

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**AUDITED FINANCIAL STATEMENTS AND  
OTHER FINANCIAL INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

<b>CONTENTS</b>	<b>Page</b>
Statement by Board of Directors	1
Auditors' Report	2 - 3
Statements of Financial Position	4
Statements of Comprehensive Income	5 - 6
Statements of Changes in General and Specific Funds	7 - 8
Consolidated Statement of Cash Flows	9
Notes to the Financial Statements	10 - 38

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**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 38 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 2013, 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**



**DR TAN SZE WEE**  
**Treasurer**

Singapore, 25 March 2014

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

**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 2013, 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 38.

*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 accounts and balance sheets 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 2013 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.

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

**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**  
**Chartered Accountants**

25 March 2014

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
**(UEN: S61SS0045E)**  
**AND ITS SUBSIDIARY**

**STATEMENTS OF FINANCIAL POSITION**  
**As at 31 December 2013**

	Note	GROUP		ASSOCIATION	
		2013	2012	2013	2012
<b>ASSETS</b>		S\$	S\$	S\$	S\$
<b>Non-Current Assets</b>					
Property, Plant and Equipment	3	8,270,588	9,348,312	8,224,423	9,334,893
Available-for-Sale Financial assets	4	7,350,919	7,187,087	7,350,919	7,187,087
<b>Total non-current assets</b>		<b>15,621,507</b>	<b>16,535,399</b>	<b>15,575,342</b>	<b>16,521,980</b>
<b>Current assets</b>					
Inventories		19,328	16,519	19,328	16,519
Receivables	5	884,620	788,225	819,257	714,196
Prepayments		61,358	210,300	58,131	43,701
Deposits		41,801	22,391	39,296	19,886
Fixed deposits	6	10,599,316	4,637,097	10,599,316	4,637,097
Cash and Bank Balances	7	2,692,789	5,717,625	2,190,777	4,860,455
<b>Total Current Assets</b>		<b>14,299,212</b>	<b>11,392,157</b>	<b>13,726,105</b>	<b>10,291,854</b>
<b>Total Assets</b>		<b>29,920,719</b>	<b>27,927,556</b>	<b>29,301,447</b>	<b>26,813,834</b>
<b>FUNDS AND LIABILITIES</b>					
<b>Funds</b>					
<b>Unrestricted Funds</b>					
Accumulated Fund		17,125,166	15,332,938	17,125,166	15,332,938
Capital Replacement Fund		4,943,524	1,828,060	4,943,524	1,828,060
Fair Value Reserve		96,676	259,463	96,676	259,463
Other Funds	8	1,598,972	1,642,741	1,598,972	1,642,741
<b>Restricted Funds</b>					
Building Asset Capitalisation Reserve		2,294,608	4,781,669	2,294,608	4,781,669
Other Funds	8	188,221	208,703	188,221	208,703
Club Accounts	9	5,376	5,605	5,376	5,605
<b>Total Funds</b>		<b>26,252,543</b>	<b>24,059,179</b>	<b>26,252,543</b>	<b>24,059,179</b>
<b>Current Liabilities</b>					
Payables and accruals	10	3,668,176	3,868,377	2,877,779	2,681,051
Amount due to a subsidiary	11	-	-	171,125	73,604
Provision for taxation		-	-	-	-
<b>Total Liabilities</b>		<b>3,668,176</b>	<b>3,868,377</b>	<b>3,048,904</b>	<b>2,754,655</b>
<b>Total Funds and Liabilities</b>		<b>29,920,719</b>	<b>27,927,556</b>	<b>29,301,447</b>	<b>26,813,834</b>

The notes set out on pages 10 to 38 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)**  
**AND ITS SUBSIDIARY**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**For the financial year ended 31 December 2013**

