping special schools fund**
Trailblazer-Chan Chiew Ping Special Schools Fund was set up by Trailblazer Foundation, and administered by NCSS, to provide financial assistance to students affected by the economic downturn.
- 15m. Student curriculum development fund**
This grant is funded by Singapore Sport, a statutory board of the Ministry of Culture, Community and Youth. And its core purpose is to inspire the Singapore spirit and transform Singapore through sport.
- 16. Association building fund**
- | | 2016 \$ | 2015 \$ |
|----------------------------------|---------|-------------|
| Balance at beginning of the year | 204,931 | 2,395,614 |
| Less: Expenditure incurred | - | (2,190,683) |
| Balance at end of the year | 204,931 | 204,931 |

This fund is for the purchase and/or renovation of APSN's premises for its own use and/or as investment to generate rental income and for headquarter relocation expenses.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

| 17. Designated donation funds | 2016 | | | | 2015 | | | | | |
|-------------------------------|------------------------|-------------------|--------------------|-------------------------|-------------------------|------------------------|-------------------|------------------|-------------------------|-------------------------|
| | Balance at 1.4.2015 \$ | Funds Received \$ | Expenditure \$ | Balance at 31.3.2016 \$ | Transfer to/from I&E \$ | Balance at 1.4.2014 \$ | Funds Received \$ | Expenditure \$ | Balance at 31.3.2015 \$ | Transfer to/from I&E \$ |
| a) Designated donation | 2,820,176 | 1,881,196 | (1,248,098) | 3,453,274 | (633,098) | 2,246,178 | 1,411,002 | (882,670) | 2,820,176 | (528,332) |
| b) General purpose fund | 13,478 | - | - | 13,478 | - | 13,478 | - | - | 13,478 | - |
| c) Education fund | 593,748 | - | - | 593,748 | - | 593,748 | - | - | 593,748 | - |
| d) Percussion fund | 11,183 | - | (3,218) | 7,965 | 3,218 | 23,466 | - | (12,283) | 11,183 | 12,283 |
| | <u>3,438,585</u> | <u>1,881,196</u> | <u>(1,251,316)</u> | <u>4,068,465</u> | <u>(629,880)</u> | <u>2,876,870</u> | <u>1,411,002</u> | <u>(894,953)</u> | <u>3,438,585</u> | <u>(516,049)</u> |

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

- 17. Designated donation funds**
- 17a. Designated donation**
The designated donation fund relates to donation received for specific purposes.
- 17b. General purpose fund**
This represents fund retained for general use by the APSN and schools.
- 17c. Education fund**
This fund from CCA and public donations is to be utilised for the education and enrichment programme for students.
- 17d. Percussion fund**
This fund is set up to promote the performing arts in Tanglin School. It provides an opportunity for students to develop their creativity and showcase their musical talents.

- 18. Deferred capital grants**
- | | 2016 \$ | 2015 \$ |
|---|------------------|------------------|
| At cost | | |
| Balance at beginning of the year | 6,198,835 | 4,251,133 |
| Refurbishment of property, purchase of plant and equipment: | | |
| - Grant from MOE, NCSS, MSF, Tote Board, AIC | 676,678 | 349,079 |
| - Public donations | 29,902 | 2,337,019 |
| Amount written off | (3,533,756) | (738,396) |
| Balance at end of the year | <u>3,371,659</u> | <u>6,198,835</u> |
| Accumulated amortisation | | |
| Balance at beginning of the year | 3,160,110 | 2,899,945 |
| Amortisation for the year | 1,101,829 | 998,561 |
| Amount written off | (3,533,756) | (738,396) |
| Balance at end of the year | <u>728,183</u> | <u>3,160,110</u> |
| Carrying value | | |
| Balance at beginning of the year | 3,038,725 | 1,351,188 |
| Balance at end of the year | <u>2,643,476</u> | <u>3,038,725</u> |
- This represents grants and donations utilised for the refurbishment of properties and purchase of plant and equipment.
- The amount written off represents those deferred capital grants which have been fully amortised.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

