COMMITTED TO SERVE

AMP SINGAPORE

ANNUAL REPORT

AMP Singapore

was established on 10 October 1991 as an important resolution of the First National Convention of Singapore Muslim Professionals which was held on 6 and 7 October 1990. The Convention was attended by 500 Malay/ Muslim professionals who met to brainstorm new directions for the community. AMP was formed with core programmes in education, human resource development, social development and research. AMP is a registered charitable organisation and is accorded the status of an Institution of Public Character. AMP is guided by its core principles of being independent, non-partisan and working in critical collaboration with all parties that share its mission to bring about a Dynamic Muslim Community in the 21st century. AMP will partner with any player who identifies with and supports AMP's mission in society and will support government policies which serve to advance the community and the interest of the people at large.

ASPIRATION FOR THE COMMUNITY

A dynamic Muslim community

VISION

A model organisation in community leadership

MISSION

To be a thought leader, problem solver and mobiliser for the advancement of the community

CORE VALUES

CONVICTION

We are committed to serve the community with passion. We take pride in our role in the society.

INTEGRITY

We place community interest before self and maintain high moral values and discipline.

PROFESSIONALISM

We aim for excellence in our work and add value to what we do.

CREATIVITY

We champion creativity and dare to explore new ideas to overcome challenges.

TEAM-ORIENTED

We work as a team, believe in shared responsibility and value partnerships with others.

Contents

Message from Chairman

2020 has the entire world in turmoil. The COVID-19 pandemic is, beyond a doubt, the biggest and most perplexing challenge we have ever faced in recent years, not just in Singapore, but across the globe. It has affected almost every aspect of our life from our work, to social relationships, and even our mental health. Almost the whole world was in some form of lockdown when the virus first started to peak – businesses were closed, a significant proportion of the world's workforce was asked to work from home, movements were limited, and social visits became prohibited. It was a struggle for many. However, in the dreariness of it, we also saw stories of compassion, hope and giving.

Many in Singapore, as was the case for the rest of the world, were affected by the pandemic economically – some lost jobs while others received big pay cuts. The economy was spiraling and many began to feel the effects. Support packages were introduced by the government, and Singaporeans too started to rally together to find ways to help others in need. Some started sewing masks when it became difficult to find masks in the shops, some promoted home-based businesses on social media, while others raised funds to help those in need.

In AMP, we rolled out the Temporary Assistance Package 2.0, which was first introduced in 2009 during an economic recession. The package, or TAP 2.0, offers assistance to families of workers who have been adversely affected by the COVID-19 pandemic for a period of one year until their household financial situation stabilises. For those who are unable to achieve stability after a year, they will be enrolled into our Adopt a Family & Youth Scheme. We have set aside $100,000 to serve the 400 beneficiaries who are currently under TAP 2.0 as well as others who may discover that they now need help for the family as the economic impact of the pandemic becomes more apparent.

Amidst the pandemic, we also found the opportunity to expand our scope of partnership with the Singapore Malay Chamber of Commerce & Industry (SMCCI) to enhance our Micro Business Programme. During the Circuit Breaker period, when the Housing & Development Board (HDB) announced that home-based businesses (HBBs) that didn't meet certain criteria were not allowed to operate, the ensuing uproar showed how much the Malay/Muslim community relied on their HBBs as a source of income for their family. This also highlighted the need to enhance support for the HBBs to scale up and expand their businesses. In response to this, the memorandum of understanding (MOU) signed between AMP and SMCCI will enable us to work together to develop specially-curated modules for those attending AMP's Advanced Micro Business Programme. Graduates of the programme may also be offered the opportunity to participate in apprenticeships with SMCCI's members while also leveraging on the available resources from SMCCI. This, I think, is a positive step towards giving the small businesses in our community a leg up to expand and scale up their operations.

It is unlikely for the pandemic to be resolved any time soon and this will have a devastating impact on the economy, which will in turn negatively affect the vulnerable in the community. There are many out there who still need help or will need help in the coming months. We need to be prepared for them. There could be those who have borrowed money to tide themselves over the last few months, who may soon face problems paying back their loans. There could be those who are currently on various temporary assistance schemes who may start struggling financially when the assistance comes to an end. This is why continued support from the public is critical for social service organisations like AMP during periods like this. Without support from our donors, it would be near impossible for us to assist those who are truly in need.

We are very thankful and grateful to the donors who have supported us especially this year. It is heartening and encouraging to see more coming forward when times are tough to play a part in helping others.

We remain committed to working closely with our partners to help Singaporeans especially through these difficult times. I have every confidence in our ability to weather this storm and emerge from it stronger. It is my hope that we will find our own way to thrive in the new normal and may 2021 be a better year for all of us.

•

DR MD BADRUN NAFIS SAION
Chairman
AMP

Message from Acting Executive Director

Even before I took over the helm at AMP, I knew the job was a challenging one. I just had no idea how unprecedented the challenges would turn out to be.

Just within a few weeks into my new role, the COVID-19 pandemic hit us. Like many organisations and businesses, we had to respond swiftly to the new challenges, both within AMP and in our services to the community.

AMP then ramped up our business continuity plans (BCP) and hygiene practices to safeguard our staff and beneficiaries. Operationally, we also scale up digital solutions in our operations to facilitate those working from home.

The pandemic reared its ugly head. It impacted our economy badly, making the low-income group even more vulnerable. To help this group of people, AMP introduced the Temporary Assistance Package (TAP) 2.0 in April this year.

TAP was first introduced during the economic downturn in 2009 to help those who were retrenched. This time, it provided support to those affected by the pandemic and their families for a year or, at least, until their household and financial situations stabilise.

Within weeks of its launch, we received hundreds of applications from those who had lost their jobs or suffered pay cuts. We also saw a 13% increase in the number of those who need assistance this year as compared to the same period last year.

It should be noted that there was also a 150% increase in the number of underprivileged students who sought help with their education expenses this year compared to the last.

Needless to say, the current landscape set it to be a tough year for fund raising. Our service provider recently terminated their telepoll service, one that we had relied upon for our fund raising campaigns for more than a decade.

Physical events were also not allowed; this further limited our fund raising options. Despite the challenges, we found ways to tackle them head on. We ramped up our digital fund raising efforts to appeal for help for those in need. We were also heartened by ground-up initiatives like Team Solidarity, who championed the efforts to raise funds for organisations like ours and help the vulnerable groups.

Team Solidarity successfully raised a total of $108,000 for TAP 2.0. It was very heartwarming to know that even in difficult times, many Singaporeans are still compassionate.

We also received strong public support towards our cause. We saw a 15% increase in funds raised during the Ramadan period alone as compared to the previous year. We are also grateful for the national assistance rendered through the Jobs Support Scheme and Sanitation and Hygiene Fund which have helped us through the crisis.

If there was ever a positive spin to the pandemic, it is this: that beyond the challenges, there are opportunities for learning and growth.

AMP demonstrated its nimbleness and resilience by changing the way we operate. As an organisation that relies much on human interaction through our counselling and casework sessions for instance, we had to quickly adapt and find new ways to interact with our clients. Tele-counselling and video conferencing quickly became our preferred modes. We also conducted webinars and Facebook Live sessions to replace physical events such as Parenting Seminar, Kopi With..., Learning Circles and Counsellors' High Tea sessions.

Virtual meetings became the way to go, and we soon became 'Zoom' professionals. However, this approach of staying connected has taken a toll on staff bonding. To circumvent this and promote staff wellness, our Human Resource department (HR) led online sessions for our monthly Healthy Monday initiative.

These sessions were targeted at mental wellness, and they included talks, designing tote bags, yoga sessions, etc. We even held our Hari Raya celebrations via Zoom. I hosted regular virtual group lunches and dialogue sessions with our staff to keep within reach of one another.

Our department heads also regularly reached out to staff via video sessions and even arranged for food to be delivered to staff to ensure we remain connected during this period. Thankfully, the recent staff engagement survey commissioned by National Council of Social Service (NCSS) showed that our rate of staff engagement increased compared to last year.

We hope that support from the community for our cause will continue. This trying period has bolstered our commitment to our beneficiaries, our stewardship to our donors and our dedication to a bigger social cause – to ensure that nobody gets left behind. We will continue our journey to help those who need that extra help. While I miss the staff and the energy in the office, AMP has proven that we are a robust and innovative lot. We are also determined to see the back of COVID-19 with stories of triumph in overcoming adversities among our beneficiaries. There is so much to live for and it is even more momentous that we'll be celebrating our 30th Anniversary in 2021.

We look forward to a better, stronger and more resilient AMP in serving the community.

Come, let us progress together!
Marilah, kita maju bersama!

•

MS ZARINA YUSOF
Acting Executive Director
AMP

AMP Leadership
Board of Directors

CHAIRMAN

DR
MD BADRUN NAFIS SAION
Specialist,
Paediatric Dentistry
Q & M Dental Care

VICE-CHAIRMAN

MR
HAZNI ARIS HAZAM ARIS
Assistant Vice President,
Business Development
Tokio Marine Life

MEMBERS

MR
EDWIN IGNATIOUS M
@ MUHAMMED FAIZ, PBM, PBS
Deputy Director
Singapore Food Agency

MR
MUHAMAD NAZZIM
MUHAMAD HUSSAIN
Chief Operating Officer
Vector Scorecard Group

MR
FATHURRAHMAN HJ M DAWOED
Executive Director
Andalus Corporation Pte Ltd

MR
KHAIRULNIZAM MASSUAN
Senior Manager,
International Programmes
Mercy Relief

MR
MOHAMAD AZMI MUSLIMIN
Private Investor

MR
MUHAMMAD TARMIZI ABDUL WAHID
Chief Executive Officer
Safinah Holdings Pte Ltd

MR
OTHMAN MARICAN
Human Resource Manager (Retired)

MS
SITI MARIAM MOHAMAD SALIM
Principal Medical Social Worker
Sengkang General Hospital

AMP Board Committees

AUDIT COMMITTEE

The Audit Committee oversees compliance with statutory governance requirements and ensures adherence to established internal controls to protect the assets of the company and promote transparency.

CHAIRMAN
Mr Fairuz Adam
(appointed on 1 July 2019)

MEMBERS
Mr Fadhillah Goh
(appointed on 1 July 2019)

Ms Karen Chia
(appointed on 1 July 2019)

CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee oversees compliance with statutory governance requirements and ensures adherence to established internal controls to protect the assets of the company and promote transparency.

CHAIRMAN
Mr Abdul Hamid Abdullah
(appointed on 1 July 2019)

MEMBERS
Mr Mohd Noordin Yusuff Marican
(appointed on 1 July 2019)

Mr Moiz A Tyebally
(appointed on 1 July 2019)

Mr Ng Cheng Hwa
(appointed on 1 July 2019)

Mr S. Sivanesan
(appointed on 1 July 2019)

Mr Zamir Hassan Chew
(appointed on 1 July 2019)

FINANCE & INVESTMENT COMMITTEE

The Finance & Investment Committee ensures all activities by the organisation are conducted within the operational budget and explores investment opportunities to enhance the financial stability of the organisation.

CHAIRMAN
Mr Mohamad Azmi Muslimin
(appointed on 1 July 2019)

MEMBERS
Mr Fazrihan Dzuriat
(resigned on 8 January 2020)

Mr Khairuddin Sukor
(appointed on 11 February 2020)

Mr Nazzi Beck
(appointed on 1 July 2019)

FUND RAISING COMMITTEE

The Fund Raising Committee assists in the sourcing of funds, planning, coordination and implementation of all fund raising activities in support of the projects and activities of AMP.

CHAIRMAN
Dr Md Badrun Nafis Saion
(appointed on 1 July 2019)

MEMBERS
Mr Khairulnizam Massuan
(appointed on 1 July 2019)

Mr Mohd Anuar Yusop
(appointed on 1 July 2019)

HUMAN RESOURCE COMMITTEE

The Human Resource Committee develops and reviews the compensation and benefits structure and terms for the employees of the organisation. It also reviews their training needs annually to facilitate competency and capacity building.

CHAIRMAN
Mr Othman Marican
(appointed on 1 July 2019)

MEMBERS
Mr Ismail Shariff
(appointed on 15 July 2020)

Mr Mohamed Shahar Hussein
(appointed on 1 July 2019)

Mr Fathurrahman Hj M Dawoed
(appointed on 1 July 2019)

MEDIA & RELATIONS RESOURCE PANEL

The Media & Relations Resource Panel provides recommendations to Management on the identification and implementation of innovative and effective marketing, outreach and communication strategies in order to promote greater awareness of AMP's objectives and foster closer community relations with internal and external stakeholders.

CHAIRMAN
Mr Hazni Aris
(appointed on 1 July 2019)

MEMBERS
Dr Elmie Nekmat
(10 June 2020)

Mr Muhammad Tarmizi Abdul Wahid
(appointed on 1 July 2019)

NOMINATING COMMITTEE

The Nominating Committee proposes candidates for election to the Board of Directors and recommends Additional Directors to the Board as and when necessary for appointment by the Board.

CHAIRMAN
Dr Md Badrun Nafis Saion
(appointed on 1 July 2019)

MEMBERS
Mr Abdul Hamid Abdullah
(appointed on 1 July 2019)

Mr Muhamad Nazzim Muhamad Hussain
(appointed on 1 July 2019)

AMP Management Team

Ms Zarina Yusof
Acting Executive Director
(appointed on 1 February 2020)

Ms Hameet Khanee J H
Senior Manager, Family Services
(appointed on 1 July 2019)

Ms Fauziah Rahman
Manager, Training & Education and Youth
(appointed on 1 January 2015)

Ms Farahyn Banu Mohd Hasrat
Manager, Community Engagement
(appointed on 1 January 2020)

Ms Illy Tahirah Mohd Rashid
Assistant Manager, Family Services
(appointed on 1 July 2019)

Ms Maisarah Dasukie
Manager, Human Resource
(appointed on 24 March 2014)

Mr Mohd Alfian Mohd Ismail
Assistant Manager, Young AMP
(appointed on 1 July 2017)

Mr Mohd Khalid Bohari
Manager, Management of Information System
(appointed on 1 January 2005)

Mr Saiful Nizam Jemain
Principal Social Worker, Family Services
(appointed on 1 July 2019)

Mr Sarjono Salleh Khan
Manager, Facilities Management
(appointed on 1 January 2015)

Mr Shahjehan Ibrahim Kutty
Manager, Finance & Administration
(appointed on 1 January 2014)

Ms Shiffa Khumaira Abdul Khaliq
Assistant Manager, Fund Raising
(appointed on 1 January 2020)

Ms Winda Guntor
Manager, Corporate Communications
(appointed on 1 January 2010)

Ms Yassemin Md Said
Assistant Manager, Marriage Hub
(appointed on 1 January 2019)

Ms Zaleha Ahmad
Centre Director, Marriage Hub
(appointed on 1 July 2008)

The AMP Group

A M P B O A R D

BOARD COMMITTEES

- AUDIT COMMITTEE
- CORPORATE GOVERNANCE COMMITTEE
- FINANCE & INVESTMENT COMMITTEE
- FUND RAISING COMMITTEE
- HUMAN RESOURCE COMMITTEE
- MEDIA & RELATIONS RESOURCE PANEL
- NOMINATING COMMITTEE

AMP SINGAPORE

EXECUTIVE DIRECTOR'S OFFICE

YOUNG AMP

YOUNG AMP BOARD OF MANAGEMENT

- COMMACON CAMPAIGN
- COMMON SPACE
- CAMPUS OUTREACH
- PROFESSIONALS ENGAGEMENT
- WINDOWS ON WORK

CORPORATE SERVICES DIVISION

- COMMUNITY ENGAGEMENT
- CORPORATE COMMUNICATIONS
- FINANCE & ADMINISTRATION
- FUND RAISING
- HUMAN RESOURCE
- MANAGEMENT OF INFORMATION SYSTEM

O F D I R E C T O R S

	CENTRE FOR RESEARCH ON ISLAMIC AND MALAY AFFAIRS	MERCU LEARNING POINT
	RIMA BOARD OF DIRECTORS	**MERCU BOARD OF DIRECTORS**
SOCIAL SERVICES DIVISION	APPLIED RESEARCH	CORPORATE SUPPORT SERVICES
FAMILY SERVICES · *Adopt a Family & Youth Scheme* · *Debt Advisory Centre* · *Development & Reintegration Programme*	EVENTS	HUMAN RESOURCE & IT
HELPLINE	PUBLICATIONS	FINANCE
MARRIAGE HUB	TREND & POLICY ANALYSES	MARKETING COMMUNICATIONS
TRAINING & EDUCATION		EARLY CHILDHOOD
YOUTH		STUDENT CARE CENTRE

Divisions of AMP

AMP offers programmes in educational enrichment and assistance, skills development, family and economic empowerment, debt and financial management, youth development and research to the community. These programmes aim to catalyse and accelerate the development of the community and optimise human potential. Since its inception, AMP has served more than 393,000 clients from all walks of life and communities.