		GROUP			
	Note	Unrestricted Funds S\$	Restricted Funds S\$	2013 Total S\$	2012 Total S\$
<b>Incoming Resources</b>					
<b>Incoming Resources from Generated Funds</b>					
<i>Voluntary Income</i>					
Donations		519,330	-	519,330	451,555
<i>Activities for Generating Funds</i>					
Child Care and Student Care Centres		4,899,845	-	4,899,845	3,721,050
YMCA Education Centre Limited		3,783,757	-	3,783,757	4,224,840
International House		6,368,463	-	6,368,463	6,414,314
Membership Fees and Activities		477,374	-	477,374	624,184
Outdoor and Adventure		693,781	-	693,781	532,337
Donations (Fund Raising Events)		816,499	-	816,499	882,861
Other Income	12	530,262	-	530,262	515,959
Amortisation of Building Asset Capitalisation Reserve	21	114,730	-	114,730	114,730
		18,204,041	-	18,204,041	17,481,830
<i>Investment Income</i>					
Interest and Dividend Income		304,234	-	304,234	290,992
Net fair value gain on disposal of available-for-sale financial assets		312,558	-	312,558	-
		18,820,833	-	18,820,833	17,772,822
<b>Incoming Resources from Charitable Activities</b>					
Community Services *		449,496	-	449,496	521,128
Volunteer and Youth Development Programmes		109,091	-	109,091	296,175
International Programmes		1,613,300	-	1,613,300	1,638,879
		2,171,887	-	2,171,887	2,456,182
<b>TOTAL INCOMING RESOURCES</b>		20,992,720	-	20,992,720	20,229,004
<b>Less: Resources Expended</b>					
<b>Costs of Generating Funds</b>					
Child Care and Student Care Centres		4,405,601	-	4,405,601	3,423,051
YMCA Education Centre Limited		1,211,620	-	1,211,620	2,173,709
International House		6,428,718	-	6,428,718	6,294,536
Membership Activities		875,684	-	875,684	968,743
Outdoor and Adventure		650,306	-	650,306	527,456
Donations (Fund Raising Events)		215,830	-	215,830	205,427
Other Operating Expenses		1,028,644	-	1,028,644	763,976
		14,816,403	-	14,816,403	14,356,898
<b>Resources Expended on Charitable Activities</b>					
Community Services *		1,437,279	-	1,437,279	1,324,028
Volunteer and Youth Development Programmes		615,276	-	615,276	765,006
International Programmes		1,560,822	-	1,560,822	1,577,523
		3,613,377	-	3,613,377	3,666,557
<b>Governance Costs</b>		69,648	-	69,648	77,889
<b>TOTAL RESOURCES EXPENDED</b>	13	18,499,428	-	18,499,428	18,101,344
Net incoming resources before other recognised losses		2,493,292	-	2,493,292	2,127,660
<b>Less: Other recognised losses</b>					
Loss on disposal of property, plant and equipment		(1,700)	-	(1,700)	(2,887)
Net movement in funds before taxation		2,491,592	-	2,491,592	2,124,773
<b>Add/(Less): Taxation</b>	15	-	-	-	7,569
Net movement in funds after taxation		2,491,592	-	2,491,592	2,132,342
Fund balances at beginning of the year		19,063,202	4,995,977	24,059,179	21,276,368
Net movement in specific funds		2,209,544	(2,507,772)	(298,228)	650,469
Fund balances at end of the year	Page 7, Note 21	23,764,338	2,488,205	26,252,543	24,059,179

\* Community Services are made up of YMCA-Tan Chin Tuan Community Services Programmes, YMCA Project Bridge and YMCA FACES (Financial Assistance and Capability for Employment Scheme)

The notes set out on pages 10 to 38 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)  
AND ITS SUBSIDIARY**