- 19. Refurbishment fund**
- | | 2016 \$ | 2015 \$ |
|--|---------------|---------------|
| Balance at beginning and end of the year | <u>80,027</u> | <u>80,027</u> |
- The capital asset fund was set up for the refurbishment of Delta Senior School's premises for the purchase of furniture, equipment and computer equipment.
- 20. School building fund**
- | | 2016 \$ | 2015 \$ |
|--|--------------|--------------|
| Balance at beginning and end of the year | <u>3,953</u> | <u>3,953</u> |
- This fund is for the refurbishment of Chaoyang School.
- 21. Provision**
- | | 2016 \$ | 2015 \$ |
|---|---------------|---------------|
| Provision for reinstatement of premises | | |
| Balance at beginning of the year | 99,858 | 133,270 |
| Write back | (58,270) | - |
| Expenditure incurred | - | (33,412) |
| Balance at end of the year | <u>41,588</u> | <u>99,858</u> |
- Presented as:
Provision, current 41,588 58,270
Provision, non-current 41,588 99,858
- The provision is based on the present value of costs to be incurred to remove plant and equipment from leased property. The estimate is based on historical data and the unexpired term is more than 1 year and less than 1 year respectively. The unwinding of discount is not significant.
- 22. AFID conference fund**
- | | 2016 \$ | 2015 \$ |
|----------------------------------|---------------|---------------|
| Balance at beginning of the year | 24,989 | 27,045 |
| Less: Expenditure incurred | (8,096) | (2,056) |
| Balance at end of the year | <u>16,893</u> | <u>24,989</u> |
- This fund was set up from APSN's share of the surplus money from the 19th AFID conference organised jointly by APSN and MINDS in November 2009. Exco approved the fund to be used for APSN sending Board members and volunteers to conferences, study trips and educational activities locally or overseas.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

| | | |
|---|------------------|------------------|
| 23. Other creditors and accruals | 2016 | 2015 |
| | \$ | \$ |
| Accrued operating expenses | 2,784,151 | 2,342,259 |
| Sundry creditors | 281,898 | 279,462 |
| | <u>3,066,049</u> | <u>2,621,721</u> |
| 24. Amount Due from (to) grantors, net | 2016 | 2015 |
| | \$ | \$ |
| Due from (to) NCSS | 7,787 | (28,842) |
| Due from MOE | 285,879 | 174,905 |
| Due to MSF | (11,844) | (64,862) |
| Due from Tote Board | 153,009 | 35,169 |
| Balance at end of the year, net | <u>434,831</u> | <u>116,370</u> |

The amount due (from) to grantors comprises of adjustments and provision for over/ (under) funding in the reporting years.

25. Income tax and tax-exempt receipts

25a. Income tax

The Association is exempted from tax on income and gain falling within section 13U(1) of the Singapore Income Tax Act to the extent that these are applied to its charitable objects. Therefore, no provision for income tax has been made in the financial statements.

25b. Tax-deduction receipts

The Association is an approved Institution of a Public Character whereby public donors are granted 3 times (for the period from 1 January 2015 to 31 December 2015) and 2.5 times (for other periods) tax deductions for donations made to the Association. The current IPC status is granted by the Ministry of Social and Family Development ("MSF") for the period from 1 December 2015 to 28 February 2018.

| | | |
|--|----------------|----------------|
| Tax-deduction receipts issued for donations received/collected during the reporting year | 2016 | 2015 |
| | \$ | \$ |
| | <u>802,513</u> | <u>800,064</u> |

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

| | | |
|---|-------------------|-------------------|
| 26. Financial instruments: Information on financial risks | | |
| 26a. Classification of financial assets and liabilities | | |
| The following table categorises the carrying amount of financial assets and financial liabilities recorded at the end of the reporting year by FRS 39 categories: | 2016 | 2015 |
| | \$ | \$ |
| Financial assets: | | |
| Cash and cash equivalents | 33,233,802 | 27,613,952 |
| Other receivables | 341,474 | 376,591 |
| Amount due from grantors | 434,831 | 116,370 |
| At end of the year | <u>34,010,107</u> | <u>28,106,913</u> |
| Financial liabilities: | | |
| Measured at amortised costs: | | |
| Other creditors and accruals | 3,066,049 | 2,621,721 |
| At end of the year | <u>3,066,049</u> | <u>2,621,721</u> |

Further quantitative disclosures are included throughout these financial statements.

