

RAHMATAN LIL ALAMIN FOUNDATION LTD.

(Incorporated in Singapore. Registration Number 200910530Z)

ANNUAL REPORT

For the financial year ended 31 December 2015

RAHMATAN LIL ALAMIN FOUNDATION LTD.
(Incorporated in Singapore)

ANNUAL REPORT
For the financial year ended 31 December 2015

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RAHMATAN LIL ALAMIN FOUNDATION LTD.

TRUSTEES' STATEMENT

For the financial year ended 31 December 2015

The trustees present their statement to the members together with the audited financial statements of Rahmatan Lil Alamin Foundation Ltd. (the "Foundation") for the financial year ended 31 December 2015.

In the opinion of the trustees,

- (a) the financial statements as set out on pages 4 to 18 are drawn up so as to give a true and fair view of the financial position of the Foundation as at 31 December 2015 and the financial performance, changes in equity and cash flows of the Foundation for the financial year then ended, and are in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act"), the Singapore Charities Act, Chapter 37 (the "Charities Act") and Singapore Financial Reporting Standards ; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.

Board of Trustees

The trustees in office at the date of this statement are as follows:

Po'ad bin Shaik Abu Bakar Mattar
Paiman bin Supangat
Sithawalla Haider Mohamedally @ Sithawalla Hayder Mohamedally
Syed Hassan bin Syed Mohamed bin Salim Al-Attas
Arfat Beebee Binte Noor Mohamed Abdul Latiff (Mrs Arfat Selvam)
Zainul Abidin bin Ibrahim
Mohamed Abdul Jaleel s/o Muthumaricar Shaik Mohamed
Suryahti bte Abdul Latiff
Herman bin Cher Ma'in
Nasser bin Ghani
Mohamad Helmy Mohd Isa

As the Foundation is a company limited by guarantee and not having a share capital, there are no disclosures in respect of options or shares under the Twelfth Schedule of the Companies Act, Cap 50.

Trustees' contractual benefits

Since the end of the previous financial year, no trustee has received or become entitled to receive a benefit by reason of a contract made by the Foundation with the trustee or with a firm of which he is a member or with a company in which he has a substantial financial interest except as disclosed in the accompanying notes.

RAHMATAN LIL ALAMIN FOUNDATION LTD.


TRUSTEES' STATEMENT

For the financial year ended 31 December 2015


Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the Trustees



Po'ad bin Shaik Abu Bakar Mattar
Chairman of Board of Trustees



Paiman bin Supangat
Trustee

10 5 APR 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAHMATAN LIL ALAMIN FOUNDATION LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of Rahmatan Lil Alamin Foundation Ltd. (the "Foundation") set out on pages 4 to 18, which comprise the balance sheet as at 31 December 2015, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 Singapore Companies Act, Chapter 50 (the "Act"), the Singapore Charities Act, Chapter 37 (the "Charities Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements of the Foundation are properly drawn up in accordance with the provisions of the Act, the Charities Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Foundation as at 31 December 2015 and of the financial performance, changes in equity and cash flows of the Foundation for the financial year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Foundation have been properly kept in accordance with the provisions of the Act.

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

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



PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore,  5 APR 2016.

RAHMATAN LIL ALAMIN FOUNDATION LTD.

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2015

	Note	2015 \$	2014 \$
Income			
Donations	3	1,340,742	1,657,875
Grant	4	-	2,215
Total income		<u>1,340,742</u>	<u>1,660,090</u>
Expenses			
Administration and secretarial fees		(30,776)	(23,205)
Audit fees		(10,820)	(11,189)
Grant obligations for community projects	5	(200,407)	(54,000)
Humanitarian aid	6	(713,395)	(1,640,411)
RLA Day project		(150,000)	(134,431)
Miscellaneous expenses		(12,372)	-
Total expenses		<u>(1,117,770)</u>	<u>(1,863,236)</u>
Excess of income over expenses/(excess of expenses over income) before income tax		222,972	(203,146)
Income tax expense	7	-	-
Net comprehensive income		<u>222,972</u>	<u>(203,146)</u>

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

RAHMATAN LIL ALAMIN FOUNDATION LTD.