**STATEMENT OF COMPREHENSIVE INCOME  
For the financial year ended 31 December 2013**

**ASSOCIATION**

	Note	Unrestricted Funds S\$	Restricted Funds S\$	2013 Total S\$	2012 Total S\$
<b>Incoming Resources</b>					
<b>Incoming Resources from Generated Funds</b>					
<i>Voluntary Income</i>					
Donations		1,095,283	-	1,095,283	812,245
<i>Activities for Generating Funds</i>					
Child Care and Student Care Centres		4,899,845	-	4,899,845	3,721,050
International House		6,413,590	-	6,413,590	6,470,261
Membership Fees and Activities		477,374	-	477,374	624,184
Outdoor and Adventure		693,781	-	693,781	532,337
Donations (Fund Raising Events)		816,499	-	816,499	882,861
Other Income	12	2,483,458	-	2,483,458	2,158,267
Amortisation of Building Asset Capitalisation Reserve	21	114,730	-	114,730	114,730
		16,994,560	-	16,994,560	15,315,935
<i>Investment Income</i>					
Interest and Dividend Income		302,095	-	302,095	289,917
Net fair value gain on disposal of available-for-sale financial assets		312,558	-	312,558	-
		17,609,213	-	17,609,213	15,605,852
<b>Incoming Resources from Charitable Activities</b>					
Community Services *		449,496	-	449,496	521,128
Volunteer and Youth Development Programmes		109,091	-	109,091	296,175
International Programmes		1,613,300	-	1,613,300	1,638,879
		2,171,887	-	2,171,887	2,456,182
<b>TOTAL INCOMING RESOURCES</b>		19,781,100	-	19,781,100	18,062,034
<b>Less: Resources Expended</b>					
<b>Costs of Generating Funds</b>					
Child Care and Student Care Centres		4,405,601	-	4,405,601	3,423,051
International House		6,428,718	-	6,428,718	6,294,536
Membership Activities		875,684	-	875,684	968,743
Outdoor and Adventure		650,306	-	650,306	527,456
Donations (Fund Raising Events)		215,830	-	215,830	205,427
Other Operating Expenses		1,028,644	-	1,028,644	763,976
		13,604,783	-	13,604,783	12,183,189
<b>Resources Expended on Charitable Activities</b>					
Community Services *		1,437,279	-	1,437,279	1,324,028
Volunteer and Youth Development Programmes		615,276	-	615,276	765,006
International Programmes		1,560,822	-	1,560,822	1,577,523
		3,613,377	-	3,613,377	3,666,557
<b>Governance Costs</b>		69,648	-	69,648	77,889
<b>TOTAL RESOURCES EXPENDED</b>	13	17,287,808	-	17,287,808	15,927,635
Net incoming resources before other recognised losses		2,493,292	-	2,493,292	2,134,399
<b>Less: Other recognised losses</b>					
Loss on disposal of property, plant and equipment		(1,700)	-	(1,700)	(2,887)
Net movement in funds		2,491,592	-	2,491,592	2,131,512
Fund balances at beginning of the year		19,063,202	4,995,977	24,059,179	21,277,198
Net movement in specific funds	Page 8, Note 21	2,209,544	(2,507,772)	(298,228)	650,469
Fund balances at end of the year		23,764,338	2,488,205	26,252,543	24,059,179

\* Community Services are made up of YMCA-Tan Chin Tuan Community Services Programmes, YMCA Project Bridge and YMCA FACES (Financial Assistance and Capability for Employment Scheme).

The notes set out on pages 10 to 38 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)  
AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN GENERAL AND SPECIFIC FUNDS  
For the financial year ended 31 December 2013

	Accumulated Fund S\$	Capital Replacement Fund S\$	Fair Value Reserve S\$	GROUP Building Asset Capitalisation Reserve S\$	Other Funds S\$	Club Accounts S\$	Total S\$
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) <sup>9</sup>	1,052,356 #	-	(666,468) *	-	-	-
Amortisation of Building Asset Capitalisation Reserve	-	-	-	(114,730) *	-	-	(114,730)
Balance at 31.12.2012/01.01.2013	15,332,938	1,828,060	259,463	4,781,669	1,851,444	5,605	24,059,179
Net surplus for the year							
-Unrestricted funds	1,119,481	1,415,880	-	-	(43,769)	-	2,491,592
-Restricted funds	-	-	-	-	(20,482) *	(229) *	(20,711)
Net fair value gains on available- for-sale financial assets recognised directly in fund	-	-	(162,787) #	-	-	-	(162,787)
Transfers during the year	672,747 #	1,699,584 #	-	(2,372,331) *	-	-	-
Amortisation of Building Asset Capitalisation Reserve	-	-	-	(114,730) *	-	-	(114,730)
Balance at 31.12.2013	17,125,166	4,943,524	96,676	2,294,608	1,787,193	5,376	26,252,543
					Note 8	Note 9	

# Net movement in unrestricted funds S\$2,209,544 (2012: S\$1,425,607)

\* Net movement in restricted funds (S\$2,507,772) (2012: (S\$775,138))

The notes set out on pages 10 to 38 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)**  
**AND ITS SUBSIDIARY**