26b. Financial risk management

The main purpose of the financial instruments is to raise and manage finance for the Association's operations. The main risks arising from the Association's financial instruments are credit risk, interest risk and liquidity risk. The financial instruments comprise cash and bank balances, interest bearing fixed deposits, receivables and payables.

The Executive Committee has certain strategies for the management of financial risks. These guidelines set up the short and long term objectives and action to be taken in order to manage the financial risks. The major guidelines are the following:

1. Minimise interest rate, currency, credit and market risk for all kinds of transactions.
2. Maximise the use of "natural hedge"; favouring as much as possible the natural off-setting of payables and receivables denominated in the same currency. The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities for the investments are carried out by the Finance & Investment Sub-Committee.
4. All financial risk management activities are carried out following good market practices.

26c. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include both the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

26. Financial instruments: Information on financial risks (cont'd)

26d. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables. The maximum exposure to credit risk is: the total of the fair value of the financial assets; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any payable commitments at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For credit risk on receivables an ongoing credit evaluation is performed on the financial condition of the debtors and a loss from impairment is recognised in profit or loss. The exposure to credit risk with customers is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by School Management Committee.

As disclosed in Note 13 cash and cash equivalents balances represent short-term deposits with a less than 90-day maturity.

Other receivables are normally with no fixed terms and therefore there is no maturity.

26e. Liquidity risk – Financial liabilities maturity analysis

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. All financial liabilities of the Association are due within one year.

The average credit period taken to settle trade payables is about 30 days (2015: 30 days). The other payables are with short-term durations.

The Association has sufficient cash balances to support cash commitments from their existing liabilities. Accordingly, the Association utilised minimum banking facilities.

26f. Interest rate risk

The interest rate risk exposure is mainly from changes in interest rates on interest bearing fixed deposits. The interest rate risk on financial assets and financial liabilities is not significant.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

27. Operating lease commitments – as lessee

At the end of the reporting year, the totals of future minimum lease payment commitments under non-cancellable operating leases are as follows:

| | | |
|--|------------------|------------------|
| (a) <u>Rental of equipment</u> | 2016 | 2015 |
| | \$ | \$ |
| Within one year | 42,395 | 41,243 |
| After one year but not more than 5 years | 56,802 | 60,342 |
| | <u>99,197</u> | <u>101,585</u> |
| Rental expense for equipment | 52,015 | 34,693 |
| (b) <u>Land rental</u> | | |
| Within one year | 2,601,940 | 2,529,387 |
| After one year but not more than 5 years | 2,854,664 | 1,990,704 |
| | <u>5,456,604</u> | <u>4,520,091</u> |
| Rental expense for land | 2,569,215 | 2,565,672 |

The land rental is payable to the Singapore Land Authority (SLA) / Ministry of Social and Family Development (MSF) for the land / premises occupied by the Schools and Centre for Adults. The average lease term is 3 years. The rental is fully funded and paid by MOE directly to SLA for the Schools and 90% funded and reimbursed by MSF for CFA.

28. Expenditure commitments

At the end of the reporting year, the total of future expenditure commitments under contractual service agreement is as follows:

| | | |
|--|----------------|----------------|
| | 2016 | 2015 |
| | \$ | \$ |
| Not later than one year | 276,642 | 282,064 |
| After one year but not more than 5 years | 5,457 | 217,841 |
| | <u>282,099</u> | <u>499,905</u> |
| Service expenses | 304,507 | 287,389 |

The committed payments are for security services for a period of 2 years effective from 1 January 2015.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING YEAR ENDED 31 MARCH 2016

29. Operating lease income commitments – as lessor

At the end of the reporting year the total of future minimum lease receivables committed under non-cancellable operating leases are as follows:

| | 2016 | 2015 |
|--|----------------|---------------|
| | \$ | \$ |
| Within one year | 72,750 | 78,000 |
| After one year but not more than 5 years | 81,000 | 13,000 |
| | <u>153,750</u> | <u>91,000</u> |
| Rental income for the year | <u>78,000</u> | <u>65,000</u> |

Operating lease income commitments are for the investment properties. The lease rental income terms are negotiated for an average term of 2 years.