BALANCE SHEET

As at 31 December 2015

	Note	2015 \$	2014 \$
ASSETS			
Current assets			
Cash at bank	8	1,227,874	1,205,106
Other receivables and prepayments	9	95,416	346,624
Total assets		1,323,290	1,551,730
LIABILITIES			
Current liabilities			
Accruals and other payables	10	452,548	903,960
Total liabilities		452,548	903,960
NET ASSETS		870,742	647,770
FUND			
General fund		870,742	647,770
Total fund		870,742	647,770

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

RAHMATAN LIL ALAMIN FOUNDATION LTD.

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2015

	<u>General fund</u> \$	<u>Total</u> \$
2015		
Beginning of financial year	647,770	647,770
Net comprehensive income	222,972	222,972
End of financial year	870,742	870,742
2014		
Beginning of financial year (as previously reported)	715,416	715,416
Adjustments to opening fund	135,500	135,500
Beginning of financial year (as restated)	850,916	850,916
Net comprehensive income	(203,146)	(203,146)
End of financial year	647,770	647,770

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

RAHMATAN LIL ALAMIN FOUNDATION LTD.

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2015

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Excess of income over expenses/(excess of expenses over income) before income tax		222,972	(203,146)
Changes in working capital:			
- Other receivables and prepayments		251,208	(330,611)
- Accruals and other payables		(451,412)	857,947
		<hr/>	<hr/>
Cash flows from operating activities		22,768	324,190
Net increase in cash		22,768	324,190
Cash at beginning of financial year	8	1,205,106	880,816
Cash at end of financial year	8	1,227,874	1,205,106

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

RAHMATAN LIL ALAMIN FOUNDATION LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

1. General information

Rahmatan Lil Alamin Foundation Ltd (the "Foundation") is a non-profit charitable company incorporated and domiciled in Singapore. The address of its registered office is 273 Braddell Road, Singapore 579702. The Foundation's unique entity number (UEN) is 200910530Z.

The Foundation is a company limited by guarantee. It is a registered charity and an Institution of Public Character ("IPC"). Its current IPC status is for the period from 23 November 2015 to 22 November 2017.

The Foundation's principal objects are to promote humanitarian efforts and values through the blessings for all approach for the benefit of the community in Singapore regardless of race, language, belief and religion.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Foundation's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. There are no areas which involve a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements.

Interpretations and amendments to published standards effective in 2015

On 1 January 2015, the Foundation adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Foundation's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Foundation's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

RAHMATAN LIL ALAMIN FOUNDATION LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

2. Significant accounting policies (continued)

2.2 Donations

Donations are recognised on the date of receipt and recorded at their fair market values. Donations received are considered available for general use unless specifically restricted by the respective donors.

2.3 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grants will be received and the Foundation will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

2.4 Grant obligations for community projects

Grant obligations for community projects are recognised as expense and liability only when the terms stipulated in the Rahmatan Lil Alamin Foundation Programme Grant Agreement have been fulfilled.

**2.5 Cash at bank
Other receivables**

Cash at bank and other receivables and prepayments are initially recognised at their fair values plus transaction costs and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

The Foundation assesses at each balance sheet date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

These assets are presented as current assets except for those that are expected to be realised later than 12 months after the balance sheet date, which are presented as non-current assets.

RAHMATAN LIL ALAMIN FOUNDATION LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

2. Significant accounting policies (continued)

2.6 Accruals and other payables

Accruals and other payables represent liabilities for obligations assumed by, and for goods and services provided to the Foundation prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). Otherwise, they are presented as non-current liabilities.

Accruals and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.7 Cash

For the purpose of presentation in the statement of cash flows, cash represents cash at bank which is subject to an insignificant risk of change in value.

3. Donations

Details of donations received by the Foundation during the year are as follows:

	\$
<u>2015</u>	
Nepal Earthquake	249,495
Myanmar Flood	71,707
South India Flood	104,212
Malaysia Flood	289,158
Gaza Conflict Victims	1,250
General donations	624,920
Total	<u>1,340,742</u>
<u>2014</u>	
Syrian Refugees	236,605
Syrian Refugee School Project	174,567
Gaza Conflict Victims	1,193,027
Kashmir Flood	40,196
General donations	13,480
Total	<u>1,657,875</u>

General Funds include tax-exempt donations received during the year amounting to \$78,000 (2014: \$3,000)

RAHMATAN LIL ALAMIN FOUNDATION LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

4. Grant

The grant was obtained from VWOs Charity Capabilities Fund ("VCF"), administered by the National Council of Social Service ("NCSS") with the aim of improving social services in Singapore.

