Al Noor Training Centre for Persons with Disabilities

FINANCIAL STATEMENTS

31 AUGUST 2020

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working world

**Ernst & Young Middle East
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INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF AL NOOR TRAINING CENTRE FOR PERSONS WITH DISABILITIES

Report on the audit of the financial statements

Opinion
We have audited the financial statements of Al Noor Training Centre for Persons with Disabilities (the "Centre"), which comprise the statement of financial position as at 31 August 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at 31 August 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Centre in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter
The financial statements of the Centre for the year ended 31 August 2020 were audited by another auditor, who expressed an unqualified opinion on those financial statements on 17 January 2021 before the effects of adjustments described in note 17 to these financial statements.

Responsibilities of Management and the Board of Governors for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Centre'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 Centre or to cease operations, or has no realistic alternative but to do so.

The Board of Governors is responsible for overseeing the Centre's financial reporting process.

Auditors' 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 auditors' 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 ISAs 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.

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**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF
AL NOOR TRAINING CENTRE FOR PERSONS WITH DISABILITIES (continued)**

Report on the audit of the financial statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 Centre'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 Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Centre 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.

We communicate with the Board of Governors 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.

For Ernst & Young

Signed by:
Ashraf Abu Sharkh
Partner
Registration No. 690

27 October 2021

Dubai, United Arab Emirates

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 August 2020

	Notes	***2020*** ***AED***	*2019* *AED* *(Restated)**
INCOME			
Revenues	3	**13,711,889**	20,715,488
Interest income		**60,356**	61,209
Other income	4	**1,256,188**	436,535
		15,028,433	21,213,232
EXPENDITURE			
Administrative and general expenses	5	**(12,466,190)**	(16,003,008)
Impairment loss on trade receivables		**(77,668)**	(65,700)
		(12,543,858)	(16,068,708)
EXCESS OF INCOME OVER EXPENDITURE FOR THE YEAR		**2,484,575**	5,144,524
Other comprehensive income for the year		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**2,484,575**	5,144,524

*The amounts shown here do not correspond to 2019 financial statements and reflects adjustments made as detailed in Note 17 of these financial statements.

STATEMENT OF FINANCIAL POSITION
As at 31 August 2020

	Notes	2020 AED	2019 AED (Restated)*
ASSETS			
Non-current assets			
Property and equipment	6	**1,086,777**	1,530,539
Investment property under construction	7	**12,036,696**	6,250,461
		13,123,473	7,781,000
Current assets			
Fee and other receivables	8	**842,078**	564,063
Bank balances and cash	9	**7,817,708**	6,919,058
		8,659,786	7,483,121
TOTAL ASSETS		**21,783,259**	15,264,121
EQUITY AND LIABILITIES			
Equity			
Retained earnings		**7,073,759**	4,589,184
Non-current liabilities			
Employees' end of service benefits	11	**4,460,616**	3,981,876
Borrowings	12	**1,819,079**	-
Government grants	13	**2,534,985**	-
Accounts and other payables	10	**446,587**	1,435,722
		9,261,267	5,417,598
Current liabilities			
Accounts and other payables	10	**5,448,233**	5,257,339
Total liabilities		**14,709,500**	10,674,937
TOTAL EQUITY AND LIABILITIES		**21,783,259**	15,264,121

*The amounts shown here do not correspond to 2019 financial statements and reflects adjustments made as detailed in Note 17 of these financial statements.

The financial statements were approved by the Board of Directors on 26/10/2021 2021.

Chairman

Director

The attached notes 1 to 17 form part of these financial statements.