**STATEMENT OF CHANGES IN GENERAL AND SPECIFIC FUNDS**  
**For the financial year ended 31 December 2013**

				ASSOCIATION Building Asset			
	Accumulated Fund S\$	Capital Replacement Fund S\$	Fair Value Reserve S\$	Capitalisation Reserve S\$	Other Funds S\$	Club Accounts S\$	Total S\$
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 <sup>#</sup>	-	-	-	759,139
Transfers during the year	(385,888) <sup>#</sup>	1,052,356 <sup>#</sup>	-	(666,468) <sup>*</sup>	-	-	-
Amortisation of Building Asset Capitalisation Reserve	-	-	-	(114,730) <sup>*</sup>	-	-	(114,730)
Balance at 31.12.2012/01.01.2013	15,332,938	1,828,060	259,463	4,781,669	1,851,444	5,605	24,059,179
Net surplus for the year							
-Unrestricted funds	1,119,481	1,415,880	-	-	(43,769)	-	2,491,592
-Restricted funds	-	-	-	-	(20,482) <sup>*</sup>	(229) <sup>*</sup>	(20,711)
Net fair value gains on available- for-sale financial assets recognised directly in fund	-	-	(162,787) <sup>#</sup>	-	-	-	(162,787)
Transfers during the year	672,747 <sup>#</sup>	1,699,584 <sup>#</sup>	-	(2,372,331) <sup>*</sup>	-	-	-
Amortisation of Building Asset Capitalisation Reserve	-	-	-	(114,730) <sup>*</sup>	-	-	(114,730)
Balance at 31.12.2013	17,125,166	4,943,524	96,676	2,294,608	1,787,193	5,376	26,252,543
					Note 8	Note 9	

<sup>#</sup> Net movement in unrestricted funds S\$2,209,544 (2012: S\$1,425,607)

<sup>\*</sup> Net movement in restricted funds (S\$2,507,772) [2012: (S\$775,138) ]

The notes set out on pages 10 to 38 form an integral part of and should be read in conjunction with this set of financial statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
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**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the financial year ended 31 December 2013**

	2013 S\$	2012 S\$
<b>Cash flows from operating activities</b>		
Net surplus for the year	2,491,592	2,124,773
Adjustments for: -		
Depreciation of property, plant and equipment	1,514,302	1,603,395
Amortisation of Building Asset Capitalisation Reserve	(114,730)	(114,730)
Bad debts written off	600	3,278
Loss on disposal of property, plant and equipment	1,700	2,887
Interest and dividend income	(304,234)	(290,992)
Net fair value gain on disposal of available-for-sale financial assets	(312,558)	-
<b>Operating surplus before working capital changes</b>	<b>3,276,672</b>	<b>3,328,611</b>
Increase in inventories	(2,809)	(9,586)
Decrease/(Increase) in receivables, prepayments and deposits	60,277	(372,988)
Decrease in payables and accruals	(226,372)	(84,639)
<b>Cash generated from operations</b>	<b>3,107,768</b>	<b>2,861,398</b>
Net cash generated from activities: -		
Other specific funds	(20,482)	4,305
Club activities	(229)	1,755
<b>Net cash generated from operating activities</b>	<b>3,087,057</b>	<b>2,867,458</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of available-for-sale financial assets	4,098,000	-
Purchase of available-for-sale financial assets	(4,112,061)	-
Proceeds from disposal of property, plant and equipment	105,813	-
Purchase of property, plant and equipment	(608,522)	(920,952)
Fixed deposits subject to restriction	(182)	(176)
Grants received	64,431	98,734
Interest and dividend received	302,665	303,381
<b>Net cash used in investing activities</b>	<b>(149,856)</b>	<b>(519,013)</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,937,201</b>	<b>2,348,445</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>10,273,162</b>	<b>7,924,717</b>
<b>Cash and cash equivalents at end of year</b>	<b>13,210,363</b>	<b>10,273,162</b>
<b>Cash and cash equivalents comprise:-</b>		
Cash and bank balances	2,692,789	5,717,625
Fixed deposits	10,599,316	4,637,097
	13,292,105	10,354,722
Less: Fixed deposits subject to restriction	(81,742)	(81,560)
	13,210,363	10,273,162

The notes set out on pages 10 to 38 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)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

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 2013. The adoptions of these new/revised FRSs and INT FRSs have no material effect on the financial statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**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 and 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%

System not ready to use is not depreciated until this asset is available for use.

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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**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.