The VCF grant aimed to provide co-funding for charities which outsource their payroll, finance and accounting functions to a third-party service provider. The grant ceased on 31 December 2014.

Income derived from the VCF shared services grant was measured at fair value, and credited to income in the same period in which the expenditure to which they relate is charged.

No other forms of government assistance has been utilised by Rahmatan Lil Alamin Foundation Ltd.

5. Grant obligations for community projects

Details of grant obligations made by the Foundation during the year are as follows:

2015

<u>Name of Project Participants</u>	<u>Purpose</u>	<u>Grant Amount</u> <u>\$</u>
<u>Not disbursed</u>		
NTU Malay Language and Cultural Society	Youth Expedition Project - Expedition programme to Ulak Karang, Padang, by 26 NTU undergrads in collaboration with Mercy Relief to reach out to the community.	16,000
NTUMS	Project Alterisk 2015 - Local humanitarian project by 100 NTU students to engage and develop 40 children of Jamiyah Children Home (Darul Ma'wa).	10,000
Nusantara Development Initiative	Project Light – Overseas programme for development assistance to empower women in Riau, Indonesia.	13,110
<u>Disbursed</u>		
NTU Malay Language and Cultural Society	Project Sinaran Zahro - Overseas service learning in respect of Humanitarian/ Developmental Assistance Programme at Da Hao Di village, Zhaotong Town, Yunnan, China.	10,000
Madrasah Al-Arabiah Al-Islamiah	International RLA Project - Service learning for students in Cambodia.	24,500

RAHMATAN LIL ALAMIN FOUNDATION LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

5. Grant obligations for community projects (continued)

Disbursed (continued)

Madrasah Irsyad Zuhri Al-Islamiah	English Village Programme - Overseas service learning programme to create an "English Village" environment in Cambodia Thailand.	17,900
North West Mosque Cluster ("NWMC")	Youth Leaders Overseas Expedition (YLOE) - Humanitarian expedition to Cambodia to develop youth leaders of NWMC.	17,000
North East Mosque Cluster ("NEMC")	Project ARC (19-28 Dec 2014) – Local Service Learning Project to develop youth leaders of NEMC and spread the message of hope.	32,000
NUS Muslim Society & PBMUKS	Jom Ke NUS! (March/April 2015) - Outreach programme to inspire Malay/Muslim students currently in secondary schools and junior colleges to pursue lifelong learning by way of a university education.	3,997
LPM Al-Istiqamah	Project Kampuchea -Humanitarian project to Kampung Chea, Cambodia to develop youth leaders of Masjid Al-Istiqamah.	40,000
Nanyang Technological University	Meshira De China - Humanitarian expedition by 20 NTU undergrads to Guizhao (Little Stone Village), China to aid local villagers and develop participants as youth leaders.	6,900
Madrasah Aljunied Al-Islamiah	Repair Ramadhan - Local programme to empower Madrasah students to take action against the throw-away culture of Singapore.	9,000
Total grant obligations during the year		200,407

2014

Name of Project Participants	Purpose	Grant Amount \$
<u>Not disbursed</u> NTU Muslim Society ("NTUMS")	Yangtzai – Overseas service learning in respect of Humanitarian/ Developmental Assistance Programme at Yang Tzai Village, Yunnan, China.	15,000

RAHMATAN LIL ALAMIN FOUNDATION LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

5. Grant obligations for community projects (continued)

2014		
Name of Project Participants	Purpose	Grant Amount \$
<u>Disbursed</u>		
NTUMS	Project Alterisk 2014– A camp for youth at risk at Muhammadiyah Welfare Home by youth leaders of NTUMS.	10,000
NTUMS	Project Alterisk 2013 – Local experiential learning in respect of Humanitarian/ Developmental Assistance Programme with Muhammadiyah Welfare Home.	5,000
Madrasah Al-Arabiah Al-Islamiah	Project to Cambodia – Overseas service learning humanitarian expedition to a village at Kampong Changh and a school in Phnom Penh.	9,000
Alumni Madrasah Al-Irsyad Al-Islamiah	English Village Programme – Overseas service learning programme to create an "English Village" environment in Kota Baru Parahyangan Bandung	15,000
Total grant obligations during the year		54,000

6. Humanitarian aid

During the year, the Foundation embarked on several projects to raise donations, principally from the Muslim community for certain humanitarian disaster relief assistance. The funds received are subsequently disbursed through the partnering relief organisations for specific relief causes specified in the public appeal.