STATEMENT OF CASH FLOWS
Year ended 31 August 2020

	Notes	***2020 AED***	*2019 AED (Restated)**
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of income over expenditure for the year		**2,484,575**	5,144,524
Adjustments:			
Depreciation	6	**548,897**	764,140
Donations not received in a monetary form	6	**(193,548)**	(591,886)
Gain on sale of property and equipment	4	**(1,130,691)**	(49,999)
Interest income		**(60,356)**	(61,209)
Provision for employees' end of service benefits	11	**518,804**	564,833
Provision for expected credit losses	8	**77,668**	65,700
		2,245,349	5,836,103
Working capital changes:			
Trade and other receivables		**(355,683)**	260,886
Trade and other payables		**(798,241)**	2,234,295
		1,091,425	8,331,284
Employees' end of service benefits paid	11	**(40,064)**	(2,692,090)
Net cash flows from operating activities		**1,051,361**	5,639,194
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		**(23,880)**	(23,824)
Proceeds from sale of property and equipment		**1,242,984**	50,000
Purchase of investment property under construction	7	**(5,786,235)**	(6,250,461)
Decrease / (Increase) in short term deposits	9	**(60,356)**	608,716
Interest received		**60,356**	61,209
Receipt of government grant	13	**2,534,985**	-
Net cash flows used in investing activities		**(2,032,146)**	(5,554,360)
CASH FLOWS FROM FINANCING ACTIVITY			
Proceeds from borrowings		**1,819,079**	-
Net cash flows from financing activity		**1,819,079**	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		**838,294**	84,834
Cash and cash equivalents at the beginning of the year		**3,108,642**	3,023,808
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	9	**3,946,936**	3,108,642

*The amounts shown here do not correspond to 2019 financial statements and reflects adjustments made as detailed in Note 17 of these financial statements.

STATEMENT OF CHANGES IN EQUITY

Year ended 31 August 2020

	Retained earnings/ (accumulated losses) AED
Balance at 1 September 2018	(555,340)
Total comprehensive income for the year (Restated)*	5,144,524
Balance at 31 August 2019	4,589,184
Total comprehensive income for the year	2,484,575
Balance at 31 August 2020	**7,073,759**

*The amounts shown here do not correspond to 2019 financial statements and reflects adjustments made as detailed in Note 17 of these financial statements.

1 ACTIVITIES

The Al Noor Training Centre for Persons with Disabilities (the "Centre") was established in 1984 with the objective of assisting handicapped children with both academic and vocational training. The registered address of the Centre is P.O. Box 8397, Dubai, United Arab Emirates.

The Centre operated under the supervision of the Ministry of Labour and Social Affairs, consequent to a Ministerial Degree No. 247 dated 22 May 1997, under professional license no. 108439. On 26 April 2020, the Ministry of Community development issued a Ministerial Resolution No. 81 of 2020 declaring Al Noor Rehabilitation & Welfare Association for People of Determination ("The Association") which will be supervising the operations of the Centre henceforth.

The financial statements of the Centre for the year ended 31 August 2020 were authorised and approved for issue on 26 October 2021.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (IASB).

The financial statements are prepared under the historical cost convention.

The financial statements have been presented in UAE Dirhams (AED), which is the functional currency of the Centre.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Centre’s financial statements for the year ended 31 August 2019, except for the adoption of new standards and interpretations effective for accounting periods beginning on or after 1 January 2019. The Centre has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New and amended standards and interpretations
Below mentioned standards, amendments to existing standards and interpretations apply for the first time for the year ended 31 August 2020, but do not have an impact on the financial statements of the Centre. The Centre has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

- IFRS 16 Leases
- IFRIC Interpretation 23 Uncertainty over Income Tax Treatment
- Amendments to IFRS 9: Prepayment Features with Negative Compensation
- Amendments to IAS 19: Plan Amendment, Curtailment or Settlement
- Amendments to IAS 28: Long-term interests in associates and joint ventures
- Annual Improvements 2015-2017 Cycle
  - IFRS 3 Business Combinations - Previously held Interests in a joint operation
  - IFRS 11 Joint Arrangements - Previously held Interests in a joint operation
  - IAS 12 Income Taxes - Income tax consequences of payments on financial instruments classified as equity
  - IAS 23 Borrowing Costs - Borrowing costs eligible for capitalisation

The Centre applied IFRS 16 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments and interpretations apply for the first time in 2019-20, but do not have an impact on the financial statements of the Centre.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

New and amended standards and interpretations (continued)

IFRS 16 Leases
IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under IFRS 16 is substantially unchanged from accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between two types of leases: operating and finance leases. There is no impact on the financial statements for the cases where the Centre is a lessor.

IFRS 16, which is effective for annual periods beginning on or after 1 January 2019, requires lessees and lessors to make more extensive disclosures than under IAS 17.

