YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE
(UEN: S61SS0045E)
(IPC No. : IPC000399)
AND ITS SUBSIDIARY

AUDITED FINANCIAL STATEMENTS AND
OTHER FINANCIAL INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2012

XL/ILB/LX/TZC

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE
(UEN: S61SS0045E)
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YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE
(UEN: S61SS0045E)
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STATEMENT BY BOARD OF DIRECTORS

In the opinion of the Board of Directors, the consolidated financial statements of Young Men's Christian Association of Singapore (the "Association") and its subsidiary (collectively, the "Group") and the statement of financial position, statement of comprehensive income and statement of changes in general and specific funds of the Association as set out on pages 4 to 40 are properly drawn up so as to give a true and fair view of the state of affairs of the Group and of the Association as at 31 December 2012, and the results of the operation, changes in general and specific funds of the Group and of the Association and cash flows of the Group for the financial year ended on that date.

On behalf of the Board of Directors,

STEPHEN LOH SUR YONG
President

CHEW KWEE SAN
Treasurer

Singapore, 19 MAR 2013

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE
(UEN: S61SS0045E)
(IPC No. : IPC000399)
AND ITS SUBSIDIARY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

Report on the Financial Statements

We have audited the accompanying financial statements of Young Men's Christian Association of Singapore (the "Association") and its subsidiary (the "Group"), which comprise the statements of financial position of the Group and of the Association as at 31 December 2012, and the statements of comprehensive income, statements of changes in general and specific funds of the Group and of the Association and the consolidated statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 4 to 40.

Management's Responsibilities for the Financial Statements

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

Auditors' 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 entity's preparation of the financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in general and specific funds of the Association are properly drawn up in accordance with the provisions of the Charities Act, Cap. 37, the Societies Act, Cap. 311 and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Association as at 31 December 2012 and the results, changes in general and specific funds of the Group and of the Association and cash flows of the Group for the financial year ended on that date.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE
(UEN: S61SS0045E)
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE

Report on Other Legal and Regulatory Requirements

In our opinion:

a) the accounting and other records required by the above regulations to be kept by the Association and its subsidiary incorporated in Singapore of which we are the auditors have been properly kept in accordance with those regulations; and

b) the fund-raising appeals held during the financial year have been carried out in accordance with regulation 6 of the Charities (Fund-raising appeals) Regulations 2007 issued under the Charities Act, Cap. 37 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:

a) the total fund-raising expenses of the Association exceeded 30% of the total gross receipts from fund-raising; and

b) the donation monies received have not been used in accordance with the Association's objectives.

KRESTON DAVID YEUNG PAC
Public Accountants and
Certified Public Accountants

Singapore, 19 MAR 2019

128A Tanjong Pagar Road, Singapore 088535
Tel: 6223 7979 Fax: 6222 7979

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE
(UEN: S61SS0045E)
(IPC No. : IPC000399)
AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION
As at 31 December 2012

		GROUP		ASSOCIATION	
		2012	2011	2012	2011
ASSETS	Note	S$	S$	S$	S$
Non-current assets					
Property, plant and equipment	3	9,348,312	10,132,376	9,334,893	10,131,597
Available-for-sale financial assets	4	7,187,087	6,427,948	7,187,087	6,427,948
Total non-current assets		16,535,399	16,560,324	16,521,980	16,559,545
Current assets					
Inventories		16,519	6,933	16,519	6,933
Receivables	5	788,225	597,936	714,196	527,515
Prepayments		210,300	45,644	43,701	43,069
Deposits		22,391	20,015	19,886	15,982
Fixed deposits	6	4,637,097	4,835,154	4,637,097	4,835,154
Cash and bank balances	7	5,717,625	3,170,947	4,860,455	1,900,059
Total current assets		11,392,157	8,676,629	10,291,854	7,328,712
Total assets		27,927,556	25,236,953	26,813,834	23,888,257
FUNDS AND LIABILITIES					
Funds					
Unrestricted funds					
Accumulated Fund		15,332,938	13,711,068	15,332,938	13,711,898
Capital Replacement Fund		1,828,060	775,704	1,828,060	775,704
Fair Value Reserve		259,463	(499,676)	259,463	(499,676)
Other Funds	8	1,642,741	1,518,157	1,642,741	1,518,157
Restricted funds					
Building Asset Capitalisation Reserve		4,781,669	5,562,867	4,781,669	5,562,867
Other Funds	8	208,703	204,398	208,703	204,398
Club Accounts	9	5,605	3,850	5,605	3,850
Total funds		24,059,179	21,276,368	24,059,179	21,277,198
Current liabilities					
Payables and accruals	10	3,868,377	3,953,016	2,681,051	2,551,577
Amount due to a subsidiary	11	-	-	73,604	59,482
Provision for taxation		-	7,569	-	-
Total liabilities		3,868,377	3,960,585	2,754,655	2,611,059
Total funds and liabilities		27,927,556	25,236,953	26,813,834	23,888,257

The notes set out on pages 10 to 40 form an integral part of and should be read in conjunction with this set of financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE
(UEN: S61SS0045E)
(IPC No. : IPC000399)
AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2012

		GROUP			
		Unrestricted Funds	Restricted Funds	2012 Total	Restated 2011 Total
Incoming resources	Note	S$	S$	S$	S$
Incoming resources from generated funds					
Voluntary income					
Donations		451,555	-	451,555	502,783
Activities for generating funds					
Child care and student care		3,721,050	-	3,721,050	3,377,888
YMCA Education Centre Limited		4,224,840	-	4,224,840	3,590,163
International house		6,414,314	-	6,414,314	6,375,880
Fitness & dance		489,735	-	489,735	456,920
Outdoors & adventure		532,337	-	532,337	426,302
Membership and corporate communication		134,449	-	134,449	157,895
Fund raising events		882,861	-	882,861	634,429
Other income	12	515,959	-	515,959	450,932
Amortisation of Building Asset Capitalisation Reserve	22	114,730	-	114,730	139,730
		17,481,830	-	17,481,830	16,112,922
Investment income					
Interest and dividend income		290,992	-	290,992	274,197
		17,772,822	-	17,772,822	16,387,119
Incoming resources from charitable activities					
Community services *		817,303	-	817,303	396,887
International programmes		1,638,879	-	1,638,879	1,474,319
		2,456,182	-	2,456,182	1,871,206
TOTAL INCOMING RESOURCES		20,229,004	-	20,229,004	18,258,325
Less: Resources expended					
Costs of generating funds					
Child care and student care		3,423,051	-	3,423,051	2,940,000
YMCA Education Centre Limited		2,173,709	-	2,173,709	1,806,979
International house		6,294,536	-	6,294,536	4,960,607
Fitness & dance		555,221	-	555,221	628,732
Outdoors & adventure		527,456	-	527,456	445,418
Membership and corporate communication		413,522	-	413,522	429,190
Fund raising events		205,427	-	205,427	222,860
Other operating expenses		763,976	-	763,976	1,871,316
		14,356,898	-	14,356,898	13,305,102
Resources expended on charitable activities					
Community services *		2,089,034	-	2,089,034	1,541,646
International programmes		1,577,523	-	1,577,523	1,461,395
		3,666,557	-	3,666,557	3,003,041
Governance costs		77,889		77,889	90,792
TOTAL RESOURCES EXPENDED	13	18,101,344	-	18,101,344	16,398,935
Net incoming resources before other recognised losses		2,127,660	-	2,127,660	1,859,390
Less: Other recognised losses					
(Loss)/Gain on disposal of property, plant and equipment		(2,887)	-	(2,887)	31
Loss on disposal of available-for-sale financial assets		-	-	-	(6,735)
		(2,887)	-	(2,887)	(6,704)
Net movement in funds before taxation		2,124,773	-	2,124,773	1,852,686
Add/(Less): Taxation	15	7,569		7,569	(7,569)
Net movement in funds after taxation		2,132,342	-	2,132,342	1,845,117
Fund balances at beginning of the year		15,505,253	5,771,115	21,276,368	20,120,101
Net movement in specific funds	Page 7, Note 22	1,425,607	(775,138)	650,469	(688,850)
Fund balances at end of the year		19,063,202	4,995,977	24,059,179	21,276,368