	\$
<u>2015</u>	
Nepal Earthquake	249,495
Myanmar Flood	71,707
South India Flood	104,212
Gaza Conflict Victims	1,250
Malaysia Flood (net of expenses)	286,731
Total	713,395
	\$
<u>2014</u>	
Syrian Refugees	236,605
Syrian Refugee School Project	174,567
Gaza Conflict Victims (net of expenses)	1,189,043
Kashmir Flood	40,196
Total	1,640,411

RAHMATAN LIL ALAMIN FOUNDATION LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

7. Income tax

The Foundation is a registered charity under Charities Act, Cap 37. No provision for taxation has been made in the financial statements as the Foundation is exempt from income tax in accordance with the provisions of Section 13(1) of the Income Tax Act, Chapter 134.

8. Cash at bank

	2015 \$	2014 \$
Cash at bank	<u>1,227,874</u>	<u>1,205,106</u>

Cash at bank includes \$335,756 (2014: \$851,581) which represent collections by the Foundation intended for specific humanitarian causes.

9. Other receivables and prepayments

	2015 \$	2014 \$
Amount due from third party	94,309	346,583
Prepayment	1,107	41
Total	<u>95,416</u>	<u>346,624</u>

10. Accruals and other payables

	2015 \$	2014 \$
Accrued operating expenses	16,348	12,379
Grants payable to Community Projects	39,110	15,000
Grants payable to RLA Day projects	-	25,000
Humanitarian Aid payable to:		
- Gaza Conflict Victims	292,310	-
- Mercy Relief for South India Flood	104,212	-
- Mercy Relief for Myanmar Flood	327	-
- Mercy Relief for Kashmir Flood	241	241
- Islamic Relief Malaysia for Gaza Conflict Victims	-	591,068
- Kim Se Yok Mu Dayanisma for Gaza Conflict Victims	-	82,260
- SimplyIslam for Syrian Refugee School Project	-	174,567
- Islamic Relief Malaysia for Malaysian Flood	-	3,445
Total	<u>452,548</u>	<u>903,960</u>

RAHMATAN LIL ALAMIN FOUNDATION LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

11. Grant Commitments

The Foundation has the commitment to fund community projects that have been approved by the Board of Trustees, subject to the fulfilment of terms stipulated in the Rahmatan Lil Alamin Foundation Programme Grant Agreement.

<u>2015</u> Name of Project Participants	Purpose	Grant Amount \$
Masjid Al-Istiqamah	Terapi (2015/2016 Every Monday) - Youth Outreach programme by Youth Wing of Al-Istiqamah for Trybe's Youth-At-Risk and juveniles.	8,800
Sang Nila Utama Society	Rapuh (November 2014 - June 2016) - Outreach programme for families of incarcerated drug offenders and needy families.	20,000
Majulah Community	Project Peduli - Humanitarian mission to Kelantan, Malaysia to aid flood victims and develop 35 youth leaders from mosques and full-time madrasah. Participants are aged 17-30 years old.	25,990
NTUMS	Aurora Purnama - Humanitarian expedition by 20 NTU undergrads to Bondowoso, Indonesia to aid children of Al-Ishlah orphanage and boarding school.	12,580
NUS Muslim Society	Project PuLSe - Expedition by 24 NUS undergrads to Guizhao (Old School), China to aid local villagers and develop participant youth leaders.	24,400
Madrasah Al-Arabiah Al-Islamiah	Project Salam - Service learning by 30 Secondary 3 students to Kilis, Turkey. They will engage and assist young Syrian refugees at the Temasek School which was founded by ASRIT and RLAF.	40,000
Majulah Community	Project Peduli (Rohingyan refugees) - Humanitarian aid by 25 youth leaders of Majulah Community and Creative Muslim Youth Kakis (CMYK) to assist Rohingya refugees in Aceh, Indonesia.	30,600
Inspira Madrasah Irsyad Zuhri Al-Islamiah	English Village Programme - English language immersion programme by 15 alumni of the Madrasah for students of their partner international school Irsyad Satya Islamic School in Bandung, Indonesia	16,100
Total		<u>178,470</u>

RAHMATAN LIL ALAMIN FOUNDATION LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2015***11. Grant Commitments (continued)**