The Centre adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 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. The Centre elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 1 January 2019. Instead, the Centre applied the standard only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The adoption of IFRS 16 does not have any impact on the financial statements of the Centre.

Standards issued but not effective
The new and amended standards and interpretations that are issued, but not yet effective for reporting period ending 31 August 2020 are disclosed below:

- IFRS 17 Insurance Contracts (effective for reporting periods beginning on or after 1 January 2021)
- Amendment to IFRS 3 Business Combinations
- Amendment to IAS 1 and IAS 8

2.3 USE OF ESTIMATES AND JUDGMENTS

The preparation of the financial statements requires management to make estimates and assumptions that may affect the reported amount of financial assets and liabilities, revenues, expenses, disclosure of contingent liabilities and the resultant provisions and fair values. Such estimates are necessarily based on assumptions about several factors and actual results may differ from reported amounts.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty, and critical judgements in applying accounting policies (that have the most significant effect on the amount recognised in the financial statements) are discussed in Note 16.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue from contracts with customers
Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Centre expects to be entitled in exchange for those goods or services. The Centre has generally concluded that it is the principal in its revenue arrangements.

The revenue from different contracts is recognised as follows:

- Tuition and other fees are recognised over the period of time the services are rendered.
- Income from cash grants is recognised when received, except where they relate to: (a) tuition fees for students for the following academic year, in which case the income is recognised during the related academic year when the tuition is provided, and (b) acquisition of specific items of property, plant or equipment, in which case they are carried forward as deferred income and upon acquisition of the item of property, plant and equipment, it is recognised as income in equal amounts over the expected useful life of the related asset.
- Voluntary offerings and other contributions received are recognised as revenue when received.

Significant financing component
Generally, the Centre receives short-term advances from its customers (Fees received in advance). Using the practical expedient in IFRS 15, the Centre does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Interest income
Interest income is recognised as the interest accrues using the effective interest method, under which the rate used exactly discount estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Property and equipment
Property and equipment are stated at cost less accumulated depreciation and any impairment in value.

Receipt of an item of equipment and vehicles as donation is recorded at the cost, if any incurred by the Centre.

Depreciation is calculated on a straight line basis over the estimated useful lives of the assets as follows:

Leasehold improvements	20 years
Furniture and fixtures	4 years
Therapy equipments	4 years
Motor vehicles	4 years

The carrying values of equipment and vehicles are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

Expenditure incurred to replace a component of an item of equipment and vehicles that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalized only when it increases future economic benefits of the related item of equipment and vehicles. All other expenditure is recognised in the statement of comprehensive incomes as the expense is incurred.

An item of equipment and vehicles is derecognised upon disposal or when no future benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is derecognised.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively if appropriate.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties
Property held for rental or capital appreciation purposes are classified as investment property. Investment property are measured at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is charged on a straight-line basis over the estimated useful lives. Capital work in progress is not depreciated.

The useful lives and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

The Centre determines at each reporting date whether there is any objective evidence that the investment property is impaired. Whenever the carrying amount of an investment property exceeds their recoverable amount, an impairment loss is recognised in the statement of comprehensive income. The recoverable amount is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of the investment property and from its disposal at the end of its useful life.

Reversal of impairment losses recognised in the prior years is recorded when there is an indication that the impairment losses recognised for the investment property no longer exist or have reduced.

Investment property are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit or loss in the period of derecognition.

Impairment of non-financial assets
The Centre assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Centre estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Centre bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Centre's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset. For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

If such indication exists, the Centre estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of comprehensive income.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments-initial recognition and subsequent measurement
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement
Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Centre's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Centre has applied the practical expedient, the Centre initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Centre has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policy in Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding.

This assessment is referred to as the SPPI test and is performed at an instrument level.

The Centre's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Centre commits to purchase or sell the asset.