30. Capital commitments

Amounts committed at the end of the reporting year for future expenditure but not recognised in the financial statements are as follows:

| | 2016 | 2015 |
|---|----------------|----------------|
| | \$ | \$ |
| Commitments to purchase plant and equipment | <u>101,874</u> | <u>157,776</u> |

31. Changes and adoption of financial reporting standards

For the current reporting year, new or revised Singapore Financial Reporting Standards and the related Interpretations to FRS ("INT FRS") were issued by the Singapore Accounting Standards Council and Council. Those applicable to the reporting entity are listed below. These applicable new or revised standards did not require any modification of the measurement methods or presentation in the financial instruments.

| FRS No. | Title |
|---------|--|
| FRS 1 | Amendments to FRS 1: Disclosure Initiative (early application) |

32. New amended standards in issue but not yet effective

The following new or revised Singapore Financial Reporting Standards ("FRS") and the related Interpretations to FRS ("INT FRS") issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. The transfer to the applicable new or revised standards from the effective dates is not expected to result in material adjustments to the financial position, results of operations, or cash flows for the following year.

| FRS No. | Title | Effective date for periods beginning on or after |
|---------|-----------------------|--|
| FRS 109 | Financial Instruments | 1 Jan 2018 |

The Accompanying Supplementary Breakdown of Incoming Resources and Expenditure by Centres

Has Been Prepared For Management Purposes Only
And Does Not Form Part Of The Audited Financial Statements

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 311)
(UEN : S75SS0058K)