CORPORATE SERVICES DIVISION

The Corporate Services division provides support for all programmes and services. The division comprises the Community Engagement, Corporate Communications, Finance & Administration, Fund Raising, Human Resource, and Management of Information System departments.

SOCIAL SERVICES DIVISION

FAMILY SERVICES

The Family Services department manages the Adopt a Family & Youth Scheme (AFYS), which provides assistance to underprivileged families. Each family under AFYS is assisted through a comprehensive range of services, such as financial assistance, counselling, socio-educational assistance and skills upgrading courses for adult members.

The department also runs the Development and Reintegration Programme (DRP), which assists Muslim offenders and their families through individualised intervention plan, in-care and aftercare engagements, and other financial and socio-educational assistance.

Under the department also is the Debt Advisory Centre (DAC), which was set up to tackle debt issues within the Malay/Muslim community in Singapore, with the broader objective of strengthening the community's overall financial standing. The services offered under the DAC include a first-of-its-kind debt support group for the Malay/Muslim community, counselling sessions, introductory seminars on debt and finance, targeted seminars on debt-related issues, and other ad-hoc activities to raise awareness of the DAC.

MARRIAGE HUB

The Marriage Hub of AMP manages INSPIRASI@AMP, which provides marriage preparation and enrichment for young Muslim couples where at least one party is a minor below the age of 21 at the point of marriage. Starting from July 2016, INSPIRASI programmes and services have been extended to other young Muslim couples where grooms are aged 21 to 24 years old, and where brides are aged 21 and above. Officially launched in August 2007 with support from the Ministry of Social and Family Development, its objectives are to provide holistic intervention for young couples; provide an avenue for young couples and families to make informed decisions about marriage through premarital counselling; and assist young couples in building a strong and stable marriage, as well as being effective parents through the various marriage enrichment and support programmes, as well as counselling.

It also serves as a touch point to provide couples with information on relevant schemes, programmes and services, and refer them where necessary.

TRAINING & EDUCATION

The Training & Education department promotes lifelong learning through enhanced parental involvement in children's education and development, skills development and financial assistance. It also aims to economically empower individuals to be self-reliant through skills upgrading, as well as to support and develop the entrepreneurial spirit among the disadvantaged. The department networks with all related ministries, statutory boards and non-government organisations to tap on national thinking and resources.

YOUTH

The Youth department conducts academic and non-academic developmental programmes through weekly tuition classes, and personal development programmes such as camps, workshops and other enrichment activities. These programmes aim to keep youths with high-level needs within the school system. The department also provides counselling for youths and parents. The programmes and services are also offered at AMP @ Jurong Point, AMP's youth hub in the west.

Young AMP

The youth wing of AMP, **Young AMP**, regularly organises seminars & workshops to encourage critical thinking among youths. Participants of these activities are equipped with skills and knowledge aimed at developing their capacity as future leaders of the community. They are also exposed to other relevant issues at the national and global levels.

A total of 211 youths and young professionals participated in the various programmes and activities organised by Young AMP during the year in review.

VISION

Empowered & Connected Young Professionals; A Compassionate Community

MISSION

To cultivate the spirit of active citizenry in young professionals

OBJECTIVES

- To engage youth and emerging professionals
- To provide a platform to generate ideas and articulate aspirations
- To be an avenue for young professionals who are interested to carry on AMP's mission and leadership in society

ACTION PLAN

WE PLAN

Young AMP uses rational objectives to best serve the future needs of aspiring and emerging Singaporean youths while taking into consideration the dynamic changes in the local and global landscape.

WE PARTNER

Young AMP leverages on its professional networks to develop partnerships to maximise the impact of community initiatives.

WE EXECUTE

Young AMP is committed to translating plans into action and to steer the community into the future.

BOARD OF MANAGEMENT

PRESIDENT
Mr Hazni Aris Hazam Aris
Assistant Vice President, Business Development
Tokio Marine Life
(appointed on 1 January 2017)

Note:
Mr Ariff Aziz, Ms Fatimah Yasin, Mr Shafiee Razali, Mr Fadzli Jani and Ms Fezhah Maznan have ended their terms of service as members of the Young AMP Board of Management on 31 December 2019.

Centre for Research on Islamic and Malay Affairs

As a research subsidiary of AMP, the **Centre for Research on Islamic and Malay Affairs (RIMA)** conducts research in key areas such as economics, education, religion, family, social integration, and leadership and civil society.

RIMA contributes to scholarly discourses on numerous issues relevant to the community. It organises conferences and seminars to add depth to discourses and to create awareness of issues. Roundtable and focus group discussions are also held to foster greater understanding of issues and keep abreast of emerging trends. Additionally, RIMA has produced a number of publications and contributed articles in both print and online media.

A total of 60 participants benefited from the various programmes and events organised by RIMA during the year in review.

VISION

To be a centre of research excellence for the advancement of Singapore's Malay and Muslim communities

MISSION

To undertake strategic research aimed at providing thought leadership in contemporary Malay and Muslim affairs

CORE VALUES

INDEPENDENCE
We are non-partisan and objective in our outlook and research.

CONVICTION
We are focused in our commitment to advancing the interests of the Malay and Muslim communities.

COLLECTIVE EFFORT
We are team-oriented and value the opinions of all our staff and partners.

COLLABORATIVENESS
We respect the work of other organisations and embrace partnerships and the sharing of information.

FORWARD THINKING
We are visionary and progressive in our approach. We aim to look beyond the immediate in order to foresee future challenges and key emerging issues, formulating strategies relevant to both the Malay and Muslim communities.

BOARD OF DIRECTORS

CHAIRMAN
Mr Muhamad Nazzim Muhamad Hussain
Chief Operating Officer
Vector Scorecard Group
(appointed on 1 October 2014)

MEMBERS

Dr Ab Razak Chanbasha, PBM
Technical Director
ARC Sciences Pte Ltd
(appointed on 27 August 2014)

Dr Mohd Nawab Mohd Osman
Visiting Professor
University of California, Berkeley
(appointed on 29 September 2015)

MERCU Learning Point

MERCU Learning Point is a private education centre owned by AMP that offers a comprehensive range of programmes and services for children aged 2 months to 12 years. Its network comprises one kindergarten, two kindergarten care centres, six childcare centres and six school-based student care centres.

MERCU's Early Childhood unit, Kidz Meadow, provides an engaging and integrated curriculum with a strong emphasis on values and creativity.

MERCU's Whee!Canopus facilitates the development of Primary 1 to 6 students through an array of values-based programmes that incorporate the school's values.

Since 2 January 2019, MERCU began its Kindergarten Care (KCare) at Northoaks Primary School and Huamin Primary School, offering K1 and K2 children a safe and conducive environment to play, explore and discover.

MERCU prides in establishing a collaborative environment with parents and schools as important catalysts in the children's development. With the tagline *Starting Young, Aiming High*, programmes are robustly designed to maximise the children's capabilities and propel them to greater heights.

MERCU served about 2,000 children every month at its 15 centres located island-wide during the year in review.

MERCU Board
(Standing, from left to right):
Mr Khairulnizam Massuan,
Mr Jason Highberger and
Mr Zhuang Li Hao

(Sitting, from left to right):
Ms Gil Sim Chengyan,
Mr Phiroze Abdul Rahman and
Ms Anggred Sutardja

(Not in picture):
Ms Sabine Wenter Maria

VISION

A first-class provider in child and youth education

MISSION

- Maximise shareholders' value
- Be a reliable and trusted partner
- Provide quality and innovative programmes
- Be a socially responsible corporate citizen

CORE VALUES

MEANINGFUL RELATIONS
We establish meaningful and long-term relationships with our customers.

EXCELLENCE
We ensure professional excellence in carrying out our daily duties and responsibilities.

RESOURCEFUL
We explore effective and efficient methods to deliver services that benefit both our customers and business units to achieve financial growth and sustainability.

CUSTOMER SERVICE
We maximise customer satisfaction by providing prompt services and continuously exceeding their expectations.

UNIQUE
We offer a variety of innovative and specialised programmes that meet your individual needs.

BOARD OF DIRECTORS

CHAIRMAN
Mr Phiroze Abdul Rahman
Materials Manager
II-VI Singapore Pte Ltd
(appointed on 1 April 2015)

MEMBERS

Ms Gil Sim Chengyan
Social Entrepreneur
Civilization XIII
(appointed on 1 April 2018)

Mr Jason Robert Highberger
Chief Executive Officer
Highberger Enterprises, Inc.
(appointed on 1 May 2018)

Mr Khairulnizam Massuan
Senior Manager, International Programmes
Mercy Relief
(appointed on 1 June 2017)

Ms Sabine Wenter Maria
Human Resource Director
currently on sabbatical leave
(appointed on 14 October 2020)

Mr Zhuang Li Hao
President and Chief Executive Officer
FWD Life Insurance Corporation, Philippines
(appointed on 5 September 2018)

INDEPENDENT ADVISOR

Ms Anggred Sutardja
Chief Commercial Officer, Asia Pacific
Multi-Wing Group
(appointed on 5 September 2018)

Our Programmes & Services

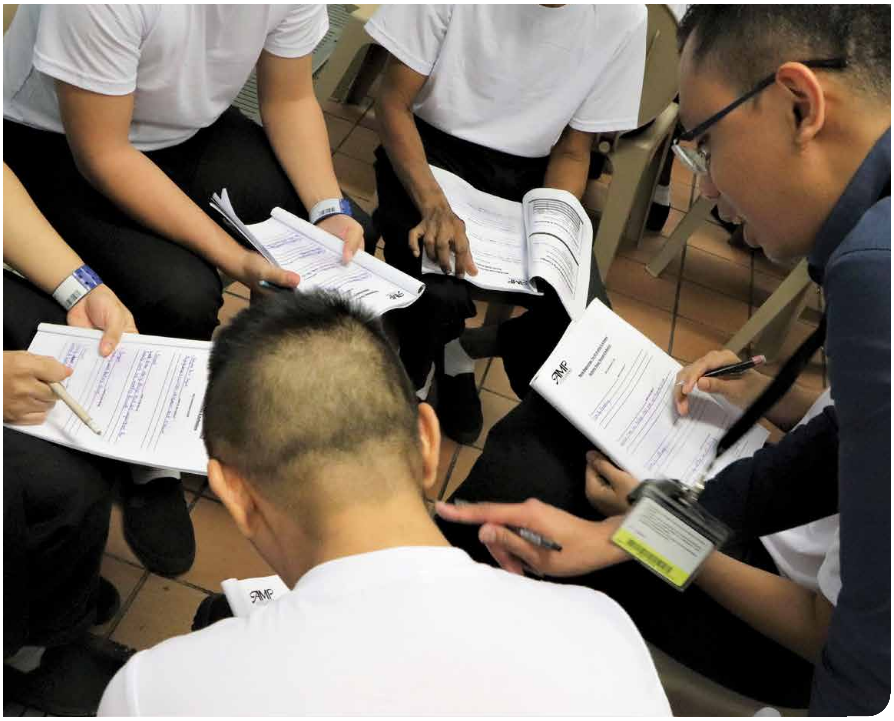
Families

ADOPT & A FAMILY & YOUTH SCHEME

AMP introduced the Adopt a Family & Youth Scheme (AFYS) in 1999 to encourage self-reliance within disadvantaged families. Under the scheme, families are assisted through financial assistance and management, economic empowerment, socio-educational and parental education programmes and family life skills workshops.

Adult family members undergo skills training either in economically-viable areas to increase their employability or in setting up a home-based business as an alternative source of income. School-going children under AFYS are enrolled into tuition and enrichment programmes to enhance their academic development. Parental education programmes and family life skills workshops are also conducted for parents under AFYS to equip them with the knowledge and skills to improve the quality of their family life.

For the year in review, 445 beneficiaries from 81 families were enrolled in the scheme.



DEVELOPMENT & REINTEGRATION PROGRAMME

The Development & Reintegration Programme was introduced in 2018 and adopts a structured and holistic approach in the provision of a reintegration programme for Muslim offenders from incarceration to post-release. The programme assists both offenders and their families through an individualised intervention plan, in-care and aftercare engagements, and financial and socio-educational assistance.

A total of 468 beneficiaries from 100 families benefited from the programme during the year in review.

MARRIAGE PREPARATION FOR YOUNG COUPLES

INSPIRASI@AMP offers marriage preparation assistance for young couples comprising premarital consultation and marriage preparation workshops, which include the Young Couples Programme and Parents Support Group.

PREMARITAL CONSULTATION

Young couples will be assessed based on their readiness for marriage at the premarital consultation session. The session will also identify and address any potential issues that may affect the couples' marriage, as well as discuss post-marriage plans. Counsellors will also assess the level of functional support from their parents during the session. The couples and their families will then be introduced to the marriage preparation workshops, as well as other programmes and services provided by INSPIRASI@AMP, to support couples in their marital journey.

MARRIAGE PREPARATION WORKSHOPS – YOUNG COUPLES PROGRAMME

The marriage preparation workshops are aimed at enabling these young couples to build a strong and stable marriage, as well as become responsible parents. Through the workshops, problem-solving, life skills and moral values are imparted to the couples in an effort to strengthen family ties.

PARENTS SUPPORT GROUP

Parents of the young couples are also equipped with the skills and knowledge to help and support their children through their marital journey. The parents support group sessions review the expectations of in-law relationship, identify roles and responsibilities of parents and parents-in-law, as well as identify ways to provide young couples with support and encourage independence.

A total of 134 young couples attended the marriage preparation workshops, while 150 of their parents joined them during the pre-marital consultations during the year in review.

To support their children's upcoming marriage, 54 parents participated in the pre-marriage parents' workshop under the programme during the year in review.

MARRIAGE ENRICHMENT & SUPPORT PROGRAMMES

INSPIRASI@AMP provides post-marriage support for young couples in the first ten years of marriage through Club INSPIRASI, which offers marriage enrichment programmes, family day, couple retreat and support group sessions; and other support services which include counselling and casework, as well as information and referral services.

A total of 10 individuals benefited from the various activities under Club INSPIRASI during the year in review.

PARENTING SEMINAR SERIES

The Parenting Seminar series is aimed at strengthening the family and encouraging the development of parenting skills within the community. It is focused on helping parents to understand their roles better, as well as strengthen their spousal relationship and co-parenting skills.

150 parents attended the fourth annual seminar during the year in review.

HOME ACCESS

The Home Access Programme is done in collaboration with Infocomm Media Development Authority (IMDA) and National Council of Social Service (NCSS) to provide low-income households with affordable broadband bundle packages.

A total of 1,256 beneficiaries enjoyed accessible and affordable home internet connectivity during the year in review.

HOME OWNERSHIP PLUS EDUCATION SCHEME

The Home Ownership Plus Education (HOPE) Scheme is a national assistance programme spearheaded by the Ministry of Social and Family Development (MSF) aimed at encouraging young, low-income families to keep their family small.

97 individuals received education and training grants aimed at helping their families achieve self-resilience during the year in review.

Debtors

DEBT ADVISORY CENTRE

The Debt Advisory Centre (DAC), which was launched in 2013, is a one-stop centre that assists individuals facing debt problems through a three-pronged approach: advice, educate and research. It also provides a roadmap for debtors to have a clearer picture of the options that are available to them.

In addition, DAC clients attend support group sessions where they share their experiences and gain emotional support from others facing the same problem. They also attend financial literacy workshops to prevent them from creating new debts while they work to resolve their current debt issues.

DAC also acts as a platform to collect data for research on the extent of the debt problem within the Malay/Muslim community.

A total of 249 clients were assisted with their debt issues during the year in review.

OUTREACH & EDUCATION

DAC also plays an active role in imparting financial literacy and other personal development skills to clients and members of the public through financial literacy talks and workshops with youths, young adults, as well as those from less privileged households. DAC aims to equip them with personal and technical competencies, instrumental to their personal development and in enhancing their capabilities both at home and at the workplace.

For the year in review, 210 individuals benefited from the financial literacy and developmental sessions under the programme.