The Centre's financial assets include bank balances and trade and other receivables.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at fair value through profit or loss - The Centre has not designated any financial asset as fair value through profit or loss;
- Financial assets at amortised cost (debt instruments) – The Centre subsequently measures financial assets at amortised cost using EIR method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognized, modified or impaired;
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments) - The Centre has not designated any financial asset at fair value through OCI with recycling of cumulative gains and losses; and
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments) - The Centre has not designated any financial asset at fair value through OCI with no recycling of cumulative gains and losses upon derecognition.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments-initial recognition and subsequent measurement (continued)

i) Financial assets (continued)

Derecognition of financial assets
A financial asset (or, where applicable a part of a financial assets or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the assets have expired; or
- The Centre has transferred its rights to receive cash flows from the assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Centre has transferred substantially all the risks and rewards of the assets, or (b) the Centre has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the assets.

When the Centre has transferred its rights to receive cash flows from assets or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the assets nor is transferred control of the assets, the assets recognised to the extent of the Centre's continuing involvement in the assets. In that case, the Centre also recognises an associated liability. The transferred assets and the associated liability are measured on a basis that reflects the rights and obligations that the Centre has retained. Continuing involvement that takes the form of a guarantee over the transferred assets is measured at the lower of the original carrying amount of the assets and the maximum amount of consideration that the Centre could be required to repay.

Impairment of financial assets
The Centre recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Centre 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 required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For fees receivable, the Centre applies a simplified approach in calculating ECLs. Therefore, the Centre does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Centre reviews internal and external information available for each customer balance to assess expected credit loss and the likelihood to receive the outstanding amount. The expected credit losses are recognised in the statement of comprehensive income.

The Centre considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Centre may also consider a financial asset to be in default when internal or external information indicates that the Centre is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Centre. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities

Initial recognition and measurement
The Centre determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in case of loans and borrowings, plus directly attributable transactions costs.

The Centre's financial liabilities includes trade and other payables.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments-initial recognition and subsequent measurement (continued)

Subsequent measurement
The measurement of financial liabilities depends on their classification as described below:

Trade and other payables
Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Centre.

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

iii) Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

iv. Fair value of financial instruments
The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include:

- Using recent arm's length market transactions
- Reference to the current fair value of another instrument that is substantially the same
- A discounted cash flow analysis or other valuation models.

Cash and cash equivalents
For the purpose of the cash flow statement, cash and cash equivalents consist of cash in hand, bank balances, and short-term deposits with an original maturity of three months or less.

Account receivable
Account receivables are stated at original invoice less an allowance for any uncollectible amounts. An estimate for expected credit loss is made when collection of the full amount is no longer probable. Bad debts are written off when there is no possibility of recovery.

A provision for impairment of accounts receivable is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the account receivable is impaired.

Account receivable are stated at original invoice less provision for impairment. An estimate for expected credit loss is made when collection of the full amount is no longer probable. Bad debts are written off when there is no possibility of recovery.

A provision for impairment of trade receivable is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the account receivable is impaired.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions
Provisions are recognised when the Centre 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 a reliable estimate can be made of the amount of the obligation. Where the Centre expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Employees' end of service benefits
The Centre provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

Government grants
Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Centre receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

Finance costs
Finance costs directly attributable to the construction of qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other finance costs are recognised as interest expense in the statement of comprehensive income in the period in which they are incurred.

Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date. All differences are taken to the statement of comprehensive income.

Current versus non-current classification
The Centre presents assets and liabilities in statement of financial position based on current/non-current classification.

An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Centre classifies all other liabilities as non-current.

3 REVENUES

a. Set out below is the disaggregation of the Centre's revenues:

	2020 ***AED***	*2019* *AED* *(Restated)**
Tuition and other fees	**6,905,543**	7,647,450
Donations and events income	**3,202,569**	8,144,832
Child sponsorship fees	**2,509,490**	2,713,078
Rental income from facilities	**1,019,464**	2,075,522
Other revenue	**74,823**	134,606
	13,711,889	20,715,488

b. Timing of revenue recognition:

	2020 ***AED***	*2019* *AED* *(Restated)**
Revenue recognised over time	**10,434,497**	12,436,050
Revenue recognised at a point in time	**3,277,392**	8,279,438
	13,711,889	20,715,488

*The amounts shown here do not correspond to 2019 financial statements and reflects adjustments made as detailed in Note 17 of these financial statements.