SUPPLEMENTARY BREAKDOWN OF INCOMING RESOURCES AND EXPENDITURES

| | CHAORYANG SCHOOL | | KATONG SCHOOL | | TANGLIN SCHOOL | | DELTA SENIOR SCHOOL | | HQ | | CENTRE FOR ADULTS | | APSN STUDENT CARE CENTRE | | INTRA-CENTRE ELIMINATION | | 2016 FINAL TOTAL | | 2015 FINAL TOTAL | | |
|---|------------------|----|------------------|------------------|----------------|----|---------------------|----|------------------|----|-------------------|----|--------------------------|----|--------------------------|----|-------------------|------------|-------------------|------------|--|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| INCOMING RESOURCES | | | | | | | | | | | | | | | | | | | | | |
| Amortisation of deferred capital grant | 74,882 | | 83,444 | 94,004 | | | 216,380 | | 196,794 | | 435,685 | | 640 | | | | | 1,101,829 | | 998,561 | |
| Donations | | | | | | | | | | | | | | | | | | | | | |
| – Designated donations & grant | 74,857 | | 98,117 | 47,725 | | | 32,209 | | 911,428 | | 538,993 | | 101,500 | | | | | 1,804,829 | | 1,276,841 | |
| – General donations | | | | | | | 7,600 | | | | | | | | | | | 7,600 | | 179,515 | |
| – Donation in kind | 10,214 | | 17,824 | 7,149 | | | 24,123 | | 176,888 | | 3,537 | | 310 | | | | | 240,045 | | 146,483 | |
| Grant from MSF | | | | | | | | | 58,846 | | | | | | | | | 58,846 | | 37,500 | |
| – HR development funding | | | | | | | | | | | | | | | | | | 574,893 | | 558,853 | |
| – Operating grants | | | | | | | | | | | | | | | | | | 245,920 | | 268,337 | |
| – Land rental / TOL grant | | | | | | | | | | | | | | | | | | | | | |
| Grant from MOE | | | | | | | | | | | | | | | | | | | | | |
| – Operating grants | 3,847,357 | | 3,266,701 | 3,750,584 | | | 7,146,912 | | | | | | | | | | | 18,011,554 | | 15,002,294 | |
| – MOE special purpose grants | 220,209 | | 279,937 | 208,522 | | | 160,466 | | | | | | | | | | | 869,134 | | 784,825 | |
| – MOE funds | 218,270 | | 335,559 | 332,684 | | | 399,067 | | | | | | | | | | | 1,285,580 | | 1,197,014 | |
| – Land rental / TOL grant | 622,062 | | 547,279 | 662,115 | | | 491,644 | | | | | | | | | | | 2,323,100 | | 2,317,150 | |
| Grant from NCSS | | | | | | | | | | | | | | | | | | | | | |
| – Operating grants | 1,382,233 | | 1,193,425 | 1,402,164 | | | 2,644,213 | | | | | | | | | | | 7,044,216 | | 6,069,842 | |
| – HQ costs apportionment | 124,616 | | 124,616 | 124,616 | | | 124,616 | | | | | | | | | | | 586,429 | | 532,225 | |
| – SPED financial assistance scheme – NCSS share | 10,879 | | 10,444 | 13,812 | | | 18,140 | | | | | | | | | | | 53,275 | | 48,338 | |
| – Provision for under / (over) funding NCSS | 40,763 | | 14,807 | (14,962) | | | (834) | | | | | | | | | | | 39,774 | | (50,554) | |
| Interest income | 19,288 | | 20,853 | 32,700 | | | 19,401 | | 26,375 | | 2,064 | | 38 | | | | | 120,719 | | 89,061 | |
| Miscellaneous income | 898 | | 890 | 14,270 | | | 1,162 | | 1,070 | | 674 | | | | | | | 18,964 | | 23,086 | |
| Programme sales and services | | | | | | | | | | | | | | | | | | 113,002 | | 92,674 | |
| Programme sales and services (Designated) | | | | | | | | | | | | | | | | | | 76,367 | | 134,161 | |
| Programme sales and services (intra-division charges) | | | | | | | | | | | | | | | | | | 8,400 | | - | |
| Programme / school fees | | | | | | | | | | | | | | | | | | | | | |
| – Local students | 68,240 | | 49,480 | 60,440 | | | 86,920 | | | | | | | | | | | 327,004 | | 343,649 | |
| – Foreign students | | | 96,780 | 48,390 | | | 40,068 | | | | | | | | | | | 185,238 | | 252,729 | |
| Rental income | | | | | | | | | 76,000 | | | | | | | | | 78,000 | | 65,000 | |
| Trust fund income | 153,474 | | 375,965 | 133,391 | | | 38,401 | | 411,411 | | 1,431,102 | | | | | | | 2,543,744 | | 1,420,010 | |
| TOTAL INCOMING RESOURCES | 6,866,242 | | 6,516,121 | 6,917,604 | | | 11,450,488 | | 1,860,812 | | 3,895,213 | | 209,982 | | | | 37,710,062 | | 31,787,594 | | |

The accompanying supplementary breakdown of incoming resources and expenditure by centres has been prepared for management purposes only and does not form part of the audited financial statements.

ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap. 37 and Societies Act, Cap 317)
(UEN : S75SS0058K)