Professionals, Workers & Small Business Owners

MICRO BUSINESS PROGRAMME

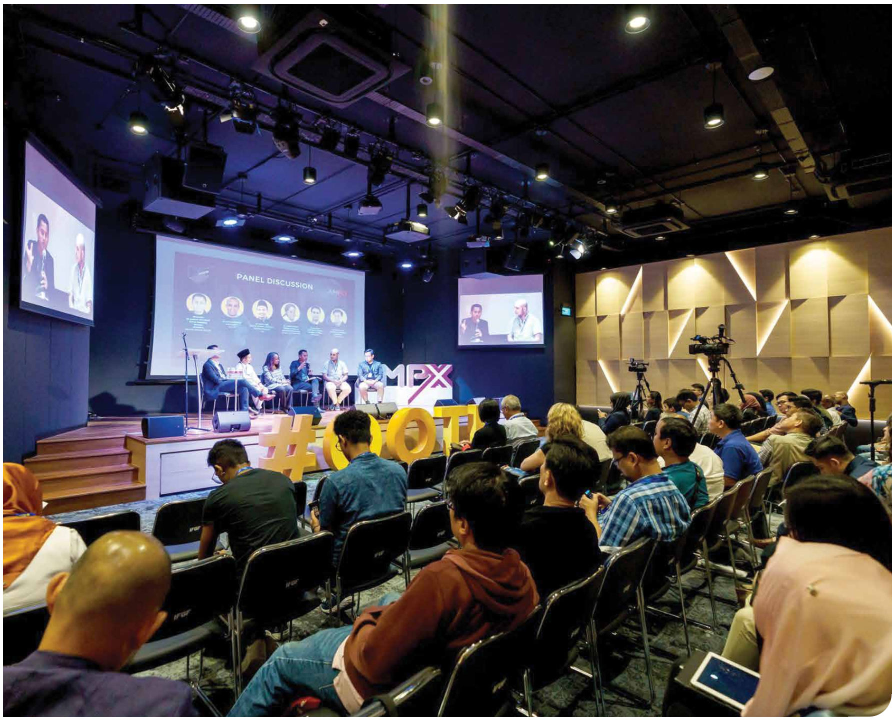
The AMP Micro Business Programme equips individuals from less privileged households with trade, business and IT skills to start a home-based business as an alternative source of income for the household. Grants are also awarded to those who have a viable and sustainable business model. Through AMP's partnership with SME Centre@SMCCI, participants of the programme are able to benefit from their wide range of services such as business advisory and business diagnosis in the areas of business and IT processes throughout the different phases of the programme.

A total of 42 individuals participated in the programme during the year in review.

ADVANCED MICRO BUSINESS PROGRAMME

The Advanced Micro Business Programme is an extension of the AMP Micro Business Programme, aimed at enhancing the business knowledge and network of the programme graduates.

For the year in review, 11 graduates benefited from the programme, one of whom received financial support through the Micro Business Development Fund.



OUT OF THE BOX CONFERENCE SERIES

The Out of the Box (#OOTB) Conference Series is devoted to helping young professionals learn and grow from engaging with experienced professional speakers and peers. From talks to panel discussions and networking opportunities, participants of the #OOTB stand to benefit from insights and gain knowledge from both industry professionals and like-minded individuals. The #OOTB also aids in the mission of building a dynamic community by attracting and engaging thought leaders and bringing together attendees from different sectors to think and learn from each other.

A total of 101 individuals benefited from the conference during the year in review.

KOPI WITH… SERIES

Kopi With… is a series of fireside chats incorporating exclusive networking opportunities with industry leaders and domain experts from the Malay/Muslim community. The series is designed to be small and cosy, where participants can benefit from direct contact with the speaker.

A total of 49 participants benefited from the series during the year in review.

LEARNING CIRCLES

Learning Circles is a range of workshops dedicated to providing professionals with new skills or to deepen their current skills. It provides the ideal platform for sharing of ideas and opportunity to network with like-minded individuals.

For the year in review, 71 individuals participated in the various workshops.

COMMON SPACE

Common Space is a shared community-driven workspace for start-ups and small businesses powered by Young AMP. It is fully equipped with amenities like WiFi, mini pantry, seminar and conference rooms. Also available are training and conference rooms for use by public and other organisations. Common Space offers flexible membership plans for the use of its space either on a daily or monthly basis.

For the year in review, 81 individuals utilised the spaces and services in Common Space.

Students

READY FOR SCHOOL FUND

The Ready for School (RFS) Fund was launched in 2002 to assist students from less privileged families in their educational pursuit. Assistance under the fund comprises the AMP Education Bursary, AMP-2nd Chance STEM Study Award, and other socio-educational assistance.

AMP EDUCATION BURSARY

The AMP Education Bursary offers monetary assistance to diploma and degree students from less privileged families of all races. Apart from students from local polytechnics and universities, the bursary also benefits full-time and part-time undergraduates from recognised private education institutions in Singapore.

The bursary seeks to recognise the recipients' academic achievements, alleviate their financial load and be a source of motivation for them to strive harder in their higher education. It also hopes to see students through their pursuit of higher levels of education and in future, give back to those in need in the community.

For the year in review, 150 recipients were awarded the bursary.

AMP-2ND CHANCE STEM STUDY AWARD

AMP embarked on a collaboration with Second Chance Properties Ltd in 2017 to introduce the AMP-2nd Chance STEM Study Award to encourage Malay/Muslim students who are pursuing their undergraduate studies in science, technology, engineering and mathematics courses, and prepare them to be part of the STEM-related workforce in the future.

6 students received the study award during the year in review.

SCHOOL FEES SUBSIDY

During the year in review, AMP disbursed more than **$71,700** to its subsidiary, MERCU Learning Point, to subsidise the school fees of **319 students** from preschool to secondary levels from low-income families, who have attended their education centres.

LEARNING ACCESS FOUNDATION AWARDS

In collaboration with Community Foundation of Singapore, AMP offers bursaries for full-time ITE and tertiary students from less privileged families who require financial assistance.

LEARNING ACCESS FOUNDATION ITE AWARD

The Learning Access Foundation ITE Award is open to students from Institute of Technical Education (ITE), who come from less privileged families and require financial assistance. The award is aimed at supporting these students in completing their ITE education whilst engaging them in meaningful community activities.

For the year in review, 75 ITE students benefited from the award.

SINGAPORE MUSLIM EDUCATION FUND

AMP acts as the custodian of the Singapore Muslim Education Fund (SMEF), which was established by a group of activists in 2013 to address the underrepresentation of Malay/Muslims in the Law and Medicine fields.

The Fund aims to provide financial assistance for students pursuing law and medicine degree studies overseas through the SMEF-Professor Ahmad Ibrahim and SMEF Medicine Scholarships respectively. It also aims to create awareness of the importance of pursuing these degree programmes to uplift the community by providing education advisory and coaching to the students and their parents on various university options available.

At the same time, SMEF also recognises the efforts of students who may struggle financially and face multiple challenges in their lives yet rise above the adversity to pursue an education or those who show outstanding leadership qualities in a uniformed group co-curricular activity (CCA) in school. It was with this objective in mind that the Fund was expanded in 2017 to include the SMEF-Lieutenant Adnan Award.

15 students benefited from the Fund during the year in review.

NEU PC PLUS PROGRAMME

AMP partners the Infocomm Media Development Authority (IMDA) as a lead agency for the NEU PC Plus Programme, which aims to enable students from low-income families who are studying in national schools to have equal access to infocomm with a PC and broadband connectivity at a subsidised rate.

A total of 668 students benefited from the programme during the year in review.

Youths

YOUTH ENRICHMENT PROGRAMME

AMP believes in harnessing the potential of our youths and moulding them into future leaders. Among AMP's key programmes for them is the Youth Enrichment Programme (YEP), which is specifically designed for students from the upper primary and secondary schools to enrich their development through a positive and holistic approach. The programme offers academic coaching in English and Mathematics, and enrichment activities aimed at the youths' overall personal and character development.

Also incorporating the Youth-in-Action (YIA) Plus Programme, an enrichment programme commissioned by the Community Leaders Forum (CLF), YEP hopes to prevent youths with high-level needs from leaving school prematurely and encourage them to widen their horizons.

A total of 59 students from two participating schools benefited from the programme during the year in review.

AMP YOUTH HOLIDAY PROGRAMME

The AMP Youth Holiday Programme aims to strengthen the holistic positive development and experiences of youth through participation in camps, learning journeys, outreach activities, tournaments and community service work during the school holidays.

For the year in review, 42 youths participated in the programme.

AMP @ JURONG POINT

AMP's Youth Hub at Jurong Point provides an alternative space for youths to drop by and spend their time in a structured manner. It aims to prevent them from participating in wayward activities by engaging them through a wide range of services focused on the academic and personal development of the youths such as enrichment programmes, after school engagement, motivational workshops and youth counselling services. AMP @ Jurong Point is equipped with two counselling rooms, a classroom and a multi-purpose room with a host of entertainment services like foosball table, audio-visual system, board games and an internet kiosk.

A total of 428 youths sought the services of the hub during the year in review.

AFTER SCHOOL ENGAGEMENT

The After School Engagement sessions held at AMP @ Jurong Point aim to engage youths in wholesome activities such as homework consultation, board games, arts and crafts, indoor workshops, learning journeys and sports after school. These activities help to prevent youths from being involved in negative activities outside school.

A total of 242 students participated in the programme during the year in review.

COMMACON

CommaCon is a series of public engagement sessions on sensitive and contentious issues such as racism, religiosity, national identity and the socio-economic divide. It aims to encourage youths and young working adults to be actively involved in maintaining and strengthening social cohesion and harmony in Singapore. It is also focused on empowering and cultivating civic consciousness among the young.

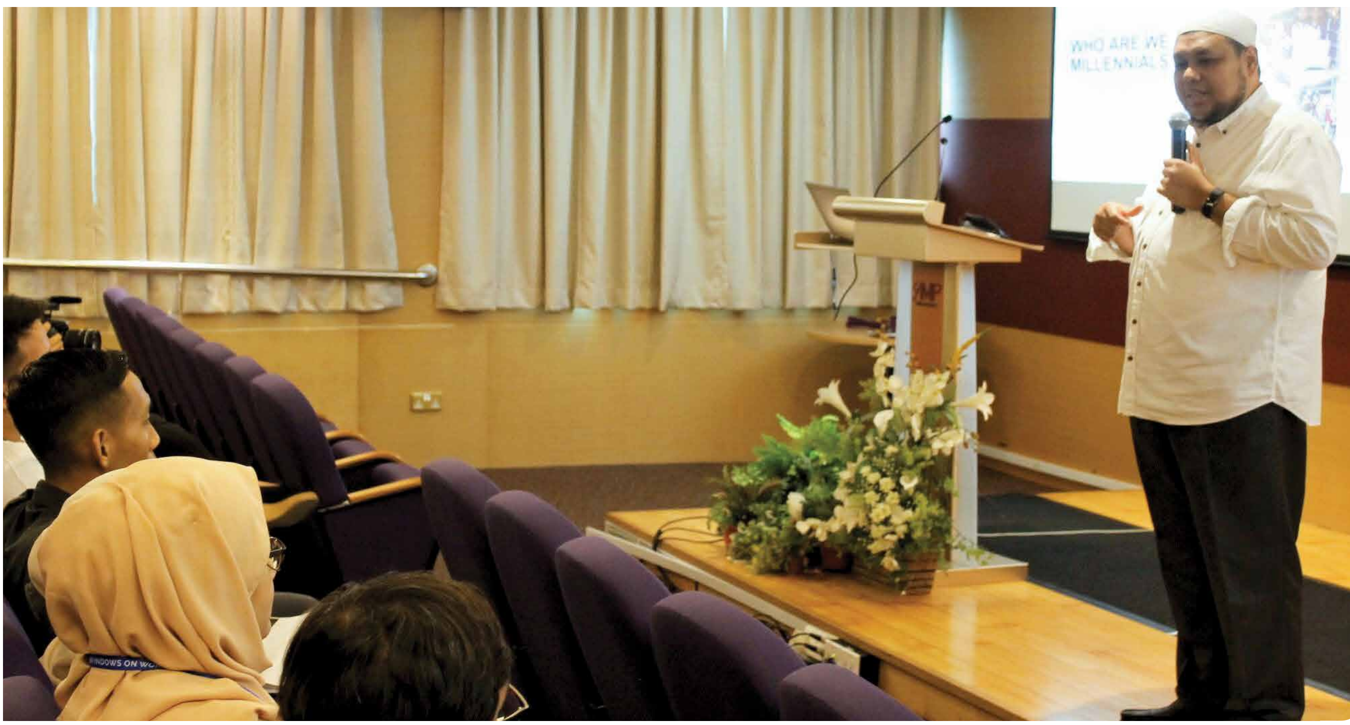
For the year in review, a total of 67 individuals benefited from the series.

WINDOWS ON WORK

In 2011, Young AMP launched Windows on Work (WOW) to provide post-secondary students with a platform to learn valuable soft skills and entrepreneurship. Under the three-phase programme, participants undergo useful training sessions like personality profiling, CV writing, personal grooming, effective communication, as well as project presentation skills, before working together in teams to pitch their business proposals to the Young AMP Board of Management. In 2018, the programme was expanded to reach out to more youths and young professionals and help them prepare for their journey into the workforce.

A total of 63 youths benefited from the programme during the year in review.

Counselling



COUNSELLORS' HIGH TEA

AMP's Marriage Hub organises quarterly Counsellors' High Tea sessions in an effort to enhance the quality of service provided to families by expanding the knowledge of both Muslim and non-Muslim helping professionals working with Malay/Muslim families. Launched in 2008, the sessions allow the participants to share and learn from each other's experiences in their course of work.

109 individuals from the social service sector benefited from the sessions during the year in review.

MARRIAGE COUNSELLING PROGRAMME

The Marriage Counselling Programme assists married couples referred by the Syariah Court to AMP with the issues that they face in their marriage. It aims to strengthen marriages by providing intensive marital counselling and increasing awareness of the available avenues for help.

257 clients were assisted under the programme during the year in review.

YOUTH COUNSELLING

AMP offers referrals and counselling for youths and their parents by providing them with a safe and friendly environment to discuss issues of concern. These include immediate crisis intervention and referral services for specialist treatment or management, whichever is applicable. Individual counselling sessions are also held on a short-term or long-term basis, for a period of not more than six months.

21 youths and parents sought counselling from AMP during the year in review.

CYBER, WALK-IN & MANDATORY COUNSELLING

AMP's trained counsellors and social workers provide counselling and referrals to families and individuals in need of assistance on issues including marital, divorce, youth delinquency, parenting and financial concerns.

Our counsellors & social workers handled 96 walk-in, cyber and mandatory counselling cases during the year in review.

AMP HELPLINE

The AMP Helpline provides telephone counselling services as well as relevant information on the available resources and schemes to those in need.

A total of 4,107 calls were received during the year in review, of which marital, young couples and debt issues were among the top concerns.

Highlights of the Year

CHANGE IN MANAGEMENT LEADERSHIP OF AMP

AMP saw the stepping down of Mr Mohd Anuar Yusop from the position of Executive Director (ED) on 31 January 2020 after 15 years at the helm. Mr Mohd Anuar played an instrumental role in the progress of AMP, first as a volunteer and later as ED of the organisation. He now serves as consultant to the AMP Board on fund raising matters, relationship building, networking, as well as in the planning of the 4th National Convention of Singapore Muslim Professionals slated for 2022.

Taking over his duties as Acting Executive Director effective 1 February is Ms Zarina Yusof, who had previously served as Deputy Executive Director. She has over two decades of experience in the public, broadcast, education, healthcare and community sectors. In addition, she has senior-level experience in developing strategic directions, leading and overseeing key outputs, as well as budget utilisation. Ms Zarina, who was a former AMP Board member, also has a deep understanding of policies and policymaking as a result of her experience in the civil service.

INTRODUCTION OF TEMPORARY ASSISTANCE PACKAGE 2.0

On 1 April 2020, AMP announced the Temporary Assistance Package (TAP) 2.0 to help families of workers who had been adversely affected by the COVID-19 pandemic either through the reduction or a complete loss of income.

The family-oriented TAP 2.0 is aimed at offering these families temporary support for a period of one year until their household financial situation stabilises. TAP 2.0 also supports workers in their skills upgrading and re-skilling efforts, provides opportunities for alternative means of supplementary income, and at the same time, ensures that their children's education is not affected by the family's loss of wages.

TAP 2.0, which is a temporary measure to support these families during this period of economic uncertainty, leverages on existing programmes and schemes offered by AMP, and other national and social support agencies. Those who require assistance beyond the one-year period will have arrangements made to refer them to a relevant social service agency or enrol them into AMP's Adopt a Family & Youth Scheme (AFYS), depending on the families' needs. TAP was first introduced in March 2009 to support retrenched workers and their families who were affected by the economic crisis then.

A total of 400 beneficiaries from 69 families benefited from the assistance package during the year in review.