* Community Services are made up of YMCA-Tan Chin Tuan Community Services Programmes, YMCA Project Bridge, YMCA FACES (Financial Assistance and Capability for Employment Scheme), YMCA-Lim Kim San Volunteers Programme, and YMCA Youth Development Programmes.

The notes set out on pages 10 to 40 form an integral part of and should be read in conjunction with this set of financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE
(UEN: S61SS0045E)
(IPC No. : IPC000399)
AND ITS SUBSIDIARY

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2012

		ASSOCIATION			
		Unrestricted Funds	Restricted Funds	2012 Total	Restated 2011 Total
Incoming resources	Note	S$	S$	S$	S$
Incoming resources from generated funds					
Voluntary income					
Donations		812,245	-	812,245	741,941
Activities for generating funds					
Child care and student care		3,721,050	-	3,721,050	3,377,888
International house		6,470,261	-	6,470,261	6,424,770
Fitness & dance		489,735	-	489,735	456,920
Outdoors & adventure		532,337	-	532,337	426,302
Membership and corporate communication		134,449	-	134,449	157,895
Fund raising events		882,861	-	882,861	634,429
Other income	12	2,158,267	-	2,158,267	1,911,949
Amortisation of Building Asset Capitalisation Reserve	22	114,730	-	114,730	139,730
		15,315,935	-	15,315,935	14,271,824
Investment income					
Interest and dividend income		289,917	-	289,917	272,824
		15,605,852	-	15,605,852	14,544,648
Incoming resources from charitable activities					
Community services *		817,303	-	817,303	396,887
International programmes		1,638,879	-	1,638,879	1,474,319
		2,456,182	-	2,456,182	1,871,206
TOTAL INCOMING RESOURCES		18,062,034	-	18,062,034	16,415,854
Less: Resources expended					
Costs of generating funds					
Child care and student care		3,423,051	-	3,423,051	2,940,000
International house		6,294,536	-	6,294,536	4,960,607
Fitness & dance		555,221	-	555,221	628,732
Outdoors & adventure		527,456	-	527,456	445,418
Membership and corporate communication		413,522	-	413,522	429,190
Fund raising events		205,427	-	205,427	222,860
Other operating expenses		763,976	-	763,976	1,871,316
		12,183,189	-	12,183,189	11,498,123
Resources expended on charitable activities					
Community services *		2,089,034	-	2,089,034	1,541,646
International programmes		1,577,523	-	1,577,523	1,461,395
		3,666,557	-	3,666,557	3,003,041
Governance costs		77,889	-	77,889	90,792
TOTAL RESOURCES EXPENDED	13	15,927,635	-	15,927,635	14,591,956
Net incoming resources before other recognised losses		2,134,399	-	2,134,399	1,823,898
Less: Other recognised losses					
(Loss)/gain on disposal of property, plant and equipment		(2,887)	-	(2,887)	31
Loss on disposal of available-for-sale financial assets		-	-	-	(6,735)
		(2,887)	-	(2,887)	(6,704)
Net movement in funds		2,131,512	-	2,131,512	1,817,194
Fund balances at beginning of the year		15,506,083	5,771,115	21,277,198	20,148,854
Net movement in specific funds	Page 8, Note 22	1,425,607	(775,138)	650,469	(688,850)
Fund balances at end of the year		19,063,202	4,995,977	24,059,179	21,277,198

* Community Services are made up of YMCA-Tan Chin Tuan Community Services Programmes, YMCA Project Bridge, YMCA FACES (Financial Assistance and Capability for Employment Scheme), YMCA-Lim Kim San Volunteers Programme, and YMCA Youth Development Programmes.

The notes set out on pages 10 to 40 form an integral part of and should be read in conjunction with this set of financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE
(UEN: S61SS0045E)
(IPC No. : IPC000399)
AND ITS SUBSIDIARY

STATEMENTS OF CHANGES IN GENERAL AND SPECIFIC FUNDS
For the financial year ended 31 December 2012

	GROUP						
	Accumulated Fund S$	Capital Replacement Fund S$	Fair Value Reserve S$	Building Asset Capitalisation Reserve S$	Other Funds S$	Club Accounts S$	Total S$
Balance at 01.01.2011	12,777,492	629,417	(29,574)	5,140,260	1,597,959	4,547	20,120,101
Net surplus for the year							
-Unrestricted funds	2,199,416	-	-	-	202,917	-	2,402,333
-Correction of error (Note 22)	(557,216)	-	-	-	-	-	(557,216)
-Unrestricted funds, restated	1,642,200	-	-	-	202,917	-	1,845,117
-Restricted funds	-	-	-	-	(78,321) *	(697) *	(79,018)
Net fair value losses on available-for-sale financial assets recognised directly in fund	-	-	(480,502) #	-	-	-	(480,502)
Reversal of net fair value loss on available-for-sale financial assets realised	-	-	10,400 #	-	-	-	10,400
Transfers during the year	(1,265,840)	146,287	-	1,119,553	-	-	-
Correction of error (Note 22)	557,216	-	-	(557,216)	-	-	-
Transfers during the year, restated	(708,624) #	146,287 #	-	562,337 *	-	-	-
Amortisation of Building Asset Capitalisation Reserve	-	-	-	(696,946)	-	-	(696,946)
Correction of error (Note 22)	-	-	-	557,216	-	-	557,216
Amortisation of Building Asset Capitalisation Reserve, restated	-	-	-	(139,730) *	-	-	(139,730)
Balance at 31.12.2011	13,711,068	775,704	(499,676)	5,562,867	1,722,555	3,850	21,276,368
Balance at 01.01.2012	13,711,068	775,704	(499,676)	5,562,867	1,722,555	3,850	21,276,368
Net surplus for the year							
-Unrestricted funds	2,007,758	-	-	-	124,584	-	2,132,342
-Restricted funds	-	-	-	-	4,305 *	1,755 *	6,060
Net fair value gains on available-for-sale financial assets recognised directly in fund	-	-	759,139 #	-	-	-	759,139
Transfers during the year	(385,888) #	1,052,356 #	-	(666,468) *	-	-	-
Amortisation of Building Asset Capitalisation Reserve	-	-	-	(114,730) *	-	-	(114,730)
Balance at 31.12.2012	15,332,938	1,828,060	259,463	4,781,669	1,851,444	5,605	24,059,179
					Note 8	Note 9	