SUPPLEMENTARY BREAKDOWN OF INCOMING RESOURCES AND EXPENDITURES

| | CHAORYANG SCHOOL | KATONG SCHOOL | TANGLIN SCHOOL | DELTA SENIOR SCHOOL | HQ | CENTRE FOR ADULTS | APSN STUDENT CARE CENTRE | INTRA-CENTRE ELIMINATION | 2016 FINAL TOTAL | 2015 FINAL TOTAL |
|---|------------------|---------------|----------------|---------------------|-------------|-------------------|--------------------------|--------------------------|------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| RESOURCES EXPENDED | | | | | | | | | | |
| Audit fee | 11,214 | 11,213 | 11,214 | 8,324 | 9,250 | 10,844 | - | - | 62,059 | 41,455 |
| Bank charges | 489 | 594 | 837 | 1,068 | 1,226 | 587 | 480 | - | 5,281 | 4,989 |
| Client allowance | - | - | - | - | - | 59,081 | - | - | 59,081 | 82,236 |
| Communication and postages | 9,473 | 6,303 | 9,747 | 20,054 | 15,446 | 12,848 | - | - | 73,871 | 60,747 |
| Depreciation of property, plant and equipment | 126,620 | 210,695 | 210,278 | 433,609 | 181,502 | 511,047 | 1,206 | - | 1,476,697 | 1,476,697 |
| Depreciation of investment properties | - | - | - | - | 36,658 | - | - | - | 36,658 | 36,658 |
| Designated donation expenses | 26,706 | 61,093 | 39,390 | 26,410 | 311,579 | 684,638 | 101,500 | - | 1,251,316 | 894,953 |
| Donation in kind expenses | 10,214 | 17,824 | 7,149 | 24,123 | 176,888 | 3,537 | 210 | - | 239,945 | 149,483 |
| Educational and teaching materials | 43,968 | 21,825 | 28,621 | 267,796 | - | - | 3,931 | - | 386,141 | 308,064 |
| Employee salaries and benefits expense | 3,429,414 | 3,427,438 | 4,268,104 | 6,420,403 | 1,798,738 | 1,620,199 | 135,112 | - | 21,099,408 | 19,041,372 |
| Head office cost allocation | 124,616 | 124,616 | 124,616 | 124,616 | (586,429) | 87,965 | - | - | - | - |
| Insurance (Property, liability & workmen compensation) | 4,223 | 4,129 | 5,219 | 6,887 | 6,234 | 1,676 | 834 | - | 29,202 | 37,645 |
| Ingredients and materials | - | - | - | - | - | 46,795 | - | - | 46,795 | 69,167 |
| Land rental | 622,257 | 547,279 | 662,115 | 491,644 | - | 226,819 | 19,101 | - | 2,569,215 | 2,569,215 |
| License fees | - | - | 295 | 730 | - | - | - | - | 1,025 | 1,226 |
| Loss on disposal of fixed assets | 47 | 198 | 18 | (1,729) | 532 | 9,809 | - | - | 8,875 | 534 |
| Maintenance of equipment and vehicles | 27,766 | 51,473 | 39,260 | 84,707 | 3,050 | 25,007 | - | - | 231,263 | 206,278 |
| Maintenance of premises | 62,929 | 50,906 | 50,651 | 202,079 | 13,742 | 17,442 | 6,131 | - | 403,880 | 390,509 |
| Maintenance of premises (Intra-division charges) | - | - | - | 8,400 | - | - | - | (8,400) | - | - |
| Membership fee | 1,140 | 600 | 809 | - | 2,469 | - | - | - | 5,018 | 3,071 |
| MOE fund expenses | 301,814 | 294,394 | 406,924 | 364,138 | - | - | - | - | 1,367,270 | 1,148,375 |
| Professional fees | 20,030 | - | - | - | - | - | - | - | 20,030 | 20,613 |
| Property tax | - | - | - | - | 4,960 | - | - | - | 4,960 | 9,053 |
| Purchase of contract services | 67,596 | 87,128 | 71,861 | 77,922 | - | - | - | - | 304,507 | 287,389 |
| Rental of equipment | 5,996 | 4,093 | 6,461 | 26,297 | 3,929 | 5,239 | - | - | 52,015 | 34,693 |
| School fees uncollectible written-off | - | - | 258 | 120 | - | 750 | - | - | 1,128 | 2,912 |
| School function and activities | 85,866 | 33,317 | 68,295 | 311,977 | 6,703 | 475 | 1,000 | - | 507,633 | 543,105 |
| School breakfast programme | 18,080 | 6,735 | - | - | - | - | - | - | 24,815 | 15,585 |
| SPED financial assistance scheme | 29,010 | 27,850 | 36,833 | 48,374 | - | - | - | - | 142,067 | 128,902 |
| Shared expenses curriculum, IT support, communication and publicity, admission and review, etc. | 268,164 | 242,440 | 265,682 | 359,465 | (1,361,978) | 218,131 | 8,096 | - | - | - |

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ASSOCIATION FOR PERSONS WITH SPECIAL NEEDS
(Registered in Singapore under the Charities Act, Cap 37 and Societies Act, Cap 317)
(UEN : S75SS0058K)