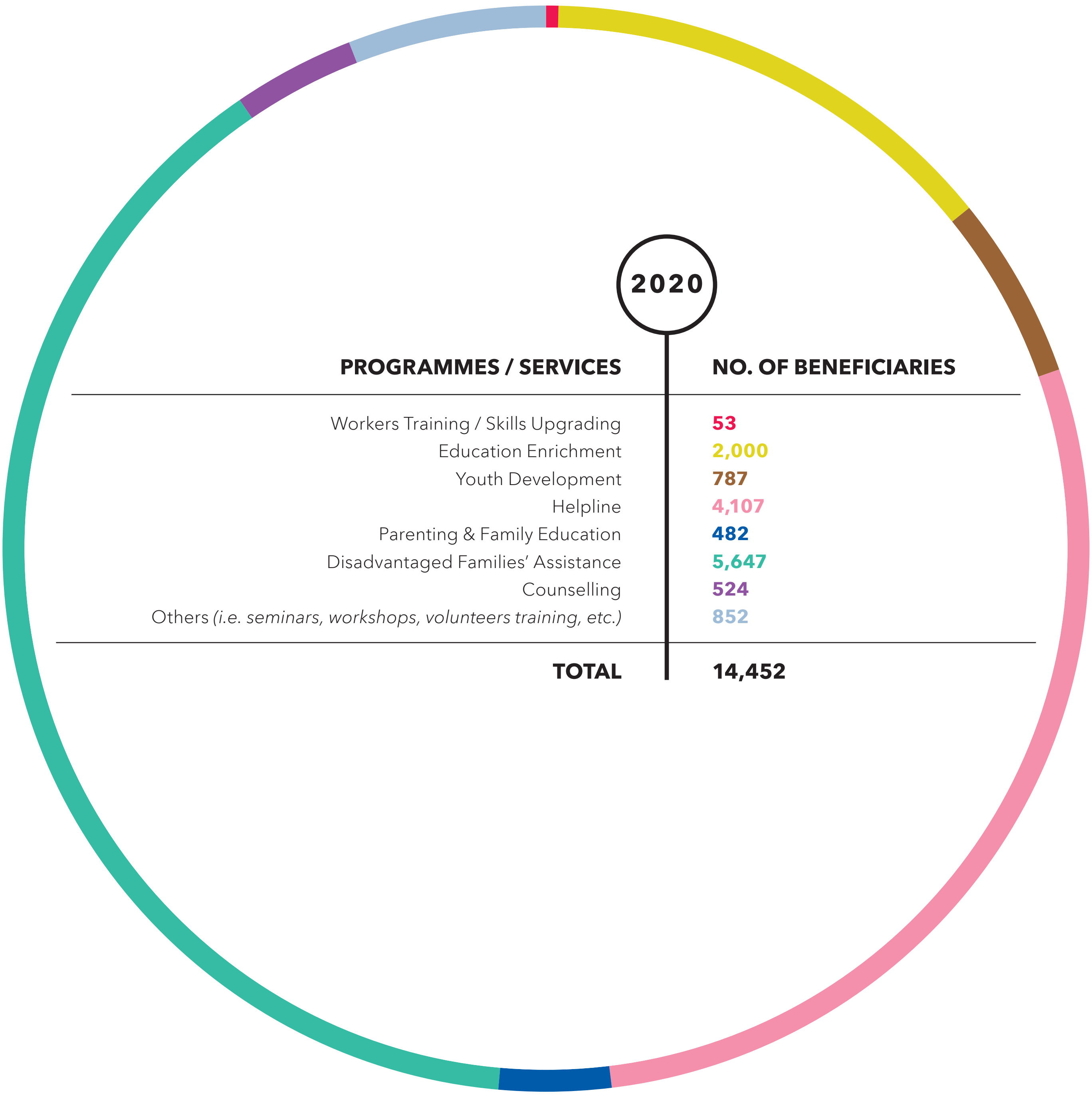
AMP CARES

When the COVID-19 pandemic broke out in early 2020, AMP introduced the AMP Cares Initiative aimed at contributing to the community beyond our existing programmes and services. Among the initiatives was presenting a care package to our neighbours at the Pasir Ris SingHealth Polyclinic to mark our appreciation for their dedication and hard work in keeping our nation safe.

With the uncertainties faced by businesses during this challenging time, AMP also provided the opportunity for micro businesses that had been developed under our Micro Business Programme to be showcased on our social media platforms as a form of support for them.

At the same time, when the circuit breaker measures were implemented, AMP carried goodwill messages on our social media, which were led by our staff to foster positivity among Singaporeans amid the COVID-19 challenges.

Our Clients & Beneficiaries



2020

PROGRAMMES / SERVICES	NO. OF BENEFICIARIES
Workers Training / Skills Upgrading	53
Education Enrichment	2,000
Youth Development	787
Helpline	4,107
Parenting & Family Education	482
Disadvantaged Families' Assistance	5,647
Counselling	524
Others *(i.e. seminars, workshops, volunteers training, etc.)*	852
TOTAL	**14,452**

Our Income & Expenditure

INCOME	$
Donations	2,738,826
Government Matching Grant	800,000
MBMF Grant through CPF	1,109,446
Other Grants	2,746,936
Childcare & Preschool Operations	7,989,763
Student Care Centres	3,656,555
Programme Fees & Other Project Income	1,047,156
Investment & Other Miscellanous Income	596,424
Income Tax Benefit	-
Revaluation Gain	652,098
TOTAL	**21,337,204**

EXPENDITURE	$
Social Services & Community Outreach	2,092,214
Childcare & Preschool Programmes	6,669,987
Student Care Programmes	3,075,722
Adult Education and Training	202,804
Research	282,603
Corporate Communication & Fund Raising	666,912
Human Resource & Volunteer Management	652,900
General Overheads & Administration	5,313,840
Financial & Taxation	116,992
TOTAL	**19,073,974**

For more information on AMP's major financial transactions and purpose of charitable assets held, please refer to Notes 5 to 7 (Pages 83 to 88) and Notes 20 & 21 (Pages 104 & 105) of the audited financial statements.

The Year Ahead

FUTURE PLANS

In the next financial year, AMP will focus on enhancing the provision of programmes and services especially through digital platforms to better serve our clients and beneficiaries during the uncertain COVID-19 period.

As 2021 marks our 30th anniversary, we have planned a slew of activities for the year, as a way to enhance our brand reach and awareness among our stakeholders.

FAMILY SERVICES

AMP will continue the provision of the Temporary Assistance Package 2.0 for families affected by the COVID-19 pandemic. We will also be strengthening the social impact measurements of our social assistance programmes to better deliver our programmes and services effectively.

MARRIAGE HUB

In view of safe distancing measures, AMP Marriage Hub will be adopting a digital approach for its outreach programmes such as the Counsellors' High Tea sessions, as well as in its service delivery for the marriage preparation course, and marriage enrichment and support programmes.

YOUTH

Similarly, the AMP Youth department will be offering a blended approach of both online and onsite sessions for its youth programmes in view of safe distancing measures, as well as provide individual or small group mentoring where needed. We will also conduct group sessions as part of the after school engagement services and youth counselling.

IPC FUND RAISING PLANS FOR THE FOLLOWING YEAR

AMP saw an 18% increase in the number of our individual donors, from 3,226 to 3,828 donors in this financial year.

AMP will be reviewing and exploring ways to enhance its online donation experience with a one-stop portal, www.ampdonate.sg. We aim to further increase the awareness of our services and programmes within the community as a way to appeal for donations in the following financial year through the following fund raising initiatives:

Month	Fund Raising Initiative
October – November 2020	Pledge Card Drive for Education Assistance Programmes
December 2020 – January 2021	Donation Campaign on Mediacorp Warna 94.2FM for Adopt a Family & Youth Scheme Launch of AMP one-stop fund raising portal, www.ampdonate.sg
January – February 2021	Donation Drive for Adopt a Family & Youth Scheme
April – May 2021	Donation Campaign on Mediacorp Ria 89.7FM for Ready for School Fund Appeal for Festive Period Assistance

IPC EXPENDITURE PLANS FOR THE FOLLOWING YEAR

The Board has approved the operational budget for AMP for the total amount of $18.7 million, which covers the programme activities, governance costs, fund raising expenses, as well as administrative and overheads costs.

Our Governance
Composition of the Board of Directors

Director's Name	Date of Director's Last Election	Attendance at Board Meetings in Financial Year	Key Directorships & Appointments in AMP
Dr Md Badrun Nafis Saion	12 Dec 2015	9 / 9	Chairman, AMP – *2019 to present* Director, AMP – *2015 to present* Chairman, Nominating Committee – *2019 to present* Chairman, Fund Raising Committee – *2019 to present* Director, MERCU Learning Point – *2015 to 2019* Member, Human Resource Committee – *2014 to 2018* Additional Director, AMP – *2014 to 2015*
Mr Hazni Aris Hazam Aris	16 Dec 2017	8 / 9	Vice-Chairman, AMP – *2019 to present* Director, AMP – *2017 to present* President, Young AMP – *2017 to present* Chairman, Media & Relations Resource Panel – *2019 to present* Vice-President, Young AMP – *2014 to 2016*
Mr Edwin Ignatious M @ Muhammed Faiz	7 Dec 2019	4 / 4	Director, AMP – *2019 to present*
Mr Fathurrahman Hj M Dawoed	7 Dec 2019	5 / 9	Director, AMP – *2019 to present* Member, Human Resource Committee – *2019 to present* Additional Director, AMP – *2018 to 2019*
Mr Khairulnizam Massuan	7 Dec 2019	6 / 9	Director, AMP – *2019 to present* Director, MERCU Learning Point – *2017 to present* Member, Fund Raising Committee – *2019 to present* Additional Director, AMP – *2018 to 2019*

COMPOSITION OF THE BOARD OF DIRECTORS *(Continued)*

Mr Mohamad Azmi Muslimin	12 Dec 2015	9 / 9	Director, AMP – *2005 to 2011; 2015 to present* Chairman, Finance & Investment Committee – *2008 to 2011; 2019 to present* Chairman, MERCU Learning Point – *2012 to 2018* Director, MERCU Learning Point – *2001 to 2010; 2012 to 2018* Member, Finance & Investment Committee – *2016 to 2018*
Mr Muhamad Nazzim Muhamad Hussain	12 Dec 2015	8 / 9	Director, AMP – *2015 to present* Chairman, Centre for Research on Islamic & Malay Affairs (RIMA) – *2014 to present* Member, Nominating Committee – *2016 to present* Additional Director, AMP – *2014 to 2015*
Mr Muhammad Tarmizi Abdul Wahid	7 Dec 2019	6 / 9	Director, AMP – *2019 to present* Member, Media and Relations Resource Panel – *2019 to present* Additional Director, AMP – *2018 to 2019*
Mr Othman Marican	12 Dec 2015	7 / 9	Director, AMP – *2015 to present* Chairman, Human Resource Committee – *2012 to present* Additional Director, AMP – *2014 to 2015*
Ms Siti Mariam Mohamad Salim	7 Dec 2019	4 / 4	Director, AMP – *2019 to present*

Note:
Board of Directors
Mr Abdul Hamid Abdullah and Dr Bibi Jan Mohd Ayyub, BBM (L) retired as directors on 7 December 2019.

Our Governance

ROLE OF THE BOARD

The Board is responsible for the overall governance of AMP by establishing and monitoring the policies and programmes, as well as in supporting its own development and effectiveness. The Board provides strategic purpose and direction for AMP by participating in regular strategic planning and monitoring the performance toward the plan's results. The Board is guided by AMP's Constitution and the Code of Governance for charities. The Board delegates the management of AMP's day-to-day operations to the Executive Director (ED), as well as supervises and monitors the general responsibilities and yearly objectives of the ED.

The Board ensures the financial health of AMP through conformance to up-to-date fiscal policies and procedures, as well as ongoing analysis of financial reports. The Board approves AMP's annual budget, audit reports, and material business decisions, while being informed of and meeting all of its legal and fiduciary responsibilities. The Board ensures that its resolutions are effectively and efficiently carried out and in conformance to both the government's and AMP's policies and procedures.

The Board reviews the outcomes and metrics to evaluate AMP's impact, and regularly measures its performance and effectiveness using those metrics. The Board ensures effective performance of AMP's programmes through ongoing programme planning and evaluation. The Board also participates in the planning and execution of fund raising activities to secure the necessary resources to support AMP's operations, programmes and services. The Board represents AMP and its programmes and services to the stakeholders including community, funders and clients. In enhancing AMP's public image, the Board also acts as its ambassador.

DIRECTOR'S DUTIES AND RESPONSIBILITIES

Directors are expected to be cognisant of their duties, act honestly and use reasonable diligence in the discharge of their duties at all times. Directors are expected to attend the Board meetings to the best of their abilities and to contribute constructively to the Board discussions.

Directors are expected to act in the best interests of AMP, and not place themselves in a position of possible conflict between personal interests and company interests. Where any conflict may arise, it must be disclosed to and approved by the Board.

TERM LIMIT OF CHAIRMAN OF BOARD

A Director who is appointed as Chairman of the Board may serve in the office of Chairman for a maximum of four consecutive years, provided that his term of office as Director does not exceed eight consecutive years.

The Chairman shall hold office for as long as he is a Director, and shall retire at the same time he retires as a Director and be eligible for reappointment as Chairman at that time if he is also eligible for reappointment as a Director.

BOARD MEETINGS

The Board held nine meetings during the financial year ended 30 June 2020, on the following dates:

- 26 July 2019
- 30 August 2019
- 27 September 2019
- 25 October 2019
- 8 November 2019
- 7 December 2019
- 31 January 2020
- 27 March 2020
- 26 June 2020

CONFLICT OF INTEREST POLICY

All Directors and staff are required to comply with AMP's conflict of interest policy. The Board has put in place documented procedures for Directors and staff to declare actual or potential conflicts of interests on a regular and need-to basis. Directors also abstain and do not participate in decision-making on matters where they have a conflict of interest.

WHISTLE-BLOWING POLICY

AMP has in place a whistle-blowing policy to address concerns about possible wrong-doing or improprieties in financial and other matters within the charity. The policy aims to encourage the reporting of such matters in good faith, with the confidence that the person who makes such a report will be treated fairly and with due follow-up action. All whistle-blowing reports including the identity of the whistle-blower will be treated in confidence. There were no whistle-blowing reports in this financial year.

DISCLOSURE OF ANNUAL REMUNERATION

AMP has disclosed the remuneration of its key management personnel in the audited financial statements, Note 4b (Pages 81 & 82). Please refer to the statements for more information.

RESTRICTED FUNDS

AMP has disclosed its restricted funds in the audited financial statements, Note 20 (Page 104). Please refer to the statements for more information.

GENERAL RESERVES POLICY

For more information on AMP's general reserves policy, please refer to Note 27 (Page 116) of the audited financial statements.

LOOKING AHEAD

AMP is committed to upholding its high standards of corporate governance through establishing the right values from its leadership, improving its long-term performance, managing its risks and maintaining its internal controls. The Board, management and staff will work together to adopt best practices that are relevant to AMP and adhere to the principles and guidelines of its code.

Governance Evaluation Checklist

The Governance Evaluation Checklist (GEC) covers the key guidelines in the Code of Governance for Charities and Institutions of a Public Character (IPC). It is mandatory for all registered charities and IPCs to file their GEC as part of the annual submission for the financial year starting on or after 1 January 2018.

Some editorial refinements have been made to the GEC submitted form displayed below, while ensuring alignment to the Code guidelines.