**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**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).



**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**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).

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**3. PROPERTY, PLANT AND EQUIPMENT**

		GROUP								
		Leasehold Land & Building	Plant and Machinery	Renovation	Computer Equipment	Office Equipment	Furniture & Fittings	Computer Software	System Not Ready To Use	Total
Cost		S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
At 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 and 01.01.2013		12,079,195	1,418,419	14,327,069	566,820	546,713	1,419,548	317,780	-	30,675,544
Additions		-	-	394,783	79,765	7,529	28,937	61,508	36,000	608,522
Grants received		-	-	(50,511)	(13,920)	-	-	-	-	(64,431)
Disposals		-	(474)	(161,010)	(30,335)	(10,039)	(10,527)	(6,044)	-	(218,429)
At 31.12.2013		12,079,195	1,417,945	14,510,331	602,330	544,203	1,437,958	373,244	36,000	31,001,206
Accumulated Depreciation										
At 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 and 01.01.2013		6,759,578	1,319,866	11,253,286	380,503	313,117	1,075,550	225,332	-	21,327,232
Depreciation for the year		241,584	23,991	905,931	93,880	83,860	108,429	56,627	-	1,514,302
Disposals		-	(450)	(56,320)	(28,943)	(9,111)	(10,048)	(6,044)	-	(110,916)
At 31.12.2013		7,001,162	1,343,407	12,102,897	445,440	387,866	1,173,931	275,915	-	22,730,618
Net Book Value										
At 31.12.2013		5,078,033	74,538	2,407,434	156,890	156,337	264,027	97,329	36,000	8,270,588
At 31.12.2012		5,319,617	98,553	3,073,783	186,317	233,596	343,998	92,448	-	9,348,312

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

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
**(UEN: S61SS0045E)**  
**AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**3. PROPERTY, PLANT AND EQUIPMENT (Continued)**

	Leasehold Land & Building S\$	Plant and Machinery S\$	Renovation S\$	ASSOCIATION				Total S\$
				Computer Equipment S\$	Office Equipment S\$	Furniture & Fittings S\$	Computer Software S\$	
<b>Cost</b>								
At 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 and 01.01.2013	12,079,195	1,418,419	14,327,069	566,820	543,710	1,406,280	317,780	30,659,273
Additions	-	-	394,783	79,765	7,529	28,937	61,508	572,522
Grants received	-	-	(50,511)	(13,920)	-	-	-	(64,431)
Disposals	-	(474)	(161,010)	(30,335)	(10,039)	(10,527)	(6,044)	(218,429)
At 31.12.2013	12,079,195	1,417,945	14,510,331	602,330	541,200	1,424,690	373,244	30,948,935
<b>Accumulated Depreciation</b>								
At 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 and 01.01.2013	6,759,578	1,319,866	11,253,286	380,503	312,710	1,073,105	225,332	21,324,380
Depreciation for the year	241,584	23,991	905,931	93,880	83,260	105,775	56,627	1,511,048
Disposals	-	(450)	(56,320)	(28,943)	(9,111)	(10,048)	(6,044)	(110,916)
At 31.12.2013	7,001,162	1,343,407	12,102,897	445,440	386,859	1,168,832	275,915	22,724,512
<b>Net Book Value</b>								
At 31.12.2013	5,078,033	74,538	2,407,434	156,890	154,341	255,858	97,329	8,224,423
At 31.12.2012	5,319,617	98,553	3,073,783	186,317	231,000	333,175	92,448	9,334,893

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

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
**(UEN: S61SS0045E)**  
**AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**4. AVAILABLE-FOR-SALE FINANCIAL ASSETS**

	GROUP AND ASSOCIATION	
	2013	2012
	S\$	S\$
<i>Quoted investments</i>		
<u>Bonds*</u>		
Balance at beginning of the year	2,802,038	2,841,325
Additions during the year	1,006,250	-
Disposals during the year	(2,279,188)	-
Net fair value losses recognised in fund	(21,125)	(39,287)
Balance at end of the year	<u>1,507,975</u>	<u>2,802,038</u>
<u>Equities</u>		
Balance at beginning of the year	3,411,199	2,908,973
Additions during the year	540,604	-
Disposals during the year	(1,197,640)	-
Net fair value gains recognised in fund	167,162	502,226
Balance at end of the year	<u>2,921,325</u>	<u>3,411,199</u>
<u>REITs</u>		
Balance at beginning of the year	973,850	677,650
Additions during the year	2,565,207	-
Disposals	(502,500)	-
Net fair value (losses)/gains recognised in fund	(114,938)	296,200
Balance at end of the year	<u>2,921,619</u>	<u>973,850</u>
Total available-for-sale financial assets at end of the year	<u>7,350,919</u>	<u>7,187,087</u>
 *Bonds comprise of:-		
1.00% p.a. corporate bond due 02.07.2013	-	267,188
2.95% p.a. corporate bond due 20.06.2022	248,900	247,850
3.27% p.a. corporate bond due 19.02.2020	261,825	275,000
2.50% p.a. corporate bond due 23.06.2013	-	2,012,000
4.10% p.a. corporate bond due 03.09.2019	507,250	-
3.80% p.a. corporate bond due 23.04.2027	490,000	-
	<u>1,507,975</u>	<u>2,802,038</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
**(UEN: S61SS0045E)**  
**AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**5. RECEIVABLES**