4 OTHER INCOME

	2020 ***AED***	*2019* *AED*
Profit on sale of property and equipment	**1,130,691**	49,999
Other miscellaneous income	**125,497**	386,536
	1,256,188	436,535

5 ADMINISTRATIVE AND GENERAL EXPENSES

	2020 ***AED***	*2019* *AED*
Staff costs	**9,938,059**	13,073,598
Travelling expenses	**868,489**	337,052
Depreciation (refer note 6)	**548,897**	764,140
Repairs and maintenance	**361,882**	659,003
Insurance expenses	**121,545**	153,456
Fundraising expenses	**71,943**	270,200
Legal, municipal and visa expenses	**52,094**	72,648
Printing and stationery	**39,134**	68,130
Others	**464,147**	604,781
	12,466,190	16,003,008

6 PROPERTY AND EQUIPMENT

	Leasehold improvements AED	*Furniture and fixtures AED*	*Therapy equipment AED*	*Motor vehicle AED*	*Total AED*
Cost					
At 1 September 2018	532,890	4,323,569	1,681,166	3,396,360	9,933,985
Additions (refer (i) below)	-	573,064	21,846	20,800	615,710
Disposals	-	-	-	(224,450)	(224,450)
At 31 August 2019	532,890	4,896,633	1,703,012	3,192,710	10,325,245
At 1 September 2019	532,890	4,896,633	1,703,012	3,192,710	10,325,245
Additions (refer (i) below)	-	52,428	-	165,000	217,428
Disposals	-	-	-	(3,153,210)	(3,153,210)
At 31 August 2020	**532,890**	**4,949,061**	**1,703,012**	**204,500**	**7,389,463**
Accumulated depreciation					
At 1 September 2018	270,114	3,763,224	1,110,928	3,110,749	8,255,015
Charge for the year	26,117	353,220	205,167	179,636	764,140
On disposals	-	-	-	(224,449)	(224,449)
At 31 August 2019	296,231	4,116,444	1,316,095	3,065,936	8,794,706
At 1 September 2019	296,231	4,116,444	1,316,095	3,065,936	8,794,706
Charge for the year	26,140	321,897	177,928	22,932	548,897
On disposals	-	-	-	(3,040,917)	(3,040,917)
At 31 August 2020	**322,371**	**4,438,341**	**1,494,023**	**47,951**	**6,302,686**
Net Book Value					
At 31 August 2020	**210,519**	**510,720**	**208,989**	**156,549**	**1,086,777**
At 31 August 2019	236,659	780,189	386,917	126774	1,530,539

(i) Included in additions is an amount of AED 193,548 (2019: AED 591,886) which pertains to assets received as donations.

(ii) The Centre operates on land and buildings which are owned by Dubai Real Estate Corporation and leased by the Chairman of the Centre, Mr. Khalid Al Halyan, for the beneficial use of the Centre.

The land and buildings are available for the use of Centre for the foreseeable future.

7 INVESTMENT PROPERTY UNDER CONSTRUCTION

	2020	*2019*
	AED	*AED*
		*(Restated)**
At September 1	**6,250,461**	-
Additions made during the year	**5,786,235**	6,250,461
At 31 August	**12,036,696**	6,250,461

In 2013, the Government of Dubai had bestowed 1,394 square metres of land in Al Warqa to the Centre which is recorded at a nominal value of AED 1. The Centre is constructing a commercial and residential building at this site with the objective of generating sustainable income from its rentals.

*The amounts shown here do not correspond to 2019 financial statements and reflects adjustments made as detailed in Note 17 of these financial statements.

8 FEE AND OTHER RECEIVABLES

	2020	*2019**
	AED	*AED*
Fee receivables	**472,657**	373,436
Less: allowance for expected credit losses	**(69,118)**	(91,500)
	403,539	281,936
Prepayments	**87,174**	121,123
Capital advance	**130,333**	-
VAT receivable	**208,484**	16,377
Other receivables	**12,548**	144,627
	842,078	564,063

*The amounts shown here do not correspond to 2019 financial statements and reflects adjustments made as detailed in Note 17 of these financial statements.