GEC SUBMISSION FOR THE PERIOD JULY 2018 TO JUNE 2019

S/No.	Code Guideline	Code ID	Response	Explanation (if unable to comply with the Code Guideline)
	BOARD GOVERNANCE			
1	Induction and orientation are provided to incoming governing board members upon joining the Board.	1.1.2	Complied	
2	Are there governing board members holding staff appointments?	/	No	
3	The Treasurer of the charity (or any person holding an equivalent position in the charity, e.g. Finance Committee Chairman or a governing board member responsible for overseeing the finances of the charity) can only serve a maximum of 4 consecutive years. If the charity has not appointed any governing board member to oversee its finances, it will be presumed that the Chairman oversees the finances of the charity.	1.1.7	Complied	
4	All governing board members must submit themselves for re-nomination and re-appointment, at least once every 3 years.	1.1.8	Not complied	All directors have a term limit of 6 years. Two most senior directors would be required to retire every alternate year.
5	The Board conducts self-evaluation to assess its performance and effectiveness once during its term or every 3 years, whichever is shorter.	1.1.12	Complied	
6	Is there any governing board member who has served for more than 10 consecutive years?	/	No	
7	There are documented terms of reference for the Board and each of its committees.	1.2.1	Complied	

GEC SUBMISSION FOR THE PERIOD JULY 2018 TO JUNE 2019 *(Continued)*

	CONFLICT OF INTEREST			
8	There are documented procedures for governing board members and staff to declare actual or potential conflicts of interest to the Board at the earliest opportunity.	2.1	Complied	
9	Governing board members do not vote or participate in decision making on matters where they have a conflict of interest.	2.4	Complied	
	STRATEGIC PLANNING			
10	The Board periodically reviews and approves the strategic plan for the charity to ensure that the charity's activities are in line with the charity's objectives.	3.2.2	Complied	
11	There is a documented plan to develop the capacity and capability of the charity and the Board monitors the progress of the plan.	3.2.4	Complied	
	HUMAN RESOURCE AND VOLUNTEER MANAGEMENT			
12	The Board approves documented human resource policies for staff.	5.1	Complied	
13	There is a documented Code of Conduct for governing board members, staff and volunteers (where applicable) which is approved by the Board.	5.3	Complied	
14	There are processes for regular supervision, appraisal and professional development of staff.	5.5	Complied	
15	Are there volunteers serving in the charity?	/	Yes	
16	There are volunteer management policies in place for volunteers.	5.7	Complied	

GEC SUBMISSION FOR THE PERIOD JULY 2018 TO JUNE 2019 *(Continued)*

	FINANCIAL MANAGEMENT & INTERNAL CONTROLS			
17	There is a documented policy to seek the Board's approval for any loans, donations, grants or financial assistance provided by the charity which are not part of the charity's core charitable programmes.	6.1.1	Complied	
18	The Board ensures that internal controls for financial matters in key areas are in place with documented procedures.	6.1.2	Complied	
19	The Board ensures that reviews on the charity's internal controls, processes, key programmes and events are regularly conducted.	6.1.3	Complied	
20	The Board ensures that there is a process to identify, and regularly monitor and review the charity's key risks.	6.1.4	Complied	
21	The Board approves an annual budget for the charity's plans and regularly monitors the charity's expenditure.	6.2.1	Complied	
22	Does the charity invest its reserves (e.g. in fixed deposits)?	/	Yes	
23	The charity has a documented investment policy approved by the Board.	6.4.3	Complied	
	FUNDRAISING PRACTICES			
24	Did the charity receive cash donations (solicited or unsolicited) during the financial year?	/	Yes	
25	All collections received (solicited or unsolicited) are properly accounted for and promptly deposited by the charity.	7.2.2	Complied	
26	Did the charity receive donations in kind during the financial year?	/	No	

GEC SUBMISSION FOR THE PERIOD JULY 2018 TO JUNE 2019 *(Continued)*

	DISCLOSURE & TRANSPARENCY		
27	The charity discloses in its annual report – (a) the number of Board meetings in the financial year; and (b) the attendance of every governing board member at those meetings.	8.2	Complied
28	Are governing board members remunerated for their services to the Board?	/	No
29	Does the charity employ paid staff?	/	Yes
30	No staff is involved in setting his or her own remuneration.	2.2	Complied
31	The charity discloses in its annual report – (a) the total annual remuneration for each of its 3 highest paid staff who each has received remuneration (including remuneration received from the charity's subsidiaries) exceeding $100,000 during the financial year; and (b) whether any of the 3 highest paid staff also serves as a governing board member of the charity. The information relating to the remuneration of the staff must be presented in bands of $100,000.	8.4	Complied
32	The charity discloses that there is no paid staff, being a close member of the family belonging to the Executive Head or a governing board member of the charity, who has received remuneration exceeding $50,000 during the financial year.	8.5	Complied
	PUBLIC IMAGE		
33	The charity has a documented communication policy on the release of information about the charity and its activities across all media platforms.	9.2	Complied

Our Partners

We extend our gratitude to our valued partners from various sectors and other communities, whose collaboration has ensured that more individuals and families are able to benefit from our range of services and programmes.

55 Minutes Pte Ltd
Aidha Singapore
AI Singapore
Alertist
Al-Istighfar Mosque
Arnold's Fried Chicken (S) Pte Ltd
Assyakirin Mosque
Avencue Pte Ltd
Bapa Sepanjang Hayat
Bartley Secondary School
Berita Harian
Busy Bees Asia
Care & Share Movement
Central Narcotics Bureau
Centre for Fathering
Chinese Development Assistance Council
Club HEAL
Community Foundation of Singapore
Community Leaders Forum
Credit Counselling Singapore
Early Childhood Development Agency
Empact Pte Ltd
Employment and Employability Institute (e2i)
Eurasian Association
Familywise Singapore
Focus on the Family Singapore Ltd
Fusion Wireless
Giant Singapore
Grab Singapore
iMath Solutions Pte Ltd
Immigration & Checkpoints Authority
imPAct@Hong Lim Green
Info-communications Media Development Authority
of Singapore
In Kind Direct Singapore
Islamic Religious Council of Singapore (MUIS)
IslamicSG Networks Ventures Pte Ltd
ITE College East
Jazari Engineers Network
Learnzone Singapore
Lookesan Designs
Loyang View Secondary School
Lydia's Oven
Madbuff
Madrasah Wak Tanjong Al-Islamiah
MENDAKI SENSE
Ministry of Culture, Community and Youth
Ministry of Education
Ministry of Home Affairs
Ministry of Social and Family Development
Muslim Healthcare Professionals Association
Nanyang Technological University
of Singapore Muslim Society
MyRepublic
National Council of Social Service
National Heritage Board
National Integration Council
National University of Singapore (NUS)
National Volunteer & Philanthropy Centre
National Youth Council
Network of Community Practitioners
Neu Entity
Nikmat Halal Frozen Singapore
North East Community Development Council
NUS Muslim Society
OnePeople.sg
PAKSI
Pasir Ris East Community Club
People's Association Youth Movement
Prophet Muhammad's Birthday Memorial Scholarship (LBKM)

Quilt.AI
Raikan Ilmu
REACH Singapore
Registry of Muslim Marriages
SCAVAI Alliance
Second Chance Properties Ltd
Singapore Fintech Association
Singapore Indian Development Association
Singapore Malay Chamber of Commerce & Industry (SMCCI)
Singapore Management University
Singapore Muslim Women's Association (PPIS)
Singapore Prison Service
Singapore Police Force
Singapore University of Social Sciences
Singapore University of Technology and Design (SUTD)
SkillsFuture SG
SME Centre @ SMCCI
South East Community Development Council
South West Community Development Council
Spa Jelita
SP Jain Global School of Management
SSA Academy
St. Gabriel's Secondary School
SUTD Muslim Society
Syariah Court Singapore
Tertiary Career Conference
The Silent Foundation Ltd
U.S. Embassy in Singapore
Vector Scorecard (Asia-Pacific) Pte Ltd
WhatsHalal
Workforce Singapore
XpRienz Pte Ltd
Yayasan MENDAKI

AMP SINGAPORE

2020

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

General Information

DIRECTORS

Dr Md Badrun Nafis Bin Saion	*(Chairman)*
Hazni Aris Bin Hazam Aris	*(Vice-Chairman)*
Mohamad Azmi Bin Muslimin	
Muhamad Nazzim Bin Muhamad Hussain	
Othman Lebby Marican Bin Vappoo Maricar	
Edwin Ignatious M	*(Appointed on 7 December 2019)*
Siti Mariam Binte Mohamad Salim	*(Appointed on 7 December 2019)*
Muhammad Tarmizi Abdul Wahid	*(Appointed on 7 December 2019)*
Khairulnizam Bin Massuan	*(Appointed on 7 December 2019)*
Fathurrahman Bin Haji M Dawoed	*(Appointed on 7 December 2019)*

COMPANY SECRETARY

Kong Yuh Ling Doreen

REGISTERED OFFICE

8 Shenton Way,
#21-07 AXA Tower,
Singapore 068811

BANKERS

United Overseas Bank Limited
DBS Bank Ltd
Oversea-Chinese Banking Corporation Limited
CIMB Bank
Maybank Singapore Limited

AUDITOR

Helmi Talib & Co

Partner-in-charge: Suriyati binti Mohamed Yusof	(Date of appointment: since financial year ended 30 June 2018)

Contents

Directors' Statement

for the financial year ended 30 June 2020

The directors present their statement to the members together with the audited consolidated financial statements of Association of Muslim Professionals (the "Company") and its subsidiaries (collectively, the "Group") for the financial year ended 30 June 2020.

1 OPINION OF THE DIRECTORS

In the opinion of the directors,

(i) the consolidated financial statements of the Group and the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in funds of the Company are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 30 June 2020 and the financial performance, changes in funds and cash flows of the Group and changes in funds of the Company for the financial year then ended;

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2 DIRECTORS

The directors of the Company in office at the date of this statement are:

Dr Md Badrun Nafis Bin Saion	*(Chairman)*
Hazni Aris Bin Hazam Aris	*(Vice-Chairman)*
Mohamad Azmi Bin Muslimin	
Muhamad Nazzim Bin Muhamad Hussain	
Othman Lebby Marican Bin Vappoo Maricar	
Edwin Ignatious M	*(Appointed on 7 December 2019)*
Siti Mariam Binte Mohamad Salim	*(Appointed on 7 December 2019)*
Muhammad Tarmizi Abdul Wahid	*(Appointed on 7 December 2019)*
Khairulnizam Bin Massuan	*(Appointed on 7 December 2019)*
Fathurrahman Bin Haji M Dawoed	*(Appointed on 7 December 2019)*

3 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

As the Company is a public company limited by guarantee and has no share capital, there are no arrangements to which the Company is a party whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

4 DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

As the Company is a public company limited by guarantee and has no share capital, none of the directors holding office at the end of the financial year had an interest in the share capital or debentures of the Company or the subsidiaries either at the beginning of the financial year (or at date of appointment) or end of the financial year.

5 SHARE OPTIONS

As the Company is a public company limited by guarantee and has no share capital, matters relating to the issuance of shares or share options are not applicable.

6 AUDITOR

Helmi Talib & Co has expressed its willingness to accept re-appointment as auditor.

ON BEHALF OF THE BOARD OF DIRECTORS

DocuSigned by:

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DR MD BADRUN NAFIS BIN SAION
Director

DocuSigned by:

Hazni Aris

D152300187FF423...

HAZNI ARIS BIN HAZAM ARIS
Director

Date: 30 October 2020

Independent Auditor's Report

to the members of Association of Muslim Professionals

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Association of Muslim Professionals (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the statements of financial position of the Group and the Company as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in funds and consolidated statement of cash flows of the Group and the statement of profit or loss and other comprehensive income and statement of changes in funds of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of profit or loss and other comprehensive income, statement of financial position and the statement of changes in funds of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2020 and of the consolidated financial performance, consolidated changes in funds and consolidated cash flows of the Group and of the financial performance and changes in funds of the Company for the financial year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND DIRECTORS FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, the Charities Act and Regulations and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS *(Continued)*

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are solely responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the above regulations to be kept by the Company and by the subsidiaries incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act and the Charities Act and Regulations.

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

(a) the Company has not used the donation monies in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and

(b) the Company has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

DocuSigned by:
Helmi Talib & Co
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HELMI TALIB & CO
Public Accountants and
Chartered Accountants

Singapore
Date: 30 October 2020
Partner-in-charge: Suriyati binti Mohamed Yusof
PAB No.: 01627

Statements of Profit or Loss and other Comprehensive Income

for the financial year ended 30 June 2020

		GROUP		COMPANY	
	Note	2020 $	2019 $	2020 $	2019 $
Revenue	5	20,088,682	17,133,878	16,811,951	15,774,686
Expenditure	6	(18,956,982)	(18,187,101)	(17,347,218)	(16,581,712)
Other income	7	596,424	596,221	1,925,294	351,077
Finance costs	8	(18,504)	-	(4,746)	-
Profit/(Loss) before taxation		1,709,620	(457,002)	1,385,281	(455,949)
Income tax (expense)/benefit	9	(98,488)	35,427	-	-
Profit/(Loss) for the financial year		1,611,132	(421,575)	1,385,281	(455,949)
Other comprehensive income					
Components of other comprehensive income that will not be reclassified subsequently to profit or loss					
Revaluation surplus	21	652,098	-	652,098	-
Total other comprehensive income that will not be reclassified subsequently to profit or loss		652,098	-	652,098	-
Total comprehensive income/(loss) for the financial year		2,263,230	(421,575)	2,037,379	(455,949)

Statements of Financial Position

as at 30 June 2020

		GROUP		COMPANY	
	Note	2020 $	2019 $	2020 $	2019 $
Assets					
Current assets					
Cash and cash equivalents	11	6,406,915	4,102,202	4,139,168	3,014,464
Fixed deposits	12	2,050,441	2,052,571	2,050,441	2,052,571
Trade and other receivables	13	2,710,595	1,950,649	1,919,395	4,278,209
Contract assets	5	780,912	641,021	-	-
Total current assets		11,948,863	8,746,443	8,109,004	9,345,244
Non-current assets					
Property, plant and equipment	14	7,750,929	8,103,008	7,477,085	7,923,444
Investments in subsidiaries	15	-	-	1,760,683	250,001
Investment securities	16	339,186	194,029	339,186	194,029
Deferred tax asset	17	-	98,488	-	-
Total non-current assets		8,090,115	8,395,525	9,576,954	8,367,474
Total assets		20,038,978	17,141,968	17,685,958	17,712,718
Liabilities and funds and reserve					
Liabilities					
Current liabilities					
Trade and other payables	18	2,734,168	2,164,853	2,520,310	4,523,424
Contract liabilities	5	413,525	573,625	331,016	472,028
Lease liabilities	19	143,742	-	24,979	-
Total current liabilities		3,291,435	2,738,478	2,876,305	4,995,452
Non-current liabilities					
Lease liabilities	19	80,823	-	55,008	-
Total non-current liabilities		80,823	-	55,008	-
Total liabilities		3,372,258	2,738,478	2,931,313	4,995,452
Funds and reserve					
Unrestricted funds		8,178,631	6,537,563	6,266,556	4,851,339
Restricted funds	20	538,949	568,885	538,949	568,885
Property revaluation reserve	21	7,949,140	7,297,042	7,949,140	7,297,042
Total funds and reserve		16,666,720	14,403,490	14,754,645	12,717,266
Total liabilities and funds and reserve		20,038,978	17,141,968	17,685,958	17,712,718

Statements of Changes in Funds

for the financial year ended 30 June 2020

GROUP

2020

	Note	Unrestricted Funds $	Restricted Funds $	Property Revaluation Reserve $	Total $
Funds and reserve					
Balance at beginning of financial year		6,537,563	568,885	7,297,042	14,403,490
Effect of new requirement by the Ministry of Social and Family Development ("MSF")	20	134,276	(134,276)	-	-
		6,671,839	434,609	7,297,042	14,403,490
Comprehensive income					
Profit for the financial year		1,774,308	(163,176)	-	1,611,132
Other comprehensive income - Revaluation surplus		-	-	652,098	652,098
Total comprehensive income for the financial year		8,446,147	271,433	7,949,140	16,666,720
Transfer of funds	20	(267,516)	267,516	-	-
Balance at end of financial year		8,178,631	538,949	7,949,140	16,666,720

2019

	Note	Unrestricted funds $	Restricted funds $	Property revaluation reserve $	Total $
Funds and reserve					
Balance at beginning of financial year		7,159,785	368,238	7,297,042	14,825,065
Comprehensive loss					
Loss for the financial year, representing total comprehensive loss for the financial year		(185,042)	(236,533)	-	(421,575)
Transfer of funds	20	(437,180)	437,180	-	-
Balance at end of financial year		6,537,563	568,885	7,297,042	14,403,490

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Statements of Changes in Funds

for the financial year ended 30 June 2020

COMPANY

2020

	Note	Unrestricted Funds $	Restricted Funds $	Property Revaluation Reserve $	Total $
Funds and reserve					
Balance at beginning of financial year		4,851,339	568,885	7,297,042	12,717,266
Effect of new requirement by the MSF	20	134,276	(134,276)	-	-
		4,985,615	434,609	7,297,042	12,717,266
Comprehensive income					
Profit for the financial year		1,548,457	(163,176)	-	1,385,281
Other comprehensive income - Revaluation surplus		-	-	652,098	652,098
Total comprehensive income for the financial year		6,534,072	271,433	7,949,140	14,754,645
Transfer of funds	20	(267,516)	267,516	-	-
Balance at end of financial year		6,266,556	538,949	7,949,140	14,754,645

2019

	Note	Unrestricted funds $	Restricted funds $	Property revaluation reserve $	Total $
Funds and reserve					
Balance at beginning of financial year		5,507,935	368,238	7,297,042	13,173,215
Comprehensive loss					
Loss for the financial year, representing total comprehensive loss for the financial year		(219,416)	(236,533)	-	(455,949)
Transfer of funds	20	(437,180)	437,180	-	-
Balance at end of financial year		4,851,339	568,885	7,297,042	12,717,266