	GROUP		ASSOCIATION	
	2013	2012	2013	2012
	S\$	S\$	S\$	S\$
Trade receivables	774,306	646,952	708,943	572,923
Event advances	74,510	56,702	74,510	56,702
Interest receivables	9,633	8,064	9,633	8,064
Other receivables	26,171	76,507	26,171	76,507
	<u>884,620</u>	<u>788,225</u>	<u>819,257</u>	<u>714,196</u>

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	
	2013	2012	2013	2012
	S\$	S\$	S\$	S\$
Not past due	90,279	269,480	24,916	195,451
Past due 1-30 days	415,003	230,322	415,003	230,322
Past due 31-60 days	144,442	52,867	144,442	52,867
Past due 61-90 days	39,436	27,881	39,436	27,881
Past due 91-120 days	12,226	-	12,226	-
Past due more than 120 days	72,920	66,402	72,920	66,402
	<u>774,306</u>	<u>646,952</u>	<u>708,943</u>	<u>572,923</u>

Trade receivables include amount of S\$684,027 and S\$684,027 (2012: S\$377,472 and S\$377,472) 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 0.24% to 0.85% (2012: 0.22% to 1.20%) per annum and matured within 3 months to 6 months (2012: 3 months to 24 months). As at 31 December 2013, a financial institution had issued letters of guarantee of S\$226,717 (2012: S\$211,217) to third parties on behalf of the Group and the Association, with a charge on fixed deposits (Note 23).

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
**(UEN: S61SS0045E)**  
**AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**7. CASH AND BANK BALANCES**

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

	GROUP		ASSOCIATION	
	2013	2012	2013	2012
	S\$	S\$	S\$	S\$
Australian Dollar	14,068	85,343	-	-
Chinese Renminbi	-	1,492	-	1,492
Malaysian Ringgit	522	491	522	491
New Zealand Dollar	5	5	5	5
Singapore Dollar	2,640,594	5,625,830	2,152,650	4,854,003
United States Dollar	37,600	4,464	37,600	4,464
	<u>2,692,789</u>	<u>5,717,625</u>	<u>2,190,777</u>	<u>4,860,455</u>

**8. OTHER FUNDS**

	GROUP AND ASSOCIATION			
	At beginning of year S\$	Receipt S\$	Expense S\$	At end of year S\$
<u>Unrestricted Funds</u>				
Community Service Fund	78,279	536,115	(588,044)	26,350
YMCA FACES	287,815	74,684	(38,843)	323,656
Project Bridge Fund	146,131	177,205	(190,460)	132,876
YMCA-Lim Kim San Volunteers Programme Fund	1,130,516	238,616	(253,042)	1,116,090
	<u>1,642,741</u>	<u>1,026,620</u>	<u>(1,070,389)</u>	<u>1,598,972</u>
<u>Restricted Funds</u>				
Disaster Relief Fund	82,697	-	(22,314)	70,350
ISP Project Fund	19,057	9,967	(8,135)	10,922
Rebuilding Community Programme @ Dujiangyan Fund	86,949	-	-	86,949
YMCA - Seet Hiong Kiat and Kuah Siew Eng Education Fund	20,000	-	-	20,000
	<u>208,703</u>	<u>9,967</u>	<u>(30,449)</u>	<u>188,221</u>
	<u>1,851,444</u>	<u>1,036,587</u>	<u>(1,100,838)</u>	<u>1,787,193</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
**(UEN: S61SS0045E)**  
**AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**8. OTHER FUNDS (Continued)**

Community Service Fund was set up for the purpose of funding YMCA Community Services.

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

Project Bridge Fund supports Project Bridge which aims to provide personal development programmes and counselling 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 is set up for the purpose of supporting volunteer relief and rehabilitation works undertaken by the Association from time to time.

ISP Project Fund provides funding for 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.

