

Notice of Over Accrual of FY 2023 Income Assessment

Date: September 2024

To: All SIIA Members/ Stakeholders/ Donors

Dear All,

On behalf of the SIIA Council and Trustees, we wish to inform you of an over accrual of the Enhanced Fundraising Programme Grant amount of \$150,000 in the financial accounts of the Singapore Institute of International Affairs and the Singapore Institute of International Affairs Endowment Fund combined. This came to our attention through our recent communication with the Tote Board.

Upon review, it was identified that the over accrual has caused a discrepancy in both the "Statement of Financial Position" and "Statement of Income and Expenditure" for the period ending December 31, 2023.

The over accrual occurred due to an oversight of the supplementary terms and conditions outlined for the Enhanced Fund-Raising (EFR) Programme by the Tote Board and the Singapore Government.

The SIIA had mistakenly believed that each charity was eligible for up to five applications per financial year for both funding portions. We now understand that the 60% matching grant by the government is only available up to a cumulative cap of \$150,000 per charity applicant for each FY, whereas the 40% matching grant by Tote Board can be applied up to five times per charity per FY, capped at \$100,000 per application.

In FY 2023, the SIIA submitted two applications for the EFR grant: 1) SIIA Development Fund and 2) 2023 Annual Dinner. Our initial understanding was that the \$250,000 grant amount was capped per fundraising event, which led to an over accrual of \$150,000 - 60% of the \$250,000 grant amount - on the second application.

The SIIA has notified our external auditor and this will be corrected via a Prior Year Adjustment (PYA) in the FY 2024 Financial Statements.

Details of the PYA adjustments are shown in the tables below. Do note the restatement did not have any impact on the balances as at 1 January 2023.

Statement of Financial Position as at 31 December 2023

	Previously Reported	PYA	Restated
	\$	\$	\$
Assets			
Trade and other receivables	469,318	(150,000)	319,318
Total current assets	3,530,282	(150,000)	3,380,282
Total assets	3,790,692	(150,000)	3,640,692
Funds			
Endowment Fund	1,298,728	(80,578)	1,218,150
General Fund	1,085,317	(69,422)	1,015,895
Total Funds	2,384,045	(150,000)	2,234,045

Statement of Income and Expenditure for the year ended 31 December 2023

	Total Funds		
	Previously Reported	PYA	Restated
	\$	\$	\$
Income			
Donations	1,048,100	(150,000)	898,100
Total income	2,742,638	(150,000)	2,592,638
Net surplus of income over expenditure	362,935	(150,000)	212,935

Statement of Changes in Funds

	Total Funds
	\$
Surplus for the financial year as previously reported	362,935
Less: Prior year adjustment	(150,000)
Surplus for the financial year as restated	212,935

Statement of Cash flows

	Previously Reported	PYA	Restated
	\$	\$	\$
Net surplus before income tax	362,935	(150,000)	212,935
Trade and other receivables	162,089	150,000	310,089

Management is also taking all the necessary steps to prevent similar issues in the future.

Should you require any additional information or documentation regarding this matter, please do not hesitate to contact Ms. Connie Wong at connie.wong@siaonline.org or Daphne Lee at



daphne.lee@siaonline.org directly. We appreciate your understanding and thank you for your attention to this matter.