Consolidated Statement of Cash Flows

for the financial year ended 30 June 2020

	Note	2020 $	2019 $
Cash flows from operating activities			
Profit/(Loss) before taxation		1,709,620	(457,002)
Adjustments for			
Depreciation of property, plant and equipment	14	1,607,143	1,366,967
Interest income	7	(39,666)	(32,714)
Interest expense	8	18,504	-
Dividend income	7	(8,159)	(6,519)
Loss on disposal of property, plant and equipment		-	353
Total adjustment to profit or loss		1,577,822	1,328,087
Total operating cash flows before changes in working capital		3,287,442	871,085
Changes in working capital			
Increase in trade and other receivables and contract assets		(897,707)	(498,586)
Increase in trade and other payables and contract liabilities		406,403	184,064
Total changes in working capital		(491,304)	(314,522)
Cash flows from operations		2,796,138	556,563
Interest received		39,666	32,714
Income tax refund		-	9,651
Net cash flows from operating activities		2,835,804	598,928
Cash flows from investing activities			
Placement of fixed deposits		(2,050,000)	(1,050,000)
Acquisitions of property, plant and equipment		(140,258)	(773,383)
Proceeds from maturity of fixed deposits		2,050,000	250,000
Purchase of investment securities	16	(145,157)	(95,043)
Dividends received		8,159	6,519
Proceeds from disposal of property, plant and equipment		-	1,254
Net cash flows used in investing activities		(277,256)	(1,660,653)
Cash flows from financing activities			
Payment of principal portion of lease liabilities	19	(235,331)	-
Interest paid	19	(18,504)	-
Net cash flows used in financing activities		(253,835)	-
Net increase/(decrease) in cash and cash equivalents		2,304,713	(1,061,725)
Cash and cash equivalents at beginning of financial year		4,102,202	5,163,927
Cash and cash equivalents at end of financial year	11	6,406,915	4,102,202
Net cash flows			
Net cash flows from operating activities		2,835,804	598,928
Net cash flows used in investing activities		(277,256)	(1,660,653)
Net cash flows used in financing activities		(253,835)	-

Notes to the Financial Statements

for the financial year ended 30 June 2020

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

1 CORPORATE INFORMATION

Association of Muslim Professionals (the "Company") was incorporated in Singapore as a company limited by guarantee without a share capital. Under Article 8 of its Memorandum and Articles of Association, each ordinary member undertakes to contribute to the assets of the Company in the event of it being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Company contracted before he ceases to be a member and of the costs, charges and expenses of winding up, such amount as may be required but not exceeding $100 per member. As at 30 June 2020, the Company has 1,066 (2019: 1,045) ordinary members. In addition, the Company has 319 (2019: 318) associate members who do not bear any liability in the event of the Company being wound up.

The principal activity of the Company is to engage in self-help projects for the betterment of the Malay/Muslim community in particular, and Singaporeans in general. The Company is an approved charity under the Charities Act, Cap. 37 and has been accorded the status of an Institution of a Public Character ("IPC") for the period from 10 October 2018 to 9 October 2023.

The principal activities of the subsidiaries are to perform research in, and studies on, the local, regional or international issues relating to the affairs of the Malay/Muslim community and to provide educational, training and childcare centre services.

There have been no significant changes in the nature of this activity during the financial year.

The registered office of the Company is located at 8 Shenton Way, #21-07, AXA Tower, Singapore 068811. The principal place of business is located at AMP@Pasir Ris, No. 1 Pasir Ris Drive 4, #05-11, Singapore 519457.

The consolidated financial statements of the Group and the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in fund of the Company for the financial year ended 30 June 2020 were authorised for issue in accordance with a resolution of the directors as at the date of Directors' Statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The consolidated financial statements of the Group and the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in funds of the Company have been prepared in accordance with Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The consolidated financial statements of the Group and the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in funds of the Company are presented in Singapore Dollars ("SGD" or "$"), which is also the functional currency of the Company.

The accounting policies adopted are consistent with those of the previous financial year except for those as described in Note 2.2 to the financial statements.

2.2 ADOPTION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2019. Except for the adoption of FRS 116 *Leases* described below, the adoption of these standards did not have any material effect on the financial performance or position of the Group.

FRS 116 *Leases*

FRS 116 supersedes FRS 17 *Leases*, INT FRS 104 *Determining whether an Arrangement contains a Lease*, INT FRS 15 *Operating Leases-Incentives* and INT FRS 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the statement of financial position.

The Group adopted FRS 116 using the modified retrospective method of adoption with the date of initial application of 1 July 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application as an adjustment to the opening balance of unrestricted funds. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at 1 July 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying FRS 17 and INT FRS 104 at the date of initial application and use of hindsight for contracts which contain an option to extend or terminate a lease.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 ADOPTION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS *(Continued)*

FRS 116 *Leases* *(Continued)*

The effect of adopting FRS 116 as at 1 July 2019 was as follows:

	Group Increase **$**
Property, plant and equipment	462,708
Lease liabilities	462,708

Before the adoption of FRS 116, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or as an operating lease. The accounting policy prior to 1 July 2019 is disclosed in Note 2.17 to the financial statements.

Upon adoption of FRS 116, the Group applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. The accounting policy beginning on and after 1 July 2019 is disclosed in Note 2.17 to the financial statements. The standard provides specific transition requirements and practical expedients, which have been applied by the Group.

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for the leases were recognised based on the carrying amount as if the standard had always been applied, using the incremental borrowing rate at the date of initial application. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Group also applied the available practical expedients wherein it:

- used a single discount rate to a portfolio of leases with reasonably similar characteristics;
- relied on its assessment of whether leases are onerous immediately before the date of initial application as an alternative to performing an impairment review;
- applied the short-term leases exemption to leases with lease term that ends within 12 months of the date of initial application;
- excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

The lease liabilities as at 1 July 2019 can be reconciled to the operating lease commitments as of 30 June 2019, as follows:

	$
Operating lease commitments as at 30 June 2019	991,313
Weighted average incremental borrowing rate as at 1 July 2020	5.25%
Lease liabilities as at 1 July 2020	462,708

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to References to the Conceptual Framework in FRS Standards	1 January 2020
Amendments to FRS 1 and FRS 8 *Definition of Material*	1 January 2020
Amendments to FRS 103: *Definition of a Business*	1 January 2020

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 BASIS OF CONSOLIDATION

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.4 BASIS OF CONSOLIDATION *(Continued)*

*(a) **Basis of consolidation*** *(Continued)*

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

(b) Business combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

2.5 SUBSIDIARY

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.6 PROPERTY, PLANT AND EQUIPMENT

Items of property, plant and equipment are initially recorded at cost and subsequently recognised at cost less accumulated depreciation and accumulated impairment losses, except for freehold property.

Freehold property is stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are carried out by an independent professional valuer once every two financial years such that the carrying amount does not differ materially from that which would be determined using fair values at reporting date.

Any revaluation surplus arising on the revaluation of the freehold property is recognised in other comprehensive income and accumulated in fund under property revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss. A decrease in carrying amount arising on the revaluation of freehold property is charged to profit or loss to the extent that it offsets an existing surplus on the same asset held in the property revaluation reserve.

Any accumulated depreciation as at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the property revaluation reserve is transferred directly to unrestricted funds on retirement or disposal of the asset.

The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

Freehold property	–	30 years
Leasehold property	–	3 years
Furniture and fittings	–	5 years
Office equipment	–	5 years
Renovation	–	5 years

Fully depreciated assets are retained in the financial statements until they are no longer in 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 useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

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

2.7 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group assesses at each reporting date whether there is an indication that non-financial assets other than contract assets 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 of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to amount of any previous revaluation.

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.

2.8 FINANCIAL INSTRUMENTS

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income and FVPL. The Group only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

2.8 **FINANCIAL INSTRUMENTS** *(Continued)*

(a) Financial assets *(Continued)*

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 other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities 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 liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL 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 expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.9 IMPAIRMENT OF FINANCIAL ASSETS AND CONTRACT ASSETS

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVPL and contract assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.10 CASH AND CASH EQUIVALENTS

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

2.11 TAXES

(a) Current income 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 authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(b) Deferred tax

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

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 by the end of the reporting period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*
2.11 TAXES *(Continued)*

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 taxes relate to the same taxable entity and the same taxation authority.

(c) Goods and services tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.12 FUNCTIONAL AND FOREIGN CURRENCY

(a) Functional currency

The management has determined the currency of the primary economic environment in which the Group operates i.e. functional currency. Sales prices and major costs of providing goods and services including major operating expenses are primarily influenced by fluctuations in SGD.

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(b) Foreign currency

Transactions in foreign currencies are measured in the respective functional currency of the Company and its subsidiaries and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in foreign currencies are translated using the exchange rates as at dates of the initial transactions. Non-monetary items measured at fair value in foreign currencies are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or translating items at the end of the reporting period are recognised in profit or loss.

2.13 REVENUE RECOGNITION

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Donations

Donations from individuals, companies and other organisations are recorded when received. The Group derives approximately 4.04% (2019: 6.75%) of the voluntary donations in the form of cash. Due to the nature of these donations, the Group has limited accounting controls over the contributions prior to the initial entry in the accounting records.

(b) Grants, school fees and tuition fees

Government matching grant, MBMF, school fees, tuition fees and other income are accounted for on the accrual basis.

Revenue from projects undertaken by a subsidiary, Centre for Research on Islamic and Malay Affairs Pte Ltd, is recognised based on the percentage-of-completion method. The percentage-of-completion for a given project is determined based on costs incurred to date as a percentage of total estimated costs of the project. Project costs include subcontractor costs, direct staff salaries and other related overhead expenses. Provisions for foreseeable losses on uncompleted projects are made in the year in which such losses are determined.

2.14 GOVERNMENT GRANTS

Government grants (including Jobs Support Scheme) are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Cash grants received from the government in relation to Wage Credit Scheme is recognised as income upon receipt.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.15 EMPLOYEE BENEFITS

(a) Defined contribution plan

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

(b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.16 ACCUMULATED FUND

Unrestricted funds

Unrestricted funds are available for use at the discretion of the board of directors in the furtherance of the general objectives of the Group and which have not been designated for specific purposes.

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restriction imposed by the fund providers.

2.17 LEASES

These accounting policies are applied ***on and after the initial application date of FRS 116, 1 July 2019:***

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.7 to the financial statements.

The Group's right-of-use assets are presented within property, plant and equipment (Note 14).

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are disclosed in Note 19 to the financial statements.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.17 LEASES *(Continued)*

These accounting policies are applied ***before the initial application date of FRS 116, 1 July 2019:***

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(a) As lessee

Leases where the lessor effectively retains substantially all the risk and benefit of ownership of the lease term, 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. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(b) As lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income.

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis. Contingent rents are recognised as revenue in the period in which they are earned.

2.18 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 resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

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

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of the revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 JUDGEMENTS MADE IN APPLYING ACCOUNTING POLICIES

Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2 KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Revaluation of property, plant and equipment

The Group carries its freehold property at fair value, with changes in fair value being recognised in other comprehensive income. The Group engaged an independent professional valuer to assess fair value. The fair value of property, plant and equipment is determined by independent professional valuer using recognised valuation techniques.

As at 30 June 2020, the carrying amount of property, plant and equipment carried at fair value is disclosed in Note 14 to the financial statements.

(b) Deferred tax assets

Deferred tax assets are recognised for all unutilised capital allowances and tax losses to the extent that it is probable that taxable profit will be available against which the capital allowances and tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the timing and level of future taxable profits together with future tax planning strategies.

As at 30 June 2020, the carrying amount of deferred tax assets is disclosed in Note 17 to the financial statements.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES *(Continued)*

3.2 KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

(c) *Provision for expected credit losses of trade receivables and contract assets*

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

As at 30 June 2020, the carrying amount of trade receivables and contract assets are disclosed in Notes 5 and 13 to the financial statements.

4 RELATED PARTY TRANSACTIONS

The related party transactions are between the Company and its subsidiaries, Centre for Research on Islamic and Malay Affairs Pte Ltd and Mercu Learning Point Pte Ltd. The effects of these transactions are reflected in the financial statements on the basis determined between the parties.

(a) Significant related party transactions

	COMPANY	
	2020	**2019**
	$	**$**
Subsidiary, Centre for Research on Islamic and Malay Affairs Pte Ltd		
(Reversal of allowance for ECLs)/Provision for ECLs	(1,544,294)	25,083
Waiver of debt	1,510,682	-
Research fees	377,996	349,364
Expenses paid on behalf by the Company	(316,920)	(374,447)
Rental of premises	(14,400)	(14,400)
Corporate support services fees	(9,000)	(9,000)
Rental of office equipment	(1,920)	(1,920)

During the current financial year, the Company has waived the entire amount due from the subsidiary, Centre for Research on Islamic and Malay Affairs Pte Ltd, amounting to $1,510,682. This was accounted for as an additional investment in subsidiary. As at 30 June 2019, the Company had other receivable net of allowance for ECLs of $2,473,535 and other payable of $2,473,535 due from/to its subsidiary.

4 RELATED PARTY TRANSACTIONS *(Continued)*

(a) Significant related party transactions *(Continued)*

	COMPANY	
	2020	**2019**
	$	**$**
Subsidiary, Mercu Learning Point Pte Ltd		
Management fees	7,844,896	7,561,804
Recharged - Partner Operator Scheme ("POP") grant	2,369,527	1,825,754
Lease of furniture and equipment	(186,945)	(176,405)
Rental of premises	(91,271)	(91,271)
Childcare centre fee subsidies	59,746	(61,423)
Corporate support service fees	(12,000)	(12,000)

As at 30 June 2020, the Company has other receivable of $41,768 (2019: $54,227) and other payable of $970,094 (2019: $864,547) due from/to its subsidiary, Mercu Learning Point Pte Ltd.

(b) Remuneration of key management personnel

	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
	$	**$**	**$**	**$**
Salaries and bonuses	1,306,348	1,221,602	1,163,618	1,072,302
Employer's CPF contribution	173,734	170,525	151,271	145,921
	1,480,082	1,392,127	1,314,889	1,218,223

The number of key management personnel whose remuneration is within the $100,001 to $150,000 band is eleven (2019: eight) and there is no key management personnel whose remuneration is within $150,001 to $200,000 band (2019: one). Key management personnel comprise the Executive Director and the direct reporting senior officers.

4 RELATED PARTY TRANSACTIONS *(Continued)*

(b) ***Remuneration of key management personnel*** *(Continued)*

It is not the normal practice for the trustees/office bearers, or people connected with them, to receive remuneration, or other benefits, from the Company for which they are responsible, or from institutions connected with the Company except that the Executive Director and the direct reporting senior officers have employment relationships with the Company and its subsidiaries and have received remuneration in these capacities.

All board members, chairman of sub-committees and staff members of the Company are required to read and understand the conflict of interest policy in place and make full disclosure of interests, relationships and holdings that could potentially result in conflict of interests. When a conflict of interest situation arises, the members or staff shall abstain from participating in the discussion, decision making and voting on the matters.

5 REVENUE

	GROUP		COMPANY	
	2020 $	2019 $	2020 $	2019 $
Childcare centre fees and subsidies	7,288,976	6,632,220	7,200,661	6,332,994
Student care fees and subsidies	3,656,555	3,320,354	3,013,763	3,054,564
Donations*	2,738,826	2,671,077	2,738,826	2,671,077
MBMF grant	1,109,446	913,240	1,109,446	913,240
Social action programmes	969,286	1,149,889	969,286	1,149,889
Government matching grant**	800,000	800,000	800,000	800,000
Pre-school centre fees	700,787	794,176	-	-
Training and education projects	77,870	106,033	77,870	106,033
Other Grants***	2,746,936	746,889	902,099	746,889
	20,088,682	17,133,878	16,811,951	15,774,686
Timing of render of services				
Over time	13,111,686	9,952,574	10,535,742	9,387,558
At a point in time	6,976,996	7,181,304	6,276,209	6,387,128
	20,088,682	17,133,878	16,811,951	15,774,686

* Included in donations is zakat contribution amounting to $910,141 (2019: $807,069).

** The government matching grant is capped at $800,000 (2019: $800,000). Included in government matching grant is the Company's share of a government matching grant for community self-help organisations of $800,000 (2019: $800,000) which relates to the donations received during the financial year ended 30 June 2020.

*** Other grants of the Group include Jobs Support Scheme of $2,166,155 (2019: Nil) and grants received from Care & Share of nil (2019: $240,764).

Contract balances

Information about the Group's receivables, contract assets and contract liabilities from contracts with customers is disclosed as follows:

	30 JUNE 2020 $	30 JUNE 2019 $	1 JULY 2018 $
Trade receivables - gross amount (Note 13)	1,508,100	1,728,662	1,775,208
Contract assets	780,912	641,021	349,855
Contract liabilities	(413,525)	(573,625)	(666,833)

Contract assets primarily relate to the Group's right to consideration for service period completed or satisfaction of performance obligations but not yet billed at reporting date. Contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities primarily relate to the Group's obligation to transfer services to customers for which the Group has received advances from customers for rendering of services.