As at 31 August 2020, trade receivables at nominal value of AED 69,118 (2019: AED 91,500) were impaired and fully provided for. Movements in the allowance for provision of trade receivables were as follows:

	2020	*2019*
	AED	*AED*
At 1 September	**91,500**	25,800
Provided during the year	**77,668**	65,700
Amounts written off	**(100,050)**	-
At 31 August	**69,118**	91,500

8 FEE AND OTHER RECEIVABLES (continued)

As at 31 August, the ageing analysis of unimpaired trade receivables is as follows:

		Past due but not impaired				
	Neither past due nor impaired AED	*1-90 days AED*	*91-180 days AED*	*181-365 days AED*	*above 365 days AED*	*Total AED*
2020	**-**	**54,187**	**142,257**	**127,545**	**79,550**	**403,539**
2019	-	18,700	198,136	62,600	2,500	281,936

Trade receivables are non-interest bearing and are generally on 60 day terms (see credit risk disclosures in Note 15 for further details). Unimpaired trade receivables are expected, on the basis of experience, to be fully recoverable. It is not the practice of the Centre to obtain collateral over receivables.

9 BANK BALANCES AND CASH

	2020 AED	*2019 AED*
Cash in hand	**65,503**	49,416
Bank balances	**3,881,433**	3,059,226
Term deposits	**3,870,772**	3,810,416
	7,817,708	6,919,058
Less: term deposits with original maturity of over three months	**(3,870,772)**	**(3,810,416)**
Cash and cash equivalents	**3,946,936**	3,108,642

The interest rates on the bank deposits varied from 2% to 2.25% (2019: 2% to 2.25%) per annum. Fixed deposits have original maturity of one year.

10 ACCOUNTS AND OTHER PAYABLES

	2020 AED	*2019 AED (Restated)**
Current:		
Tuition fees received in advance	**1,354,908**	1,153,413
Performance security payable	**1,184,291**	-
Retention payable	**836,397**	-
Deposits received	**779,151**	861,350
Payable to contractor	**630,202**	701,196
Accrued air ticket	**356,875**	421,892
Accruals and other payables	**184,689**	1,055,145
Trade payables	**121,720**	615,487
Deferred donation income	**-**	448,856
	5,448,233	5,257,339

10 ACCOUNTS AND OTHER PAYABLES (continued)

	2020	*2019*
	AED	*AED*
		*(Restated)**
Non-Current:		
Retention payable	**347,894**	625,046
Tuition fees received in advance	**98,693**	185,630
Performance security payable	**-**	625,046
	446,587	1,435,722

Trade payables are normally settled within 60-90 days of the date of purchase and are non-interest bearing. The Centre has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

For explanations on the Centre's liquidity risk management processes, refer to note 15.

11 EMPLOYEES' END OF SERVICE BENEFITS

Movements in the provision recognised in the statement of financial position are as follows:

	2020	*2019*
	AED	*AED*
Provision as at 1 September	**3,981,876**	6,109,133
Provided during the year	**518,804**	564,833
Payments made during the year	**(40,064)**	(2,692,090)
Provision as at 31 August	**4,460,616**	3,981,876

12 BORROWINGS

	2020	*2019*
	AED	*AED*
Loan from AWQAF & Minors Affairs Foundation	**1,819,079**	**-**

During the year, the Centre has entered into an agreement with AWQAF & Minors Affairs Foundation for a term loan facility in order to continue funding the construction of Bait Al Noor Building project. The loan provided is interest free and is repayable over the period of 40 years from the income generated from Bait Al Noor Building as follows:

- 30% of net income to be allocated for repayment of principal borrowed;
- 30% of net income to be kept as a deposit for the reconstruction and maintenance of building;
- 40% of net income to be retained by the Centre.

Bait Al Noor will be managed by AWQAF who will be entitled to a management fee set at 5% of gross rental income, as per the agreement.

13 GOVERNMENT GRANTS

	2020	*2019*
	AED	*AED*
At 1 September	-	-
Received during the year	**2,534,985**	-
At 31 August	**2,534,985**	-

Government grants have been received in the form of interest free borrowings for the construction of Bait Al Noor Building project – investment property under construction. There are no unfulfilled conditions or contingencies attached to these grants.