Net movement in unrestricted funds S$1,425,607 [2011: (S$1,032,439)]
* Net movement in restricted funds (S$775,138) (2011: S$343,589)

The notes set out on pages 10 to 40 form an integral part of and should be read in conjunction with this set of financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE
(UEN: S61SS0045E)
(IPC No. : IPC000399)
AND ITS SUBSIDIARY

STATEMENTS OF CHANGES IN GENERAL AND SPECIFIC FUNDS
For the financial year ended 31 December 2012

	ASSOCIATION						
	Accumulated Fund S$	Capital Replacement Fund S$	Fair Value Reserve S$	Building Asset Capitalisation Reserve S$	Other Funds S$	Club Accounts S$	Total S$
Balance at 01.01.2011	12,806,245	629,417	(29,574)	5,140,260	1,597,959	4,547	20,148,854
Net surplus for the year							
-Unrestricted funds	2,171,493	-	-	-	202,917	-	2,374,410
- Correction of error (Note 22)	(557,216)	-	-	-	-	-	(557,216)
- Unrestricted funds, restated	1,614,277	-	-	-	202,917	-	1,817,194
-Restricted funds	-	-	-	-	(78,321) *	(697) *	(79,018)
Net fair value losses on available-for-sale financial assets recognised directly in fund	-	-	(480,502) #	-	-	-	(480,502)
Reversal of net fair value loss on available-for-sale financial assets realised	-	-	10,400 #	-	-	-	10,400
Transfers during the year	(1,265,840)	146,287	-	1,119,553	-	-	-
Correction of error (Note 22)	557,216			(557,216)			-
Transfers during the year, restated	(708,624) #	146,287 #	-	562,337 *	-	-	-
Amortisation of Building Asset Capitalisation Reserve	-	-	-	(696,946)	-	-	(696,946)
Correction of error (Note 22)	-	-	-	557,216	-	-	557,216
Amortisation of Building Asset Capitalisation Reserve, restated	-	-	-	(139,730) *	-	-	(139,730)
Balance at 31.12.2011	13,711,898	775,704	(499,676)	5,562,867	1,722,555	3,850	21,277,198
Balance at 01.01.2012	13,711,898	775,704	(499,676)	5,562,867	1,722,555	3,850	21,277,198
Net surplus for the year							
-Unrestricted funds	2,006,928	-	-	-	124,584	-	2,131,512
-Restricted funds					4,305 *	1,755 *	6,060
Net fair value gains on available-for-sale financial assets recognised directly in fund	-	-	759,139 #	-	-	-	759,139
Transfers during the year	(385,888) #	1,052,356 #	-	(666,468) *	-	-	-
Amortisation of Building Asset Capitalisation Reserve	-	-	-	(114,730) *	-	-	(114,730)
Balance at 31.12.2012	15,332,938	1,828,060	259,463	4,781,669	1,851,444	5,605	24,059,179
					Note 8	Note 9	

Net movement in unrestricted funds S$1,425,607 [2011: (S$1,032,439)]
* Net movement in restricted funds (S$775,138) (2011: S$343,589)

The notes set out on pages 10 to 40 form an integral part of and should be read in conjunction with this set of financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE
(UEN: S61SS0045E)
(IPC No. : IPC000399)
AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2012

	2012 S$	Restated 2011 S$
Cash flows from operating activities		
Net surplus for the year	2,124,773	1,852,686
Adjustments for: -		
Depreciation of property, plant and equipment	1,603,395	1,592,160
Amortisation of Building Asset Capitalisation Reserve	(114,730)	(139,730)
Bad debts written off	3,278	6,658
Loss/(Gain) on disposal of property, plant and equipment	2,887	(31)
Loss on disposal of available-for-sale financial assets	-	6,735
Interest and dividend income	(290,992)	(274,197)
Dividend in specie	-	(25,300)
Operating surplus before working capital changes	3,328,611	3,018,981
Increase in inventories	(9,586)	(1,934)
(Increase)/Decrease in receivables, prepayments and deposits	(372,988)	35,519
(Decrease)/Increase in payables and accruals	(84,639)	875,216
Cash generated from operations	2,861,398	3,927,782
Net cash generated from activities: -		
Other specific funds	4,305	(78,321)
Club activities	1,755	(697)
Net cash generated from operating activities	2,867,458	3,848,764
Cash flows from investing activities		
Proceeds from disposal of available-for-sale financial assets	-	510,515
Purchase of available-for-sale financial assets	-	(4,092,757)
Proceeds from disposal of property, plant and equipment	-	70
Purchase of property, plant and equipment	(920,952)	(1,645,762)
Fixed deposits released from/(subject to) restriction	279,449	(4,000,000)
Grants received	98,734	72,681
Interest and dividend income received	303,381	254,834
Net cash used in investing activities	(239,388)	(8,900,419)
Cash flow from financing activity		
Fixed deposits subject to restriction	-	(584,159)
Net cash used in financing activity	-	(584,159)
Net increase/(decrease) in cash and cash equivalents	2,628,070	(5,635,814)
Cash and cash equivalents at beginning of year	3,341,092	8,976,906
Cash and cash equivalents at end of year	5,969,162	3,341,092
Cash and cash equivalents comprise:-		
Cash and bank balances	4,637,097	3,170,947
Fixed deposits	5,717,625	4,835,154
	10,354,722	8,006,101
Less: Fixed deposits subject to restriction	(4,385,560)	(4,665,009)
	5,969,162	3,341,092

The notes set out on pages 10 to 40 form an integral part of and should be read in conjunction with this set of financial statements.

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

1. GENERAL

Young Men's Christian Association of Singapore (the "Association") is registered in Singapore under the Societies Act and the Charities Act. The principal activities of the Association consist of community services, education and child care services, sports and recreation and running of an international house. The Association is a member of National Council of Social Service. The Association has been registered as an Institute of Public Character since 2001 valid to 30 June 2014.