2014			
Name of Project Participants	Purpose		Grant Amount
			\$
NTU Malay Language and Cultural Society	Project Sinaran Zahro - Overseas service learning in respect of Humanitarian/ Developmental Assistance Programme at Da Hao Di village, Zhaotong Town, Yunnan, China.		10,000
Madrasah Al-Arabiah Al-Islamiah	International RLA Project - Service learning for students in Cambodia.		24,500
Madrasah Irsyad Zuhri Al-Islamiah	English Village Programme - Overseas service learning programme to create an "English Village" environment in Cambodia and Thailand.		17,900
North West Mosque Cluster ("NWMC")	Youth Leaders Overseas Expedition - Humanitarian expedition to Cambodia to develop youth leaders of NWMC.		17,000
North East Mosque Cluster ("NEMC")	Project ARC (19 - 28 December 2014) - Service Learning Project to Kandal, Cambodia to develop youth leaders of NEMC and spread the message of hope.		32,000
NUS Muslim Society	Jom Ke NUS! (March/April 2015) - Outreach programme to inspire Malay/Muslim students currently in secondary schools and junior colleges to pursue lifelong learning by way of a university education.		4,200
Masjid Al-Istiqamah	Terapi (2015 Every Monday) - Youth Outreach programme by Youth Wing of Al-Istiqamah for Trybe's Youth-At-Risk and juveniles.		8,800
Sang Nila Utama Society	Rapuh (November 2014 - March 2015) - Outreach programme for families of incarcerated drug offenders and needy families.		20,000
Total			<u>134,400</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

12. Financial risk management

Financial risk factors

The Foundation's activities expose it to a variety of financial risks: credit risk and liquidity risk.

The Board of Trustees is responsible for setting the objectives and underlying principles of financial risk management for the Foundation. The management team monitors and manages the financial risks relating to its operations to ensure appropriate measures are implemented in a timely and effective manner. These risks include credit risk and liquidity risk. The Foundation does not hold or issue derivative financial instruments for hedging or speculative purposes.

(a) Credit risk management

The Foundation's principal financial assets are cash and cash equivalents and receivables due from a third party. Receivables due from a third party relates to confirmed donations collected on behalf of the Foundation by mosques and MUIS as at financial year end.

Cash and bank balances are held with reputable financial institutions in Singapore.

The carrying amounts of financial assets represent the maximum credit risk exposure of the Foundation and the management is of the opinion that the credit risks relating to the above balances are insignificant

(b) Liquidity risk management

The Foundation manages its liquidity risk by maintaining sufficient level of cash and cash equivalents to meet its working capital requirements as and when they fall due.

All financial liabilities as at 31 December 2015 and 2014 are due within 12 months from the date of the financial year end respectively.

(c) Fair values of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities approximate their fair values due to the relatively short-term maturity of these financial instruments.

(d) Reserves management

The Board of Trustees of the Foundation has considered the level of operating activity and its annual operating expenses and is of the view that there are sufficient funds to ensure that the Foundation's operational activities could continue during a period of unforeseen difficulty.

RAHMATAN LIL ALAMIN FOUNDATION LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

12. Financial risk management (continued)

(d) Reserves management (continued)

There were no changes in the Foundation's approach to reserves management during the year.

The Foundation is not subject to externally imposed reserves requirements.

13. Related party transactions

The Board of Trustee has established a Conflict of Interest Policy to assist in identifying and managing potential conflicts. Trustees make their declaration of interest as necessary at each Board meeting conducted during the financial year for any situations of conflict that may arise and these trustees will abstain from decision-making in such instances so as to allow a fair and transparent decision-making process. Management carry out their daily duties independently from the trustees.

During the year, the following transaction took place between the Foundation and related party at terms agreed between the two parties:

	2015	2014
	\$	\$
Secretarial fees	<u>1,815</u>	<u>1,605</u>

The above expenses relate to services provided by DMS Corporate Services Pte. Ltd., a company in which one of the trustees of the Foundation is a director.

14. New or revised accounting standards and interpretations

The Foundation has not early adopted any mandatory standards, amendments and interpretations to existing standards that have been published but are only effective for the Foundation's accounting periods beginning on or after 1 January 2016. However, management anticipates that the adoption of these standards, amendments and interpretations will not have a material impact on the financial statements of the Company in the period of their initial adoption.

15. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Trustees of Rahmatan Lil Alamin Foundation Ltd. on

10 5 APR 2016