Contract liabilities are recognised as revenue over time as the Group performs under the contract.

Significant changes in the contract assets and the contract liabilities balances during the financial year are as follows:

	2020 $	2019 $
Revenue recognised that was included in the contract liabilities balance at the beginning of the financial year	242,609	382,944
Contract assets reclassified to trade receivables during the financial year	527,780	268,203
Increase in contract liabilities due to receipt of advances (excluding amounts recognised as revenue during the financial year)	82,509	101,597

Transaction price allocated to remaining performance obligations

Management expects that the transaction price allocated to remaining unsatisfied (or partially unsatisfied) performance obligations as at 30 June 2020 and 2019 may be recognised as revenue in the next reporting periods as follows:

	2020 $	2021 $	2022 $	TOTAL $
Unsatisfied and partially satisfied performance obligation as at:				
- 30 June 2020	-	237,386	92,563	329,949
- 30 June 2019	242,609	93,898	92,563	429,070

6 EXPENDITURE

	GROUP		COMPANY	
	2020 $	2019 $	2020 $	2019 $
Childcare centres	5,427,031	5,037,276	-	-
General administrative expenditure and overheads	4,967,671	4,826,515	2,734,054	2,612,837
Student care centres	3,075,722	3,042,249	-	-
Social action programme	2,062,014	2,184,345	2,121,760	2,245,768
Human resource/volunteer management	652,900	605,608	652,900	605,608
Pre-school centres	1,242,956	846,769	-	-
Fund raising projects	362,938	397,814	362,938	397,814
Management information systems	346,169	339,756	346,169	339,756
Corporate services	303,974	314,257	303,974	314,257
Research fees (Note 4)	282,603	288,845	377,996	349,364
Adult education and training	202,804	227,366	202,804	227,366
Contributions for community projects	30,200	75,948	30,200	75,948
Loss on disposal of property, plant and equipment	-	353	-	353
Management fees (Note 4)	-	-	7,844,896	7,561,804
Recharged POP grant (Note 4)	-	-	2,369,527	1,825,754
Impairment loss of subsidiary receivables (Note 13)	-	-	-	25,083
	18,956,982	18,187,101	17,347,218	16,581,712

6 EXPENDITURE *(Continued)*

The expenditure includes the following:

	GROUP		COMPANY	
	2020 $	2019 $	2020 $	2019 $
Staff costs				
Staff salaries and related costs	11,707,997	10,699,547	3,102,770	2,952,410
Defined contribution pension costs	1,622,401	1,491,974	474,991	455,922
	13,330,398	12,191,521	3,577,761	3,408,332
Depreciation	1,607,143	1,366,967	1,277,271	1,244,515

7 OTHER INCOME

	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
	$	**$**	**$**	**$**
Government grants*	232,428	273,840	-	-
Interest income	39,666	32,714	39,666	32,714
Dividend income	8,159	6,519	8,159	6,519
Reversal of allowance for ECLs	-	-	1,510,682	-
Rental income	-	-	278,216	267,676
Corporate service fees (Note 4)	-	-	21,000	21,000
Gain on disposal of property, plant and equipment	-	-	-	-
Miscellaneous income	316,171	283,148	67,571	23,168
	596,424	596,221	1,925,294	351,077

* Government grants of the Group include wage credit scheme amounting to $201,443 (2019: $140,696).

8 FINANCE COSTS

	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
	$	**$**	**$**	**$**
Interest expense on lease liabilities (Note 19)	18,504	-	4,746	-

9 INCOME TAX EXPENSE/(BENEFIT)

Income tax expense/(benefit) attributable to profit/(loss) is made up of:

	GROUP	
	2020 $	2019 $
Current income tax	98,488	-
Deferred income tax	-	(25,776)
Over provision in prior year	-	(9,651)
	98,488	(35,427)

The reconciliation of income tax expense/(benefit) to the amount of income tax determined by applying the Singapore statutory tax rate to profit/(loss) before taxation are as follows:

	GROUP	
	2020 $	2019 $
Profit/(loss) before taxation	1,709,620	(457,002)
Tax calculated at a tax rate of 17%	290,635	(77,690)
Income not taxable for tax purposes	(313,621)	(4,564)
Deferred tax asset recognised	98,488	(25,776)
Utilisation of capital allowances	(61,583)	(25,672)
Expenses not deductible for tax purposes	68,304	27,120
Tax exemption*	24,575	77,511
Deferred tax asset movement not recognised	(8,310)	3,295
Over provision in prior year	-	(9,651)
	98,488	(35,427)

9 INCOME TAX EXPENSE/(BENEFIT) *(Continued)*

* The Company is an approved charity under the Charities Act, Cap. 37 and has been accorded the status of an IPC (Note 1). All registered and exempt charities will enjoy automatic income tax exemption and do not need to file income tax returns effective from the Year of Assessment 2009.

As at the end of the reporting period, the Group has unutilised tax losses from its subsidiary, Centre for Research on Islamic and Malay Affairs Pte Ltd, of approximately $1,603,302 (2019: $1,646,227) which can be carried forward to set-off against future taxable profits, subject to provision of Section 37 and Section 23 of the Singapore Income Tax Act.

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10 TAX-EXEMPT RECEIPTS

The Company enjoys a concessionary tax treatment whereby qualifying donors are granted double tax deduction for the donations made to the Company. The Company is an approved charity under the Charities Act, Cap. 37 and has been accorded the status of an IPC (Note 1). Qualifying donors are granted 2.5 times tax deduction for the donations made to the Company.

During the financial year, the Company issued tax-exempt receipts for donations collected amounting to $1,299,364 (2019: $1,212,848).

11 CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2020 $	2019 $	2020 $	2019 $
Cash at banks	6,381,015	4,076,202	4,134,168	3,009,464
Cash on hand	25,900	26,000	5,000	5,000
	6,406,915	4,102,202	4,139,168	3,014,464

Cash at banks are held in non-interest bearing accounts.

For the purpose of the statement of cash flows, cash and cash equivalents are comprised of the balances as shown above.

Cash and cash equivalents are denominated in Singapore Dollar.

12 FIXED DEPOSITS

	GROUP		COMPANY	
	2020 $	2019 $	2020 $	2019 $
Fixed deposits	2,050,441	2,052,571	2,050,441	2,052,571

Fixed deposits have an average maturity of 1 to 5 months (2019: 3 to 24 months) from the end of the financial year, which can be withdrawn on demand subject to certain charges, with the weighted average effective interest rates of 1.32% (2019: 1.71%) and 1.32% (2019: 1.71%) for the Group and the Company, respectively.

Fixed deposits are denominated in Singapore Dollar.

13 TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
	$	**$**	**$**	**$**
Trade receivables				
Grants receivable	1,370,771	1,618,589	1,370,771	1,618,589
Outside parties	137,329	110,073	86,080	18,532
	1,508,100	1,728,662	1,456,851	1,637,121
Other receivables				
Subsidiaries (Note 4)	-	-	41,768	4,072,056
Less: Allowance for ECLs	-	-	-	(1,544,294)
	-	-	41,768	2,527,762
Grant receivable - Jobs Support Scheme	935,390	-	281,607	-
Deposits	198,252	116,298	130,466	69,031
Prepayments	68,053	102,419	-	25,500
GST receivable	-	-	8,703	18,195
Others	800	3,270	-	600
	1,202,495	221,987	462,544	2,641,088
	2,710,595	1,950,649	1,919,395	4,278,209
Total trade and other receivables (excluding prepayments and GST receivable)	2,642,542	1,848,230	1,910,692	4,234,514
Add: Cash and cash equivalents (Note 11)	6,406,915	4,102,202	4,139,168	3,014,464
Fixed deposits (Note 12)	2,050,441	2,052,571	2,050,441	2,052,571
Total financial assets carried at amortised cost	11,099,898	8,003,003	8,100,301	9,301,549

Included in trade receivables are grant amounts and donations yet to be received from various government agencies as at reporting date.

13 TRADE AND OTHER RECEIVABLES *(Continued)*

Trade receivables are non-interest bearing and are generally on 30 to 60 days' terms. These are recognised at their original invoice amounts which represent their fair values on initial recognition.

The non-trade amounts due from subsidiaries are unsecured, non-interest bearing and repayable on demand. These amounts are to be settled in cash.

Expected credit losses

The movement in the allowance for ECLs of the Company's other receivables relating to the amount owing by the subsidiary, Centre for Research on Islamic and Malay Affairs Pte Ltd, computed based on lifetime ECL are as follows:

	COMPANY	
	2020 $	2019 $
Movement in allowance account		
Balance at beginning of financial year	1,544,294	1,519,211
Provision for the financial year	-	25,083
Reversal of allowance for ECLs	(1,544,294)	-
	-	1,544,294

Grant receivable pertains to the committed amount made by the Inland Revenue Authority of Singapore ("IRAS") in relation to the Jobs Support Scheme aimed at providing wage support to employers due to the COVID-19 pandemic. The related deferred income is recognised under other payables (Note 18) and will be recognised as income on a systematic basis over the remaining period of economic uncertainty.

Trade and other receivables are denominated in Singapore Dollar.

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14 PROPERTY, PLANT AND EQUIPMENT

	AT VALUATION	AT COST				
	Freehold Property $	Leasehold Property $	Furniture and Fittings $	Office Equipment $	Renovation $	Total $
GROUP						
Cost						
At 30.06.2018	7,200,000	-	875,869	1,468,479	2,171,823	11,716,171
Additions	-	-	87,324	208,769	477,290	773,383
Disposals	-	-	-	(5,250)	-	(5,250)
At 30.06.2019	7,200,000	-	963,193	1,671,998	2,649,113	12,484,304
Effect of adopting FRS 116	-	353,279	-	109,429	-	462,708
Additions	-	-	35,760	73,044	31,454	140,258
Disposals	-	-	(43,736)	(4,630)	(73,735)	(122,101)
Revaluation	652,098	-	-	-	-	652,098
Reversal of depreciation on revaluation	(1,452,098)	-	-	-	-	(1,452,098)
At 30.06.2020	6,400,000	353,279	955,217	1,849,841	2,606,832	12,165,169
Accumulated depreciation						
At 30.06.2018	60,504	-	698,038	1,110,456	1,148,974	3,017,972
Charge for the financial year	726,048	-	88,361	229,681	322,877	1,366,967
Disposals	-	-	-	(3,643)	-	(3,643)
At 30.06.2019	786,552	-	786,399	1,336,494	1,471,851	4,381,296
Charge for the financial year	726,498	203,182	82,319	224,707	370,437	1,607,143
Disposals	-	-	(43,736)	(4,630)	(73,735)	(122,101)
Reversal of depreciation on revaluation	(1,452,098)	-	-	-	-	(1,452,098)
At 30.06.2020	60,952	203,182	824,982	1,556,571	1,768,553	4,414,240
Net carrying amount						
At 30.06.2019	6,413,448	-	176,794	335,504	1,177,262	8,103,008
At 30.06.2020	6,339,048	150,097	130,235	293,270	838,279	7,750,929

14 PROPERTY, PLANT AND EQUIPMENT *(Continued)*

	AT VALUATION	AT COST				
	Freehold Property $	**Leasehold Property $**	**Furniture and Fittings $**	**Office Equipment $**	**Renovation $**	**Total $**
COMPANY						
Cost						
At 30.06.2018	7,200,000	-	595,024	858,573	2,072,431	10,726,028
Additions	-	-	60,388	120,003	465,451	645,842
Disposals	-	-	-	(5,250)	-	(5,250)
At 30.06.2019	7,200,000	-	655,412	973,326	2,537,882	11,366,620
Effect of adopting FRS 116	-	73,453	-	29,511	-	102,964
Additions	-	-	24,933	29,778	21,139	75,850
Disposals	-	-	(28,404)	(4,630)	(71,861)	(104,895)
Revaluation	652,098	-	-	-	-	652,098
Reversal of depreciation on revaluation	(1,452,098)	-	-	-	-	(1,452,098)
At 30.06.2020	6,400,000	73,453	651,941	1,027,985	2,487,160	10,640,539
Accumulated depreciation						
At 30.06.2018	60,504	-	442,798	606,665	1,092,337	2,202,304
Charge for the financial year	726,048	-	63,247	148,243	306,977	1,244,515
Disposals	-	-	-	(3,643)	-	(3,643)
At 30.06.2019	786,552	-	506,045	751,265	1,399,314	3,443,176
Charge for the financial year	726,498	16,631	61,990	120,659	351,493	1,277,271
Disposals	-	-	(28,404)	(4,630)	(71,861)	(104,895)
Reversal of depreciation on revaluation	(1,452,098)	-	-	-	-	(1,452,098)
At 30.06.2020	60,952	16,631	539,631	867,294	1,678,946	3,163,454
Net carrying amount						
At 30.06.2019	6,413,448	-	149,367	222,061	1,138,568	7,923,444
At 30.06.2020	6,339,048	56,822	112,310	160,691	808,214	7,477,085

14 PROPERTY, PLANT AND EQUIPMENT *(Continued)*

The Group adopted the revaluation model for its freehold property.

A valuation for the premises at 150 Changi Road #04-06 & #04-07, Guthrie Building, Singapore 419973 was performed by an independent professional valuer, Robert Khan & Co Pte Ltd for the financial year ended 30 June 2020. The valuation report dated 11 June 2020 indicated a market value of $6,400,000 as at 11 June 2020. Fair value of the freehold property was determined using the market comparable method and on an existing use basis.

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 22(a) to the financial statements.

The carrying amount of freehold property would be nil (2019: $57,020) had the freehold property been measured using the cost model.

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15 INVESTMENTS IN SUBSIDIARIES

	COMPANY	
	2020 **$**	**2019** **$**
Equity investments at cost		
Balance at beginning of financial year	500,000	500,000
Additions	1,510,682	-
	2,010,682	500,000
Less: Allowance for impairment loss	(249,999)	(249,999)
Balance at end of financial year	1,760,683	250,001

The Company provided allowance for impairment losses on its investment in Centre for Research on Islamic and Malay Affairs Pte Ltd as the subsidiary had been making recurring losses.

The particulars of the subsidiaries are as follows:

NAME OF COMPANY (Country of incorporation)	PRINCIPAL ACTIVITIES (Place of business)	COST OF INVESTMENT		EQUITY HELD BY COMPANY	
		2020 **$**	**2019** **$**	**2020** **%**	**2019** **%**
Centre for Research on Islamic and Malay Affairs Pte Ltd (Singapore)	To perform research in, and studies on, the affairs of the Malay/Muslim community (Singapore)	1,760,682	250,000	100	100
Mercu Learning Point Pte Ltd (Singapore)	To provide educational, training and childcare centre services (Singapore)	250,000	250,000	100	100
		2,010,682	500,000		

16 INVESTMENT SECURITIES

	GROUP AND COMPANY	
	2020	**2019**
	$	**$**
Financial instruments		
At fair value through other comprehensive income		
Unquoted equity shares, at cost	24,000	24,000
Less: Allowance for impairment losses	(23,999)	(23,999)
	1	1
At fair value through profit or loss		
Quoted equity securities, at fair value		
Balance at beginning of financial year	194,028	98,985
Net additions	145,157	95,043
Balance at end of financial year	339,186	194,029

The unquoted equity shares relate to the Company's investment in GEMA Holdings Limited, a company incorporated in Singapore. These equity shares are not quoted on any market and does not have any comparable industry peer that is listed. The Group has elected to measure these equity shares at FVOCI due to the Group's intention to hold these equity instruments for long-term appreciation.

The quoted equity securities pertain to investments in equity securities of companies listed in the Singapore Exchange Limited. The investments offer the Group opportunity for dividend income and fair value gains. The fair value of these listed equity securities is based on the closing bid prices on the last market day of the financial year.

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17 DEFERRED TAX ASSET

	GROUP	
	2020	2019
	$	$
Balance at beginning of financial year	98,488	72,712
Charged to profit or loss (Note 9)	(98,488)	25,776
Balance at end of financial year	-	98,488

In prior financial year, the Group recognised deferred tax asset for unutilised capital allowances and tax losses of its subsidiary, Mercu Learning Point Pte Ltd, of approximately $351,813 and $331,550 respectively which can be carried forward to set-off against future taxable profits, subject to the provision of Section 37 and Section 23 of the Singapore Income Tax Act.