The address of registered office and principal place of operation of the Association is at One Orchard Road, Singapore 238824.

The subsidiary, YMCA Education Centre Limited, was incorporated in the Republic of Singapore on 21 September 2010 under the Companies Act, Chapter 50 as a company limited by guarantee.

The principal activities of the subsidiary are the provision of non-higher and higher education programmes. The subsidiary has been registered under the Enhanced Registration Framework with Council for Private Education for a period of 4 years and is valid from 11 October 2010 to 10 October 2014. The subsidiary was also given the EduTrust award which is valid from 16 December 2011 to 15 December 2015.

The consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in general and specific funds of the Association are expressed in Singapore dollar.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in general and specific funds of the Association have been prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up in accordance with the Singapore Financial Reporting Standards ("FRSs").

In the current financial year, the Group adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for annual period beginning on or after 1 January 2012. The adoptions of these new/revised FRSs and INT FRSs have no material effect on the financial statements.

2. **SIGNIFICANT ACCOUNTING POLICIES** (Continued)

b) **Significant Accounting Estimates and Judgements**

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expense and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The critical accounting estimates and assumptions used and areas involving a high degree of judgement are described below.

Critical assumptions used and accounting estimates in applying accounting policies

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on straight-line basis over their estimated useful lives. Management estimated the useful lives of these property, plant and equipment to be within 3 to 50 years. Changes in the expected level of usage could impact the economic useful lives and the residual values, if any, of these assets, therefore future depreciation charges could be revised.

Income tax

Significant judgement is required in determining the estimation of the Group provision for income tax. The Group recognises liabilities for expected tax issues based on estimates of whether additional tax will be due. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

Critical judgements made in applying accounting policies

In the process of applying the entity's accounting policies, management had made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

Impairment of property, plant and equipment

The Group assesses annually whether property, plant and equipment have any indication of impairment in accordance with the accounting policy. The recoverable amounts of property, plant and equipment have been determined based on value-in-use calculations. These calculations require the use of judgement and estimates.

2. **SIGNIFICANT ACCOUNTING POLICIES** (Continued)

b) **Significant Accounting Estimates and Judgements** (Continued)

Impairment of available-for-sale investments

The Group reviews its debt securities classified as available-for-sale investments at end of each reporting period to assess whether they are impaired. The Group also records impairment charges on available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below their cost. The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost.

Allowance for credit losses

The Group makes allowances for credit losses based on assessment of the recoverability of trade and other receivables. Allowances are applied to trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of credit losses requires the use of judgement and estimates. Where the expected outcome is different from original estimate, such difference will impact carrying value of trade and other receivables and doubtful debt expenses in the period in which such estimate had been changed.

c) **Subsidiary**

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

d) **Basis of Consolidation**

Pooling of interests method

For business combinations outside the scope of FRS 103 i.e. business combination involving companies under common control, pooling of interests method is used.

Under merger accounting, the assets, liabilities, revenue, expenses and cash flows of all the entities within the Group are combined after making such adjustments as are necessary to achieve consistency of accounting policies. The comparative figures for the preceding financial years have been presented on similar basis. This manner of presentation reflects the economic substance of the combining companies, which are under common control throughout the relevant period, as a single economic enterprise, although the legal parent-subsidiary relationships were not established until after the acquisition date.

2. **SIGNIFICANT ACCOUNTING POLICIES** (Continued)

e) **Property, Plant and Equipment and Depreciation**

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line method so as to write off the cost of these assets over their estimated useful lives as follows: -

Leasehold land & building	2%
Plant and machinery	12.5%
Renovation	12.5% to 20%
Computer equipment	20% to 33.3%
Office equipment	20%
Furniture and fittings	20%
Computer software	33.3%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the assets is included in profit or loss in the year the asset is derecognised.

f) **Government Grants**

A government grant is recognised when there is reasonable assurance that the conditions attaching to it will be complied with and the grant will be received.

Asset-related grants are deducted from the cost of acquisition of the asset to arrive at the carrying amount which is then depreciated in accordance with the accounting policy on property, plant and equipment and depreciation.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Inventories

Inventories comprising goods like souvenirs for resale, are stated at the lower of cost and net realisable value. Cost is determined on the specific identification basis.

h) Impairment of Non-Financial Assets

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

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Impairment losses are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2. **SIGNIFICANT ACCOUNTING POLICIES** (Continued)

i) **Financial Assets**

Initial recognition and measurement

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

When financial assets are recognised initially, they are measured at fair value, plus, directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:-

Loans and receivables

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

Available-for-sale financial assets

Available-for-sale financial assets include equity and debt securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in the fair value reserve within fund, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in fair value reserve fund is reclassified from fair value reserve to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in fair value reserve within fund is recognised in profit or loss.

2. **SIGNIFICANT ACCOUNTING POLICIES** (Continued)

i) **Financial Assets** (Continued)

Derecognition (Continued)

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place concerned.

j) **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash in hand and at bank and fixed deposits net of fixed deposits subject to restriction which form part of the Group's cash management that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

k) **Impairment of Financial Assets**

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial asset with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

2. **SIGNIFICANT ACCOUNTING POLICIES** (Continued)

k) **Impairment of Financial Assets** (Continued)

Financial assets carried at amortised cost (Continued)

To determine whether there is objective evidence that an impairment loss on financial assets has incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

Available-for-sale financial assets

In the case of equity investments classified as available-for-sale, objective evidences of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its costs. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from fund and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in fund.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss. Future interest income continues to be accrued based on the reduced carrying amount of the asset and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If in a subsequent year, the fair value of a debt instrument increases and the increases can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

l) Funds

Unless specifically indicated, fund balances are not represented by any specific accounts, but are represented by all assets of the Group.

m) Building Asset Capitalisation Reserve

Designated donations for the renovation/construction of the YMCA building are credited to the Building Asset Capitalisation Reserve. These amounts are recognised in profit or loss over the period necessary to match the depreciation on the portion of the certification of the renovation/construction funded by such donations.

n) Club Accounts

Club accounts are maintained for clubs involved in various activities. Income and expenditure of the clubs are taken directly to the club accounts.

o) Financial Liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value, plus, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2. **SIGNIFICANT ACCOUNTING POLICIES** (Continued)

p) **Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

q) **Contingencies**

A contingent liability is:-

A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

A present obligation that arises from past events but is not recognised because:

i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the statement of financial position of the Group.

r) **Income Recognition**

Income is recognised to the extent that it is probable that the economic benefits will flow to the Group and the income can be reliably measured, regardless of when the payment is made. Income is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

r) Income Recognition (Continued)

Income is recognised on the following basis: -

i) *Donations* –when money is received or pledged and collection is certain
ii) *Education and Child and Student Care* - over the period of instruction and care given to the student and child
iii) *Other services* - when services are rendered
iv) *Interest* - using the effective interest method
v) *Dividend* – when the Group's right to receive payment is established
vi) *Rental* – on a straight-line basis over the lease terms

s) Employee Benefits

Defined Contribution Plans

The Group makes contribution to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions are recognised as an expense in the period in which the related service is performed.