14 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent the members of the Board of Governors, directors and key management personnel of the Centre and entities controlled, jointly controlled or significantly influenced by such parties.

Compensation to key management personnel is as follows:

	2020	*2019*
	AED	*AED*
Short-term benefits	**247,352**	655,828
Provision towards employees' terminal benefits	**14,112**	11,760

15 RISK MANAGEMENT

The Centre's principal financial liabilities comprise trade payables and other accruals. The Centre has various financial assets such as bank balances and cash, fees receivable, and other receivables which arise directly from its operations. The main risks arising from the Centre financial instruments are interest rate risk, credit risk, and liquidity risk.

Interest rate risk
The Centre is exposed to interest rate risk on its interest-bearing assets (short term deposits).

The following table demonstrates the sensitivity of the statement of comprehensive income to reasonably possible changes in interest rates, with all other variables held constant.

The sensitivity of the statement of comprehensive income is the effect of the assumed changes in interest rates on the Centre's profit for one year, based on the floating rate financial assets and financial liabilities held at 31 August 2020 and 2019.

There is no impact on the Centre's equity.

	Effect on Increase/ (decrease) in basis points AED	*Effect on profit for the year increase (decrease) AED*
2020	**50**	**19,354**
	(50)	**(19,354)**
2019	50	19,052
	(50)	(19,052)

15 RISK MANAGEMENT (continued)

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Centre is exposed to credit risk on its bank balances and receivables as follows.

	2020	*2019*
	AED	*AED*
Bank balances (Note 9)	**7,752,205**	6,869,641
Fee receivables (Note 8)	**403,539**	281,936
Other receivables (Note 8)	**12,548**	144,627
	8,168,292	7,296,204

Bank balances
The Centre seeks to limit its credit risk with respect to the bank deposits by only dealing with reputable banks

Fee and other receivables
The Centre seeks to limit its credit risk with respect to fees receivables from students by obtaining advance fees and by monitoring the outstanding receivables.

As at 31August 2020, provision for expected credit losses amounted to AED 69,118 (31 August 2019: AED 91,500).

The Centre reviews internal and external information available for each customer balance to assess expected credit loss and the likelihood to receive the outstanding amount. A provision for expected credit losses of fees receivable is established when the Centre expects that it will not be able to collect all amounts due according to the original terms of the receivables. Generally, accounts receivables are written-off if past due for more than one year and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's fees receivables using a provision matrix:

	Neither past due nor impaired AED	***Past due but not impaired***				
		1-90 days AED	***91-180 days AED***	***181-365 days AED***	***above 365 days AED***	***Total AED***
31 August 2020						
Expected credit loss rate	**0%**	**8%**	**19%**	**18%**	**5%**	**14.6%**
Estimated total gross carrying amount at default	-	**58,687**	**175,249**	**155,171**	**83,550**	**472,657**
Expected credit losses	**-**	**4,500**	**32,992**	**27,626**	**4,000**	**69,118**

	Neither past due nor impaired AED	*Past due but not impaired*				
		1-90 days AED	*91-180 days AED*	*181-365 days AED*	*above 365 days AED*	*Total AED*
31 August 2019						
Expected credit loss rate	0%	38%	12%	32%	90%	24.5%
Estimated total gross carrying amount at default	-	30,200	224,486	92,700	26,050	373,436
Expected credit losses	-	11,500	26,350	30,100	23,550	91,500

15 RISK MANAGEMENT (continued)

Liquidity risk
Fees are required to be paid in advance. Payables are normally settled within 30 days of the date of purchase.

The table below summarises the maturities of the Centre's undiscounted financial liabilities at 31 August based on contractual payment dates and current market interest rates.