SUPPLEMENTARY BREAKDOWN OF INCOMING RESOURCES AND EXPENDITURES

| | CHAORYANG SCHOOL | KATONG SCHOOL | TANGLIN SCHOOL | DELTA SENIOR SCHOOL | HQ | CENTRE FOR ADULTS | APSN STUDENT CARE CENTRE | INTRA-CENTRE ELIMINATION | 2016 FINAL TOTAL | 2015 FINAL TOTAL |
|---|------------------|------------------|------------------|---------------------|------------------|-------------------|--------------------------|--------------------------|-------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| RESOURCES EXPENDED (CONT'D) | | | | | | | | | | |
| Small equipment and furniture (<\$1,000) | 11,956 | 9,308 | 20,253 | 28,126 | 4,916 | 5,251 | 1,000 | - | 80,810 | 50,906 |
| Staff recruitment expenses | 1,181 | 837 | 275 | 833 | 875 | 782 | 141 | - | 4,924 | 8,189 |
| Staff training & development | - | - | - | 18,307 | 17,576 | 14,757 | - | - | 50,640 | 47,589 |
| Staff transport expenses | 991 | 1,495 | 2,996 | 7,056 | 10,648 | 6,926 | - | - | 30,112 | 35,471 |
| Staff welfare expenses | 73,032 | 59,966 | 80,722 | 114,451 | 33,876 | 7,136 | 3,129 | - | 372,312 | 354,629 |
| Stamp duties and processing fee | - | 6,337 | - | 5,851 | - | - | - | - | 12,188 | 8,465 |
| Stationery and supplies | 35,617 | 12,196 | 16,897 | 76,980 | 48,593 | 10,464 | 2,025 | - | 202,572 | 189,410 |
| Trust fund expenses | 147,292 | 168,851 | 88,887 | 29,025 | 363,090 | 1,070,844 | - | - | 1,867,989 | 882,426 |
| Transport subsidy for students | 1,334 | 11,121 | 24,173 | 31,843 | - | - | 165 | - | 68,636 | 90,582 |
| Utilities | 55,733 | 62,425 | 54,545 | 126,948 | 8,763 | 43,373 | 2,983 | - | 354,770 | 409,197 |
| Written off - inventories | - | - | - | - | (91,137) | (1,066,031) | (101,500) | - | (1,258,668) | (677,430) |
| Utilisation of funds | - | - | - | - | 1,021,699 | 3,636,391 | 185,544 | (8,400) | 32,374,700 | 28,982,521 |
| Total resources expended | 5,624,768 | 5,564,679 | 6,603,185 | 9,746,834 | 1,021,699 | 3,636,391 | 185,544 | (8,400) | 32,374,700 | 28,982,521 |
| Surplus for the Year | 1,243,474 | 951,442 | 314,419 | 1,703,654 | 839,113 | 258,822 | 24,438 | - | 5,335,362 | 2,805,073 |
| Less: Transfer from (to) various funds | (48,151) | (37,024) | (8,335) | (5,798) | (599,849) | 69,278 | - | - | (629,880) | (516,049) |
| - Designated donations | 83,544 | (41,165) | 74,240 | (34,929) | - | - | - | - | 81,690 | (48,639) |
| - MOE funds | (6,182) | (207,114) | (44,504) | (9,376) | (48,321) | (360,258) | - | - | (675,755) | (537,584) |
| - Trust funds | - | - | - | - | - | - | - | - | - | - |
| Net surplus / (deficit) transfer to accumulated fund | 1,272,685 | 666,139 | 335,820 | 1,653,550 | 190,943 | (32,158) | 24,438 | - | 4,111,417 | 1,702,801 |
| Represented by accumulated fund | | | | | | | | | | |
| Balance at beginning of the year | 3,234,555 | 2,539,429 | 4,007,402 | 9,734,869 | 739,413 | 779,602 | 20,696 | - | 21,055,966 | 19,427,927 |
| Net Surplus / (deficit) for the year | 1,272,685 | 666,139 | 335,820 | 1,653,550 | 190,943 | (32,158) | 24,438 | - | 4,111,417 | 1,702,801 |
| Add / (Less): | | | | | | | | | | |
| Prior years under / (over) funding | 25,935 | - | - | (2,062) | - | (630) | - | - | 23,243 | (74,762) |
| - NCSS / MSF/Tote Board | - | - | - | - | - | - | - | - | - | - |
| Balance at end of the year | 4,533,175 | 3,205,568 | 4,343,222 | 11,386,357 | 930,356 | 746,814 | 45,134 | - | 25,190,626 | 21,055,966 |

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