Employee Leave Entitlement

Employee entitlement to annual leave is recognised when it accrues to employees. An accrual is made for the estimated liability for leave as a result of services rendered by employees up to the end of the reporting period.

t) Foreign Currency Transactions

Functional and Presentation Currencies

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ("the functional currency"). The financial statements of the Group are presented in Singapore dollar, which is the functional currency of the Group.

Transactions and Balances

Transactions in foreign currencies are converted at rates closely approximating those ruling at transaction dates. Monetary assets and liabilities in foreign currencies are translated into Singapore dollar at rates of exchange ruling at the end of reporting period. Exchange differences arising from such transactions are taken to profit or loss.

2. **SIGNIFICANT ACCOUNTING POLICIES** (Continued)

u) **Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

v) **Income Taxes**

Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items directly in fund, in which case it is recognised in fund. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

2. **SIGNIFICANT ACCOUNTING POLICIES** (Continued)

v) **Income Taxes** (Continued)

Deferred tax (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised directly in fund, in which case it is recognised in fund. Deferred tax items are recognised in correlation to the underlying transaction directly in fund.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

w) **Related Parties**

A related party is defined as follows:-

(a) A person or a close member of that person's family is related to the Group and Association if that person:

(i) Has control or joint control over the Association;

(ii) Has significant influence over the Association; or

(iii) Is a member of the key management personnel of the Group or Association or of a parent of the Association.

(b) An entity is related to the Group and the Association if any of the following conditions applies:

(i) The entity and the Association are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

2. **SIGNIFICANT ACCOUNTING POLICIES** (Continued)

w) **Related Parties** (Continued)

(b) An entity is related to the Group and the Association if any of the following conditions applies: (Continued)

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Association or an entity related to the Association. If the Association is itself such a plan, the sponsoring employers are also related to the Association.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3. PROPERTY, PLANT AND EQUIPMENT

	GROUP							
	Leasehold Land & Building S$	Plant and Machinery S$	Renovation S$	Computer Equipment S$	Office Equipment S$	Furniture & Fittings S$	Computer Software S$	Total S$
Cost								
At 01.01.2011	12,079,195	1,389,007	12,908,776	344,263	362,733	1,244,673	209,444	28,538,091
Additions	-	9,022	1,121,139	98,860	206,180	203,011	7,550	1,645,762
Grants received	-	-	(39,719)	(29,455)	(1,383)	(2,124)	-	(72,681)
Disposals	-	-	(116)	-	-	-	-	(116)
At 31.12.2011 and 01.01.2012	12,079,195	1,398,029	13,990,080	413,668	567,530	1,445,560	216,994	30,111,056
Additions	-	21,042	458,482	165,717	18,930	149,661	107,120	920,952
Grants received	-	(652)	(74,747)	(3,120)	-	(20,215)	-	(98,734)
Disposals	-	-	(46,746)	(9,445)	(39,747)	(155,458)	(6,334)	(257,730)
At 31.12.2012	12,079,195	1,418,419	14,327,069	566,820	546,713	1,419,548	317,780	30,675,544
Accumulated Depreciation								
At 01.01.2011	6,276,411	1,272,017	9,118,312	298,197	174,546	1,044,185	202,929	18,386,597
Depreciation for the year	241,584	22,414	1,136,853	32,633	80,273	72,419	5,984	1,592,160
Disposals	-	-	(77)	-	-	-	-	(77)
At 31.12.2011 and 01.01.2012	6,517,995	1,294,431	10,255,088	330,830	254,819	1,116,604	208,913	19,978,680
Depreciation for the year	241,583	25,435	1,044,944	58,792	95,560	114,329	22,752	1,603,395
Disposals	-	-	(46,746)	(9,119)	(37,262)	(155,383)	(6,333)	(254,843)
At 31.12.2012	6,759,578	1,319,866	11,253,286	380,503	313,117	1,075,550	225,332	21,327,232
Net Book Value								
At 31.12.2012	5,319,617	98,553	3,073,783	186,317	233,596	343,998	92,448	9,348,312
At 31.12.2011	5,561,200	103,598	3,734,992	82,838	312,711	328,956	8,081	10,132,376

The land is leased for 999 years commencing from November 1902. No capital sum was paid for the lease.

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2012

3. PROPERTY, PLANT AND EQUIPMENT (Continued)

ASSOCIATION

	Leasehold Land & Building S$	Plant and Machinery S$	Renovation S$	Computer Equipment S$	Office Equipment S$	Furniture & Fittings S$	Computer Software S$	Total S$
Cost								
At 01.01.2011	12,079,195	1,389,007	12,908,776	344,263	362,733	1,244,673	209,444	28,538,091
Additions	-	9,022	1,121,139	98,860	206,180	202,161	7,550	1,644,912
Grants received	-	-	(39,719)	(29,455)	(1,383)	(2,124)	-	(72,681)
Disposals	-	-	(116)	-	-	-	-	(116)
At 31.12.2011 and 01.01.2012	12,079,195	1,398,029	13,990,080	413,668	567,530	1,444,710	216,994	30,110,206
Additions	-	21,042	458,482	165,717	15,927	137,243	107,120	905,531
Grants received	-	(652)	(74,747)	(3,120)	-	(20,215)	-	(98,734)
Disposals	-	-	(46,746)	(9,445)	(39,747)	(155,458)	(6,334)	(257,730)
At 31.12.2012	12,079,195	1,418,419	14,327,069	566,820	543,710	1,406,280	317,780	30,659,273
Accumulated Depreciation								
At 01.01.2011	6,276,411	1,272,017	9,118,312	298,197	174,546	1,044,185	202,929	18,386,597
Depreciation for the year	241,584	22,414	1,136,853	32,633	80,273	72,348	5,984	1,592,089
Disposals	-	-	(77)	-	-	-	-	(77)
At 31.12.2011 and 01.01.2012	6,517,995	1,294,431	10,255,088	330,830	254,819	1,116,533	208,913	19,978,609
Depreciation for the year	241,583	25,435	1,044,944	58,792	95,153	111,955	22,752	1,600,614
Disposals	-	-	(46,746)	(9,119)	(37,262)	(155,383)	(6,333)	(254,843)
At 31.12.2012	6,759,578	1,319,866	11,253,286	380,503	312,710	1,073,105	225,332	21,324,380
Net Book Value								
At 31.12.2012	5,319,617	98,553	3,073,783	186,317	231,000	333,175	92,448	9,334,893
At 31.12.2011	5,561,200	103,598	3,734,992	82,838	312,711	328,177	8,081	10,131,597

The land is leased for 999 years commencing from November 1902. No capital sum was paid for the lease.

4. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	GROUP AND ASSOCIATION	
	2012	2011
Quoted investments	S$	S$
Bonds*		
Balance at beginning of the year	2,841,325	1,256,700
Additions during the year	-	2,017,000
Disposals during the year	-	(506,850)
Net fair value (losses)/gains recognised in fund	(39,287)	74,475
Balance at end of the year	2,802,038	2,841,325
Equities		
Balance at beginning of the year	2,908,973	1,566,833
Additions during the year	-	1,737,479
Net fair value gains/(losses) recognised in fund	502,226	(395,339)
Balance at end of the year	3,411,199	2,908,973
REITs		
Balance at beginning of the year	677,650	473,710
Additions during the year	-	363,578
Net fair value gains/(losses) recognised in fund	296,200	(159,638)
Balance at end of the year	973,850	677,650
Total available-for-sale financial assets at end of the year	7,187,087	6,427,948
*Bonds comprise of:-		
1.00% p.a. corporate bond due 02.07.2013	267,188	264,075
2.95% p.a. corporate bond due 20.06.2022	247,850	230,750
3.27% p.a. corporate bond due 19.02.2020	275,000	267,500
2.50% p.a. corporate bond due 23.06.2013	2,012,000	2,079,000
	2,802,038	2,841,325

5. RECEIVABLES

	GROUP		ASSOCIATION	
	2012	2011	2012	2011
	S$	S$	S$	S$
Trade receivables	646,952	501,228	572,923	430,807
Event advances	56,702	42,493	56,702	42,493
Interest receivables	8,064	20,453	8,064	20,453
Other receivables	76,507	33,762	76,507	33,762
	788,225	597,936	714,196	527,515

Trade receivables are non-interest bearing and are generally on 14 to 30 days credit terms. They are recognised at their original invoiced amounts which represent their fair values on initial recognition. These receivables are unsecured and the analysis of their aging at the end of reporting period is as follows:-

	GROUP		ASSOCIATION	
	2012	2011	2012	2011
	S$	S$	S$	S$
Not past due	269,480	78,667	195,451	15,387
Past due 1-30 days	230,322	284,246	230,322	284,221
Past due 31-60 days	52,867	21,175	52,867	21,150
Past due 61-90 days	27,881	29,574	27,881	22,483
Past due 91-120 days	-	54,037	-	54,037
Past due more than 120 days	66,402	33,529	66,402	33,529
	646,952	501,228	572,923	430,807

Trade receivables include amount of S$377,472 and S$377,472 (2011: S$422,561 and S$415,420) for the Group and the Association respectively which are past due at the end of reporting period but not impaired.

6. FIXED DEPOSITS

Fixed deposits earned interest ranging from 0.22% to 1.20% (2011: 0.19% to 0.80%) per annum and matured within 3 months to 24 months (2011: 3 months to 24 months). As at 31 December 2012, a financial institution had issued letters of guarantee of S$211,217 (2011: S$211,217) to third parties on behalf of the Group and the Association, with a charge on fixed deposits (Note 24).

7. CASH AND BANK BALANCES

Cash and bank balances are denominated in the following currencies: -

	GROUP		ASSOCIATION	
	2012	2011	2012	2011
	S$	S$	S$	S$
New Zealand Dollar	5	5	5	5
Singapore Dollar	5,625,830	3,088,484	4,854,003	1,898,269
United States Dollar	4,464	1,785	4,464	1,785
Malaysian Ringgit	491	-	491	-
Chinese Renminbi	1,492	-	1,492	-
Australian Dollar	85,343	80,673	-	-
	5,717,625	3,170,947	4,860,455	1,900,059

8. OTHER FUNDS

	GROUP AND ASSOCIATION				
	At beginning of year	Receipt	Expense	Transfer	At end of year
	S$	S$	S$	S$	S$
Unrestricted Funds					
Community Service Fund	-	686,268	(607,989)	-	78,279
YMCA FACES	308,363	17,085	(37,633)	-	287,815
Project Bridge Fund	106,169	64,329	(24,367)	-	146,131
YMCA-Lim Kim San Volunteers Programme Fund	1,103,625	284,264	(257,373)	-	1,130,516
	1,518,157	1,051,946	(927,362)	-	1,642,741
Restricted Funds					
Disaster Relief Fund	67,075	28,065	(12,443)	-	82,697
ISP Project Fund	-	11,442	(15,792)	23,407	19,057
Proyouth Village Fund	30,474	-	(7,067)	(23,407)	-
Rebuilding Community Programme @ Dujiangyan Fund	86,849	100	-	-	86,949
YMCA - Seet Hiong Kiat and Kuah Siew Eng Education Fund	20,000	-	-	-	20,000
	204,398	39,607	(35,302)	-	208,703
	1,722,555	1,091,553	(962,664)	-	1,851,444

8. OTHER FUNDS (Continued)

Community Service Fund was set up for the purpose of funding community service programmes.

YMCA FACES (Financial Assistance and Capability for Employment Scheme) seeks to provide short-term supplementary financial aid to needy families, address the growing need for employment of people with special needs and provide meaningful work training attachment opportunities for the YMCA Project Bridge youth.

Project Bridge Fund was set up mainly for the purpose of providing academic programmes and personal developments for early school leavers and youth-at-risk.

YMCA – Lim Kim San Volunteers Programme Fund was set up for the purpose of promoting volunteerism and to recruit, retain and motivate volunteers.

Disaster Relief Fund was set up for the purpose of supporting the major volunteer relief and rehabilitation works undertaken by the Group and the Association.

ISP Project fund was set up to fund any of the Association's ISP projects in any of the countries it is serving. In the event that there are surpluses for specific projects, the Board of Directors reserves the right to use such surplus funds for other ISP projects of the Association.

Proyouth Village Fund was set up for the purpose of road repair in Proyouth Village in Siem Reap, Cambodia.

Rebuilding Community Programme @ Dujiangyan Fund was set up for the purpose of supporting the Group and Association's rebuilding community programmes in Sichuan, China.

YMCA – Seet Hiong Kiat and Kuah Siew Eng Education Fund was set up to provide educational sponsorship for needy beneficiary students overseas who desire to pursue higher education but do not have adequate means to do so.

9. CLUB ACCOUNTS

	GROUP AND ASSOCIATION			
	At beginning of year S$	Receipt S$	Expense S$	At end of year S$
Toastmasters Club	4,245	11,895	(10,535)	5,605
Folk Dance Club	(395)	395	-	-
	3,850	12,290	(10,535)	5,605

10. PAYABLES AND ACCRUALS

	GROUP		ASSOCIATION	
	2012	2011	2012	2011
	S$	S$	S$	S$
Trade payables	495,909	483,850	490,191	480,842
Advance billing	121,704	51,769	121,704	51,769
Accrued operating expenses	659,137	972,132	312,962	305,517
Other payables	790,895	672,908	752,943	671,062
Deposits payable	671,131	631,778	671,131	631,778
Funds/Fees received in advance*	1,129,601	1,140,579	332,120	410,609
	3,868,377	3,953,016	2,681,051	2,551,577
Payables and accruals are denominated in the following currencies: -				
Singapore Dollar	2,593,590	2,404,721	2,227,227	2,089,199
Australian Dollar	23,482	355,947	-	-
	2,617,072	2,760,668	2,227,227	2,089,199

Funds/Fees received in advance include advance for Citi-YMCA Youth for Causes amounting to S$332,120 (2011: S$375,283) for the Group and the Association.