Rebuilding Community Programme @ Dujiangyan Fund was set up for the purpose of supporting the 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 end of year S\$
	At beginning of year S\$	Receipt S\$	Expense S\$	
Toastmasters Club	<u>5,605</u>	<u>9,730</u>	<u>(9,959)</u>	<u>5,376</u>

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
**(UEN: S61SS0045E)**  
**AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**10. PAYABLES AND ACCRUALS**

	GROUP		ASSOCIATION	
	2013	2012	2013	2012
	S\$	S\$	S\$	S\$
Trade payables	427,978	495,909	426,553	490,191
Advance billing	420,909	121,704	420,909	121,704
Accrued operating expenses	1,430,879	659,137	1,103,695	312,962
Other payables	186,138	790,895	160,480	752,943
Deposits payable	654,985	671,131	654,985	671,131
Funds/Fees received in advance*	547,287	1,129,601	111,157	332,120
	<u>3,668,176</u>	<u>3,868,377</u>	<u>2,877,779</u>	<u>2,681,051</u>
Payables and accruals are denominated in the following currencies: -				
Singapore Dollar	2,699,980	2,593,590	2,345,713	2,227,227
Australian Dollar	-	23,482	-	-
	<u>2,699,980</u>	<u>2,617,072</u>	<u>2,345,713</u>	<u>2,227,227</u>

\*Funds/Fees received in advance include advance for Citi-YMCA Youth for Causes amounting to S\$111,157 (2012: S\$332,120) for the Association.

**11. AMOUNT DUE TO A SUBSIDIARY**

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

**12. OTHER INCOME**

	GROUP		ASSOCIATION	
	2013	2012	2013	2012
	S\$	S\$	S\$	S\$
Other income comprises of:-				
Management fee income	-	-	1,953,196	1,642,308
Rental	374,378	338,962	374,378	338,962
Sundries	155,884	176,997	155,884	176,997
	<u>530,262</u>	<u>515,959</u>	<u>2,483,458</u>	<u>2,158,267</u>



**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
**(UEN: S61SS0045E)**  
**AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**13. TOTAL RESOURCES EXPENDED**

	GROUP		ASSOCIATION	
	2013	2012	2013	2012
	S\$	S\$	S\$	S\$
Total resources expended for the year are arrived at after charging/(crediting): -				
Bad debts written off	600	3,278	600	3,278
Commission	883,709	1,285,255	-	-
Depreciation	1,514,302	1,603,395	1,511,048	1,600,614
Exchange difference	2,686	4,102	1,380	(1,752)
Staff costs* comprise:-				
- Salaries and other costs	8,115,043	7,723,893	8,115,043	7,300,295
- Employer's contribution to CPF	932,005	807,615	932,005	807,615

\* 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	
	2013	2012
	S\$	S\$
Key management personnel compensation comprises:-		
Salaries and other short-term employee benefits	654,010	433,058
Employer's contribution to CPF	63,282	40,902
	<u>717,292</u>	<u>473,960</u>

The number of key executives who received emoluments above S\$100,000 for the financial year is two employees (2012: 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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
**(UEN: S61SS0045E)**  
**AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**15. TAXATION**

	GROUP	
	2013	2012
	S\$	S\$
Provision in respect of the results of the year: -		
Over provision in prior year	-	(7,569)

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

	GROUP	
	2013	2012
	S\$	S\$
Profit before taxation	2,491,592	2,124,773
Non-taxable income	(18,430,203)	(16,003,088)
Non-deductible expenses	16,517,818	14,235,047
Unabsorbed tax losses carried forward	397,120	44,398
Less: Wear and tear allowance	-	(5,762)
Less: Productivity and Innovation credit	(30,204)	(9,315)
Less: Unutilised donation brought forward	-	(386,053)
Less: Unabsorbed tax losses brought forward	(946,123)	-
Chargeable income (before exempt amount)	-	-
Less: Exempt amount	-	-
Chargeable income (after exempt amount)	-	-
Tax at 17%	-	-
Over provision in prior year	-	(7,569)
Tax benefit	-	(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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
**(UEN: S61SS0045E)**  
**AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**16. TAX EXEMPT DONATIONS**

The Association received tax exempt donations amounting to S\$1,506,928 (2012: S\$1,084,013) 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	
	2013	2012	2013	2012
	S\$	S\$	S\$	S\$
Transactions with related parties:-				
Purchase of services from a director related company	1,890	1,420	-	-
Transactions with a subsidiary:-				
Donations	-	-	575,953	360,690
Management fee income	-	-	1,953,196	1,642,308
Function room rental income	-	-	33,368	55,948