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18 TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2020 $	2019 $	2020 $	2019 $
Trade payables				
Outside parties	24,720	42,725	7,552	26,327
Other payables				
Accrued operating expenses	1,461,846	1,299,531	583,476	552,826
Deposits received	607,235	533,122	557,324	533,122
Deferred income	352,393	-	327,796	-
GST payable	125,210	118,960	-	-
Provision for unclaimed leave	88,696	97,448	-	-
Outside parties	860	860	860	860
Subsidiaries (Note 4)	-	-	970,094	3,338,082
	2,636,240	2,049,921	2,439,550	4,424,890
Due to Madrasah Aljunied*				
Balance at beginning of financial year	66,474	67,681	66,474	67,681
- Receipts during the financial year	310,215	315,270	310,215	315,270
- Administrative expenses	(6,492)	(6,558)	(6,492)	(6,558)
- Management fees	(36,447)	(37,045)	(36,447)	(37,045)
- Disbursement during the financial year	(266,039)	(272,874)	(266,039)	(272,874)
Balance at end of financial year	67,711	66,474	67,711	66,474
Due to Abdul Gafoor Mosque**				
Balance at beginning of financial year	5,733	5,850	5,733	5,850
- Receipts during the financial year	11,537	12,037	11,537	12,037
- Administrative expenses	(275)	(269)	(275)	(269)
- Management fees	(225)	(235)	(225)	(235)
- Disbursement during the financial year	(11,273)	(11,650)	(11,273)	(11,650)
Balance at end of financial year	5,497	5,733	5,497	5,733
	2,734,168	2,164,853	2,520,310	4,523,424
Total financial liabilities at amortised cost (excluding deferred income and GST payable)	2,256,565	2,045,893	2,192,514	4,523,424

18 TRADE AND OTHER PAYABLES *(Continued)*

The non-trade amounts due to subsidiaries are unsecured, non-interest bearing and repayable on demand. These amounts are to be settled in cash.

Included in accrued operating expenses is accrual for bonus amounting to $689,154 (2019: $736,795) and $313,110 (2019: $298,080) for the Group and Company, respectively.

Deferred income refers to deferred grant income for the Jobs Support Scheme.

* The Company provides the Madrasah Aljunied Al-Islamiah, a committee constituted and authorised by Majlis Ugama Islam Singapura (the "Majlis"), with management assistance to raise funds for the Madrasah Aljunied Education and Administration Fund.

** The Company provides the Abdul Gafoor Mosque Management Board, a committee constituted and authorised by the Majlis, with management assistance to raise funds for Abdul Gafoor Mosque.

Trade and other payables are denominated in Singapore Dollar.

19 LEASE LIABILITIES

	GROUP		COMPANY	
	2020 $	2019 $	2020 $	2019 $
Current				
Lease liabilities (Note 22)	143,742	-	24,979	-
Non-current				
Lease liabilities (Note 22)	80,823	-	55,008	-
	224,565	-	79,987	-

A reconciliation of liabilities arising from financing activities is as follows:

			Non-cash changes		
	1 July 2019 $	Cash Flows $	Accretion of Interests $	Others $	30 June 2019 $
Lease liabilities					
- current	238,143	(253,835)	18,504	140,930	143,742
- non-current	224,565	-	-	(143,742)	80,823
	462,708	(253,835)	18,504	(2,812)	224,565

Lease liabilities are denominated in Singapore Dollar.

20 RESTRICTED FUNDS

GROUP AND COMPANY	DEDICATED CENTRE FOR MARRIAGES & DIVORCES OPERATION GRANT $	READY FOR SCHOOL FUND DONATIONS $	TOTAL $
2020			
Balance at beginning of financial year	176,314	392,571	568,885
Effect of new requirement by the MSF	(134,276)	-	(134,276)
Incoming resources	658,599	402,695	1,061,294
Transfer from unrestricted fund	243,514	24,002	267,516
Expenditure	(809,784)	(414,686)	(1,224,470)
Balance at end of financial year	134,367	404,582	538,949
2019			
Balance at beginning of financial year	41,540	326,698	368,238
Incoming resources	493,845	435,733	929,578
Transfer from unrestricted fund	356,214	80,966	437,180
Expenditure	(715,285)	(450,826)	(1,166,111)
Balance at end of financial year	176,314	392,571	568,885

The restricted fund for the Dedicated Centre for Marriages and Divorces ("DDC"), also known as Inspirasi@AMP, has been set up as an intervention centre for marriages and divorces involving Muslim minors. DDC is funded by the Ministry of Social and Family Development ("MSF"). During the financial year, MSF changed its funding model from 50% of expenditure on manpower and 50% of other operating expenses to 100% of mandatory component (i.e. Marriage Preparation Programme for minor couples) and 50% of non-mandatory component (i.e. Marriage Preparation Programme for young couples and post-marriage programmes and support). The new requirement by the MSF resulted to a decrease in opening balance of restricted funds and an increase in opening balance of unrestricted funds by $134,276.

The Ready for School Fund ("Fund") was established as a restricted fund in July 2007. The income sources of the Fund are public donations and projects specifically in aid of the Fund. The purpose of the Fund is to aid disadvantaged school-going children of all races in essential school expenditures including school and tuition fee subsidies, enrichment programme subsidies, transportation expense and other financial assistance.

21 PROPERTY REVALUATION RESERVE

	GROUP AND COMPANY	
	2020	2019
	$	$
Balance at beginning of financial year	7,297,042	7,297,042
Revaluation surplus	652,098	-
Balance at end of financial year	7,949,140	7,297,042

The property revaluation reserve arises from the revaluation of the Company's freehold property (Note 14).

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22 LEASES

The Group has various lease contracts for office space, furniture and fittings, and office equipment. The Group's obligations under these leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets.

(a) *Carrying amount of right-of-use assets classified within property, plant and equipment*

	LEASEHOLD PROPERTY $	OFFICE EQUIPMENT $	TOTAL $
At 1 July 2019	353,279	109,429	462,708
Depreciation for the financial year	(203,182)	(40,310)	(243,492)
At 30 June 2020	150,097	69,119	219,216

(b) *Lease liabilities*

The carrying amounts of lease liabilities and the movements during the year are disclosed in Note 19 to the financial statements and the maturity analysis of lease liabilities is disclosed in Note 26 to the financial statements.

(c) *Amounts recognised in profit or loss*

	GROUP
	2020 $
Depreciation of right-of-use assets	243,492
Interest expense on lease liabilities (Note 19)	18,504
Lease expense not capitalised in lease liabilities:	
- Expense relating to short-term leases (included in administrative and other expenses)	726,372
Total amount recognised in profit or loss	988,368

(d) *Total cash outflow*

The Group had total cash outflows for leases of $1,080,422.

23 OPERATING LEASE COMMITMENTS

Operating lease commitments – as lessee

Rental expenses (principally for office premises and office equipment) for the Group for the financial year ended 30 June 2019 was $565,600. Most leases contain renewable options. Lease terms do not contain restrictions on the Group's activities concerning dividends, additional debts or further leasing. The leases have varying terms and renewal rights and their lease terms are between 2 and 5 years.

As at 30 June 2019, future minimum rental under non-cancellable leases at the end of the reporting period are as follows:

	GROUP	COMPANY
	2019	**2019**
	$	**$**
Not later than one financial year	494,764	255,913
Later than one financial year but not later than five financial years	496,549	86,475
	991,313	342,388

24,25&26

24 CONTINGENT LIABILITIES (UNSECURED)

In prior financial year, the Company had given an undertaking to one of its subsidiaries, Centre for Research on Islamic and Malay Affairs Pte Ltd, to provide the necessary financial support in order to enable the subsidiary to continue as a going concern. As at 30 June 2019, the subsidiary has a capital deficit of $1,476,584.

25 FUND RAISING AND SPONSORSHIP EXPENSES

The Company's total fund raising and sponsorship expenses is $362,938 (2019: $397,813) which is less than 30% of the total gross receipts from fund raising and sponsorships of $2,738,826 (2019: $2,671,077) raised during the financial year.

The total fund raising and sponsorship expenses include all expenses classified under fund raising projects, while the total gross receipts from fund raising and sponsorships include all donations received.

26 FINANCIAL INSTRUMENTS

(a) Financial risk management

The Group's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk).

The Group reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial years, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from cash and cash equivalents, trade and other receivables (excluding prepayments and GST receivable) and contract assets.

The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

26 FINANCIAL INSTRUMENTS *(Continued)*

(a) Financial risk management *(Continued)*

Credit risk *(Continued)*

To minimise credit risk, the Group has developed and maintained the Group's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Internal credit rating;
- External credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor; or
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Group determined that its financial assets and contract assets are credit-impaired when:

- There is significant difficulty of the issuer or the debtor;
- A breach of contract, such as a default or past due event; or
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation.
- There is a disappearance of an active market for that financial asset because of financial difficulty.

Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Group's current credit risk grading framework comprises the following categories:

CATEGORY	DESCRIPTION	BASIS FOR RECOGNISING EXPECTED CREDIT LOSSES (ECL)
Performing	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
In default	Amount is >1 year past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit- impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

26 **FINANCIAL INSTRUMENTS** *(Continued)*

(a) ***Financial risk management*** *(Continued)*

Credit risk *(Continued)*

The table below details the credit quality of the Group's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	CATEGORY $	ECL $	GROSS CARRYING AMOUNT $	LOSS ALLOWANCE $	NET CARRYING AMOUNT $
30 June 2020						
Trade receivables	12	Performing (Note A)	Lifetime ECL (Simplified)	1,508,100	-	1,508,100
Contract assets	5	Performing (Note A)	Lifetime ECL (Simplified)	780,912	-	780,912
Other receivables (excluding prepayments and GST receivable)	12	Performing (Note B)	12-month ECL	1,134,442	-	1,134,442
				3,423,454	-	3,423,454

	Note	CATEGORY $	ECL $	GROSS CARRYING AMOUNT $	LOSS ALLOWANCE $	NET CARRYING AMOUNT $
30 June 2019						
Trade receivables	13	Performing (Note A)	Lifetime ECL (Simplified)	1,728,662	-	1,728,662
Contract assets	5	Performing (Note A)	Lifetime ECL (Simplified)	641,021	-	641,021
Other receivables (excluding prepayments and GST receivable)	13	Performing (Note B)	12-month ECL	119,568	-	119,568
				2,489,251	-	2,489,251

Trade receivables and contract assets (Note A)
For trade receivables and contract assets, the Group has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Group determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables and contract assets is presented based on their past due status in terms of the provision matrix.

Excessive risk concentration
Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

Exposure to credit risk
The Group has no significant concentration of credit risk. The Group monitors its credit collection regularly as a means of managing credit risk.

Other receivables (Note B)
The Group assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Group measured the impairment loss allowance using 12-months ECL and determined that the ECL is insignificant.

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

To manage liquidity risk, the Group monitors its net operating cash flow and maintains an adequate level of cash and cash equivalents.

26 **FINANCIAL INSTRUMENTS** *(Continued)*

(a) ***Financial risk management*** *(Continued)*

Liquidity risk *(Continued)*

Analysis of financial instruments by remaining contractual liabilities

The table below summarises the maturity profile of the Group's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

2020	**CARRYING AMOUNT $**	**CONTRACTUAL CASH FLOWS $**	**ONE YEAR OR LESS $**	**MORE THAN ONE YEAR $**
Financal assets				
Cash and cash equivalents (Note 11)	6,406,915	6,406,915	6,406,915	-
Fixed deposits (Note 12)	2,050,441	2,050,441	2,050,441	-
Trade and other receivables (excluding prepayments and GST receivable) (Note 13)	2,642,542	2,642,542	2,642,542	-
Investment securities (Note 16)	339,186	339,186	-	339,186
Total undiscounted financial assets	11,439,084	11,439,084	11,099,898	339,186
Financial liabilities				
Trade and other payables (excluding deferred income and GST payable) (Note 18)	2,256,565	2,256,565	2,256,565	-
Lease liabilities (Note 19)	224,565	224,565	143,742	80,823
Total undiscounted financial liabilities	2,481,130	2,481,130	2,400,307	80,823
Total net undiscounted financial assets/(liabilities)	8,957,954	8,957,954	8,699,591	258,363

2019	**CARRYING AMOUNT $**	**CONTRACTUAL CASH FLOWS $**	**ONE YEAR OR LESS $**	**MORE THAN ONE YEAR $**
Financal assets				
Cash and cash equivalents (Note 11)	4,102,202	4,102,202	4,102,202	-
Fixed deposits (Note 12)	2,052,571	2,052,571	2,052,571	-
Trade and other receivables (excluding prepayments and GST receivable) (Note 13)	1,848,230	1,848,230	1,848,230	-
Investment securities (Note 16)	194,029	194,029	-	194,029
Total undiscounted financial assets	8,197,032	8,197,032	8,003,003	194,029
Financial liabilities				
Trade and other payables (excluding deferred income and GST payable) (Note 18)	2,045,893	2,045,893	2,045,893	-
Total undiscounted financial liabilities	2,045,893	2,045,893	2,045,893	-
Total net undiscounted financial assets/(liabilities)	6,151,139	6,151,139	5,957,110	194,029

26 FINANCIAL INSTRUMENTS *(Continued)*

(a) Financial risk management *(Continued)*

Market risk

Market risk is the risk that changes in market prices, such as interest rates and market prices, will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises from fixed deposits.

The Group periodically reviews its financial instruments and monitors interest rate fluctuations to ensure the exposure to interest rate risk is within acceptable level.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if the interest had been 100 basis points higher/lower with all other variables held constant, the Group and the Company's net income would have been $20,504 and $20,504 (2019: $20,526 and $20,526), respectively, higher/lower arising mainly as a result of a higher/lower interest income on fixed deposits.

26 FINANCIAL INSTRUMENTS *(Continued)*

(b) Fair values of assets and liabilities

The fair values of financial assets and financial liabilities reported in the statement of financial position approximate the carrying amounts of those assets and liabilities, as these are short term in nature, except for investment securities which the carrying amount have been adjusted to its fair value (Note 16).

Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Unobservable inputs for the asset or liability

The fair value of quoted investment securities amounting to $339,186 (2019: $194,028) are classified as level 1.

The fair value of freehold property amounting to $6,400,000 (2019: $7,200,000) is classified as level 3. The fair value was determined using the market comparable method and on an existing use basis. The valuation has been performed by Robert Khan & Co Pte Ltd, an independent valuer. A gain from revaluation of freehold property of $652,098 for the financial year ended 30 June 2020 was recognised in other comprehensive income.

Significant unobservable valuation input:

Price per square metre - $11,722

Significant increase/(decrease) in estimated price per square metre in isolation would result in a significantly higher/(lower) fair value on a linear basis.

27 CAPITAL MANAGEMENT

The objectives of the Group and the Company when managing its funds are to safeguard and to maintain adequate working capital to continue as a going concern and to develop its principle activities over the longer term. No changes were made in the objectives, policies or processes during the years ended 30 June 2020 and 30 June 2019.

(a) General Reserve Policy

Policy Statement

The primary objective of this policy is to promote transparency on management with regard to its reserves and to assure stakeholders that the Company's financial reserve is well managed and has, where appropriate, a strategy for building up the reserves. The policy applies to net assets not earmarked for restricted usage. The Group will continue to be guided by prudent financial policies of which gearing is an important aspects.

The Group and the Company do not have any externally imposed capital requirements for the financial year ended 30 June 2020 and 30 June 2019.

General Reserves

The Company will build up and maintain a reserve that will be no less than 1 year and not more than 5 years of the annual operating expenditure. The reserves will be reviewed by the Finance and Investment Committee at least annually to see if the current arrangement provides adequate cover to meet the needs of the Company's operating expenditure during difficult financial times.

The preparation of the annual budget should be with the intent of building up the general reserve to the desired level.

The general reserve funds may be invested in accordance with the Investment Policy Framework adopted by the Finance and Investment Committee.

(b) Surplus Assets

In accordance with the Memorandum of Association, if on the winding-up or dissolution of the Company, or in the event of the Company ceasing to be registered charity under the Charities Act there remains, after the satisfaction of all its debts and liabilities any property whatsoever, the same shall not be paid to or distributed among the members of the Company, but shall be given or transferred to some other charitable institution or institutions of a public character in Singapore which are registered under the Charities Act, Chapter 37.

28 EVENTS AFTER THE BALANCE SHEET DATE

Coronavirus Disease (COVID-19) outbreak

The COVID-19 outbreak and the measures taken to contain the spread of the pandemic have created a high level of uncertainty to global economic prospects.

The Singapore Multi-Ministry Taskforce implemented an elevated set of safe distancing measures as a circuit breaker from 7 April 2020, to pre-empt the trend of increasing local transmission of COVID-19. Except for those providing essential services and selected economic sectors, all businesses are required to suspend all in-person activities and activities at the business location.

The Company does not expect the impact of the situation to materially affect its financial performance.

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