11. AMOUNT DUE TO A SUBSIDIARY

Amount due to a subsidiary is non-trade, unsecured, interest-free, repayable on demand and is to be settled in cash.

12. OTHER INCOME

	GROUP		ASSOCIATION	
	2012	2011	2012	2011
	S$	S$	S$	S$
Other income comprises of:-				
Management fee income	-	-	1,642,308	1,461,017
Rental	338,962	362,215	338,962	362,215
Sundries	176,997	88,717	176,997	88,717
	515,959	450,932	2,158,267	1,911,949

13. TOTAL RESOURCES EXPENDED

	GROUP		ASSOCIATION	
	2012	2011	2012	2011
	S$	S$	S$	S$
Total resources expended for the year are arrived at after charging/(crediting): -				
Bad debts written off	3,278	6,658	3,278	6,658
Commission	1,285,255	1,246,791	-	-
Depreciation	1,603,395	1,592,160	1,600,614	1,592,089
Exchange difference	4,102	103	(1,752)	266
Staff costs* comprise:-				
- Salaries and other costs	7,723,893	7,094,562	7,300,295	6,923,562
- Employer's contribution to CPF	807,615	630,547	807,615	630,547

* Includes key management personnel compensation as disclosed in Note 14 below.

14. KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel of the Group and the Association are those having the authority and responsibility for planning, directing and controlling the activities of the Group and the Association. The members of the Board of Directors and the Senior Management Team are considered as key management personnel of the Group and the Association.

	GROUP AND ASSOCIATION	
	2012	2011
	S$	S$
Key management personnel compensation comprises:-		
Salaries and other short-term employee benefits	433,058	534,463
Employer's contribution to CPF	40,902	44,373
	473,960	578,836

The number of key executives who received emoluments above S$100,000 for the financial year is two employees (2011: 2) with emoluments above S$100,000 but less than S$150,000.

None of the directors received any emoluments in respect of their service as directors of the Group and the Association for both of the financial years.

15. TAXATION

	GROUP 2012 S$	2011 S$
Provision in respect of the results of the year: -		
Current taxation	-	7,569
Over provision in prior year	(7,569)	-
	(7,569)	7,569

The reconciliation of the tax (benefit)/expense and the results for the financial year multiplied by the applicable tax rate is as follows: -

	GROUP 2012 S$	Restated 2011 S$
Profit before taxation	2,124,773	1,852,686
Non-taxable income	(16,003,088)	(14,668,163)
Non-deductible expenses	14,235,047	13,088,753
Unabsorbed tax losses carried forward	44,398	-
Less: Wear and tear allowance	(5,762)	-
Less: Productivity and Innovation credit	(9,315)	-
Less: Unutilised donation brought forward	(386,053)	-
Less: Unabsorbed tax losses brought forward	-	(28,753)
Chargeable income (before exempt amount)	-	244,523
Less: Exempt amount		(200,000)
Chargeable income (after exempt amount)	-	44,523
Tax at 17%	-	7,569
Over provision in prior year	(7,569)	-
Tax (benefit)/expense	(7,569)	7,569

The Association has been registered as a charity under the Charities Act and is exempted from income tax for the financial year under the provisions of the Income Tax Act Cap. 134.

16. TAX EXEMPT DONATIONS

The Association received tax exempt donations amounting to S$1,084,013 (2011: S$1,090,044) during the financial year.

17. RELATED PARTY TRANSACTIONS

The following transactions took place between the Group/Association and the related parties at mutually agreed terms during the financial year:-

	GROUP		ASSOCIATION	
	2012	2011	2012	2011
	S$	S$	S$	S$
Transactions with related parties:-				
Purchase of services from				
a director related company	1,420	6,578	-	3,817
Transactions with a subsidiary:-				
Donations	-	-	360,690	239,158
Management fee income	-	-	1,642,308	1,461,017
Function room rental income	-	-	55,948	48,890

All transactions with these related parties are priced on an arm's length basis.

18. CAPITAL COMMITMENTS

Capital expenditure contracted but not provided for in the financial statements: -

	GROUP AND ASSOCIATION	
	2012	2011
	S$	S$
Renovation	246,998	312,970
Computer software	34,741	-
Computer equipment	-	139,999
	281,739	452,969

19. OPERATING LEASE COMMITMENTS

Operating lease commitments – as lessee

Rental of copiers for the year amounts to S$35,561 and S$26,489 (2011: S$29,583 and S$19,748) for the Group and the Association respectively.

At the end of reporting period, the Group and the Association were committed to make the following lease payments in respect of the rent of copiers with a term of more than one year:-

	GROUP		ASSOCIATION	
	2012	2011	2012	2011
	S$	S$	S$	S$
Within one year	37,140	32,340	31,020	26,220
After one year but within five years	58,553	74,723	44,269	54,319
	95,693	107,063	75,289	80,539

None of the leases include contingent rent.

Operating lease commitments – as lessor

Rental of premises for the year amounts to S$338,962 and S$ S$338,962 (2011: S$362,215 and S$362,215) for the Group and the Association respectively.

At the end of reporting period, the Group and the Association were committed to receive the following lease payments in respect of the rent of the premises with a term of more than one year:-

	GROUP AND ASSOCIATION	
	2012	2011
	S$	S$
Within one year	102,015	313,852
After one year but within five years	-	102,015
	102,015	415,867

None of the leases include contingent rent.

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The management of the Group monitors and manages the financial risk relating to the operations of the Group to ensure appropriate measures are implemented in a timely and effective manner. These risks include market risk, credit risk and liquidity risk..

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Foreign Currency Risk

The Group has minimal dealings in foreign currencies and as such, the Group is not significantly exposed to foreign currency risk. Sensitivity analysis is not performed as the impact is not significant.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's interest rate exposure relates primarily to its investment portfolio in fixed deposits and bonds. At the end of reporting period, the Group is not significantly exposed to interest rate risk. Sensitivity analysis is not performed as the impact is not significant.

Price Risk

The Group is exposed to securities price risk because of the investments held by the Group which are classified on the statement of financial position as available-for-sale financial assets. To manage its price risk arising from investments in securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the asset allocation set by the Group, which is reviewed on a regular basis.

Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group does not expect to incur material credit losses on its financial assets.