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	
	2013	2012
	S\$	S\$
Renovation	-	246,998
Computer software	-	34,741
	-	281,739

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
**(UEN: S61SS0045E)**  
**AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**19. OPERATING LEASE COMMITMENTS**

*Operating lease commitments – as lessee*

Rental of copiers for the year amounts to S\$41,150 and S\$32,078 (2012: S\$35,561 and S\$26,489) 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	
	2013	2012	2013	2012
	S\$	S\$	S\$	S\$
Within one year	26,830	37,140	20,710	31,020
After one year but within five years	31,541	58,553	23,377	44,269
	<u>58,371</u>	<u>95,693</u>	<u>44,087</u>	<u>75,289</u>

None of the leases include contingent rent.

*Operating lease commitments – as lessor*

Rental of premises for the year amounts to S\$374,378 and S\$374,378 (2012: S\$338,962 and S\$338,962) 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	
	2013	2012
	S\$	S\$
Within one year	361,910	102,015
After one year but within five years	347,860	-
	<u>709,770</u>	<u>102,015</u>

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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE  
(UEN: S61SS0045E)  
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**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.

The Group has no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Financial assets that are neither past due nor impaired

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.

Financial assets that are either past due or impaired

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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
**(UEN: S61SS0045E)**  
**AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**21. RESERVES POLICY**

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

<b>GROUP AND ASSOCIATION</b>	<b>2013 S\$</b>	<b>2012 S\$</b>	<b>% Increase/ (Decrease)</b>
<b>Unrestricted Funds (*Resrves)</b>			
- Accumulated Fund	17,125,166	15,332,938	12
<b>Designated and Other Funds</b>			
- Capital Replacement Fund	4,943,524	1,828,060	170
- Fair Value Reserve	96,676	259,463	(63)
- Other Funds	1,598,972	1,642,741	(3)
	23,764,338	19,063,202	
<b>Restricted Funds</b>			
- Building Asset Capitalisation Reserve	2,294,608	4,781,669	(52)
- Other Funds	188,221	208,703	(10)
- Club Accounts	5,376	5,605	(4)
<b>Total Funds</b>	<b>26,252,543</b>	<b>24,059,179</b>	
<b>Ratio of *Reserves to annual operating expenditure</b>	<b>3.09</b>	<b>2.47</b>	

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.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
**(UEN: S61SS0045E)**  
**AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**22. CLASSIFICATION OF FINANCIAL INSTRUMENTS**

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

	GROUP		ASSOCIATION	
	2013	2012	2013	2012
	S\$	S\$	S\$	S\$
<u>Financial assets</u>				
Available-for-sale financial assets	7,350,919	7,187,087	7,350,919	7,187,087
Loans and receivables:-				
Receivables	810,110	731,523	744,747	657,494
Deposits	41,801	22,391	39,296	19,886
Fixed deposits	10,599,316	4,637,097	10,599,316	4,637,097
Cash and bank balances	2,692,789	5,717,625	2,190,777	4,860,455
Total financial assets	<u>21,494,935</u>	<u>18,295,723</u>	<u>20,925,055</u>	<u>17,362,019</u>
<u>Financial liabilities</u>				
At amortised cost:-				
Payables and accruals	2,699,980	2,617,072	2,345,713	2,227,227
Amount due to a subsidiary	-	-	171,125	73,604
Total financial liabilities	<u>2,699,980</u>	<u>2,617,072</u>	<u>2,516,838</u>	<u>2,300,831</u>

**23. CONTINGENT LIABILITY**

As at 31 December 2013, a financial institution had issued letters of guarantee of S\$226,717 (2012: S\$211,217) to third parties on behalf of the Group and the Association, with a charge on fixed deposits (Note 6).

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF SINGAPORE**  
**(UEN: S61SS0045E)**  
**AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

**24. 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 end of reporting period.

Available-for-sale financial assets of the Group and the Association measured at fair value of S\$7,350,919 (2012: S\$7,187,087) 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.

**25. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS**

Certain new accounting standards, amendments and interpretations to exist standards have been published that are mandatory for accounting periods beginning on or after 1 January 2014. The company does not expect that adoption of these accounting standards or interpretations will have a material impact on the company's financial statements.

**26. 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 2013 were authorised for issue in accordance with a resolution of the Board of Directors dated 25 March 2014.