<u>Financial assets that are neither past due nor impaired</u>

Receivables that are neither past due nor impaired are creditworthy debtors. Cash and cash equivalents that are neither past due nor impaired are placed with financial institutions with high credit ratings.

<u>Financial assets that are either past due or impaired</u>

Information regarding financial assets that are either past due or impaired is disclosed in Note 5.

Liquidity Risk

The Management manages the liquidity prudently and aims at maintaining an adequate level of liquidity.

The maturity profile of the Group's financial liabilities is within twelve months from the end of reporting period.

21. RESERVES POLICY

The following table sets out the reserves position as at the end of reporting period: -

GROUP	2012 S$	2011 S$	% Increase/ (Decrease)
Unrestricted Funds (*Reserves)			
- Accumulated Fund	15,332,938	13,711,068	12
- Capital Replacement Fund	1,828,060	775,704	>100
- Fair Value Reserve	259,463	(499,676)	>100
- Other Funds	1,642,741	1,518,157	8
	19,063,202	15,505,253	
Restricted Funds			
- Building Asset Capitalisation Reserve	4,781,669	5,562,867	(14)
- Other Funds	208,703	204,398	2
- Club Accounts	5,605	3,850	46
Total Funds	24,059,179	21,276,368	
Ratio of *Reserves to annual operating expenditure	2.470	2.207	

ASSOCIATION	2012 S$	2011 S$	% Increase/ (Decrease)
Unrestricted Funds (*Reserves)			
- Accumulated Fund	15,332,938	13,711,898	12
- Capital Replacement Fund	1,828,060	775,704	>100
- Fair Value Reserve	259,463	(499,676)	>100
- Other Funds	1,642,741	1,518,157	8
	19,063,202	15,506,083	
Restricted Funds			
- Building Asset Capitalisation Reserve	4,781,669	5,562,867	(14)
- Other Funds	208,703	204,398	2
- Club Accounts	5,605	3,850	46
Total Funds	24,059,179	21,277,198	
Ratio of *Reserves to annual operating expenditure	2.470	2.207	

21. RESERVES POLICY (Continued)

The reserves that the Group has set aside provide financial stability and the means for the development of the Group's principal activities. The Group targets for an optimum of three years of operating reserves from surpluses generated through its social enterprises. These reserves will be critical when donations dry up or the economy is at a downturn. The Group has set aside a percentage of its surpluses for large scale asset renewal as capital replacement fund. This allows the Group fundraising efforts to sustain its programmes and not to be detracted from fundraising for asset renewal purposes when the need arises.

The Board regularly reviews the amount of reserves that are required to ensure that they are adequate to fulfill the Group's continuing obligations.

22. CORRECTION OF ERROR

The following statements of comprehensive income were overstated for the year ended 31 December 2011. The comparative figures have been restated to reflect the correction of this error.

The effects in the financial statements are as follows:-

	GROUP AND ASSOCIATION		
	As previously reported S$	Effect of prior year adjustment S$	As restated S$
Amortisation of Building Asset Capitalisation Reserve	696,946	(557,216)	139,730
Net movment in specific funds			
- Unrestricted funds	(470,102)	-	(470,102)
- Restricted funds			
: Net surplus for the year	(79,018)	-	(79,018)
: Amortisation of Building Asset Capitalisation Reserve	(696,946)	557,216	(139,730)
	(775,964)	557,216	(218,748)
	(1,246,066)	557,216	(688,850)

23. CLASSIFICATION OF FINANCIAL INSTRUMENTS

The following table sets out the financial instruments as at the balance sheet date:-

	GROUP		ASSOCIATION	
	2012	2011	2012	2011
	S$	S$	S$	S$
Financial assets				
Available-for-sale financial assets	7,187,087	6,427,948	7,187,087	6,427,948
Loans and receivables:-				
Receivables	731,523	555,443	657,494	485,022
Deposits	22,391	20,015	19,886	15,982
Fixed deposits	4,637,097	4,835,154	4,637,097	4,835,154
Cash and bank balances	5,717,625	3,170,947	4,860,455	1,900,059
Total financial assets	18,295,723	15,009,507	17,362,019	13,664,165
Financial liabilities				
At amortised cost:-				
Payables and accruals	2,617,072	2,760,668	2,227,227	2,089,199
Amount due to a subsidiary	-	-	73,604	59,482
Total financial liabilities	2,617,072	2,760,668	2,300,831	2,148,681

24. CONTINGENT LIABILITY

As at 31 December 2012, a financial institution had issued letters of guarantee of S$211,217 (2011: S$211,217) to third parties on behalf of the Group and the Association, with a charge on fixed deposits (Note 6).

25. FAIR VALUES

Fair value of financial instruments that are carried at fair value

Fair value hierarchy

The Group classifies fair value measurement using fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 – Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

Determination of fair value

Quoted bonds, equities and REITs: Fair value is determined directly by reference to their published market bid prices at the balance sheet date.

Available-for-sale financial assets of the Group and the Association measured at fair value of S$7,187,087 (2011: S$6,427,948) are sourced from quoted prices in active markets for identical investments which is included in Level 1.

Fair value of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of the financial assets (other than available-for-sale instrument) and financial liabilities are recorded in the financial statements at their approximate fair values, determined in accordance with the accounting policies disclosed in Note 2 to the financial statements.

26. FRS AND INT FRS NOT YET ADOPTED

The Group has not applied the following Standards and Interpretations that have been issued but not yet effective:

Description		Effective for annual periods beginning on or after
Revised FRS 19	*Employee Benefits*	1 January 2013
Revised FRS 27	*Separate Financial Statements*	1 January 2014
Revised FRS 28	*Investments in Associates and Joint Ventures*	1 January 2014
FRS 110	*Consolidated Financial Statements*	1 January 2014
FRS 111	*Joint Arrangements*	1 January 2014
FRS 112	*Disclosure of Interests in Other Entities*	1 January 2014
FRS 113	*Fair Value Measurements*	1 January 2013
Amendments to FRS 1	*Presentation of Items of Other Comprehensive Income*	1 July 2012
Amendments to FRS 32	*Offsetting of Financial Assets and Financial Liabilities*	1 January 2014
Amendments to FRS 101	*Government Loans*	1 January 2013
Amendments to FRS 107	*Disclosures-offsetting of Financial Assets and Financial Liabilities*	1 January 2013
Amendments to FRS 110, FRS 111 and FRS 112	*Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance*	1 January 2014

The initial application of these Standards, Amendments and Interpretations are not expected to have any material impact on the Group's financial statements.

The Group has not considered the impact of Accounting Standards issued after the end of the reporting period.

27. AUTHORISATION OF FINANCIAL STATEMENTS

The consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in general and specific funds of the Association for the financial year ended 31 December 2012 were authorised for issue in accordance with a resolution of the Board of Directors dated 19 March 2013.