At 31 August 2020

	Less than 3 months AED	***3 to 12 months AED***	***1 to 5 years AED***	***Total AED***
Accounts payable	**121,720**	-	-	**121,720**
Other payables and accruals	**184,689**	-	-	**184,689**
Payable to contractor	**630,202**	-	-	**630,202**
Retention payable	-	**836,397**	**347,894**	**1,184,291**
Performance security payable	-	**1,184,291**	-	**1,184,291**
Borrowings	-	-	**2,534,985**	**2,534,985**
Total	**936,611**	**2,020,688**	**2,882,879**	**5,840,178**

At 31 August 2019

	Less than 3 months AED	*3 to 12 months AED*	*1 to 5 years AED*	*Total AED*
Accounts payable	615,487	-	-	615,487
Other payables and accruals	1,055,145	-	-	1,055,145
Payable to contractor	701,196	-	-	701,196
Retention payable	-	-	625,046	625,046
Performance security payable	-	-	625,046	625,046
Total	2,371,828	-	1,250,092	3,621,920

Currency risk
The Centre is not exposed to any foreign currency risk as all of its transactions and balances are denominated in UAE Dirhams.

Capital management
The primary objective of the Centre's capital management is to ensure that it maintains healthy capital ratios in order to support its activities.

The Centre manages its capital structure and makes adjustments to it in light of changes in surrounding conditions. No changes were made in the objectives, policies or processes during the years ended 31 August 2020 and 31 August 2019. Capital comprises retained earnings, and is measured at AED 7,073,759 as at 31 August 2020 (2019: AED 4,589,184).

16 KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgments, estimates and assumptions that may affect the reported amount of financial assets and liabilities, revenues, expenses, disclosure of contingent liabilities and the resultant provisions and fair values. Such estimates are necessarily based on assumptions about several factors and actual results may differ from reported amounts as described below.

16 KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Estimates and assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of fees receivables
The Centre reviews internal and external information available for each customer balance to assess expected credit loss and the likelihood to receive the outstanding amount. A provision for expected credit losses of fees receivable is established when the Centre expects that it will not be able to collect all amounts due according to the original terms of the receivables.

At 31 August 2020, gross fees receivables were AED 472,657 (2019: AED 373,436) and provision for expected credit losses amounted to AED 69,118 (2019: AED 91,500). Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the statement of comprehensive income.

Useful lives of property and equipment
The Centre's management determines the estimated useful lives of its equipment and vehicles for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Impact of COVID-19
As the situation is still evolving, it is challenging now to predict the full extent and duration of its business and economic impact. Many countries have imposed travel bans on millions of people and additionally people in many locations are subject to quarantine measures. Businesses are dealing with lost revenue and disrupted supply chains. While some countries have started to ease the lockdown, the relaxation has been gradual and, as a result of the disruption to businesses, millions of workers have lost their jobs. The COVID-19 pandemic has also resulted in significant volatility in the financial and commodities markets worldwide. Numerous governments have announced measures to provide both financial and non-financial assistance to the affected entities.

Businesses, including those of the Centre and demand for its goods or services, could be impacted by any continuing lock-down or government action as a response to COVID-19 developments.

Management is continuously updating the impact assessment on the overall operations and business aspects including factors like supply chain, travel restrictions, services demand, etc. However, in view of the current uncertainty, any future change in the assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of assets or liabilities in the future periods. As the pandemic persists, management will continue to assess the impact based on prospective developments. However, these developments could impact the future financial results, cash flows and financial position of the Centre.

17 COMPARATIVE INFORMATION AND PRIOR YEAR ADJUSTMENT

During 2019, the Centre had started construction of Bait Al Noor Building project – investment property under construction for which donations had also been received and were not recorded correctly in the books. Management had recorded such capital work in progress partially only related to payment made for last payment certificate amounting to AED 551,144 instead of total work certified amounting to AED 6,250,461 as on 31 August 2019 which has been rectified and accordingly retention payable, performance security payable, payable to contractor, deferred donation income and donation income has been recorded respectively as per the supporting documents.

17 COMPARATIVE INFORMATION AND PRIOR YEAR ADJUSTMENT (continued)

The table below summarises reconciles all lines of statement of comprehensive income and financial position as previously reported after the restatements.

31 August 2019

Statement of comprehensive income:

	As previously reported AED	*Restatements / Reclassifications AED*	*Balance as restated AED*
Revenues	17,416,315	3,299,173	20,715,488
Excess of Income over expenditure for the year	1,845,351	3,299,173	5,144,524

Statement of financial position:

	As previously reported AED	*Restatements / Reclassifications AED*	*Balance as restated AED*
Property and equipment (Refer note a)	2,081,683	(551,144)	1,530,539
Investment property under construction	-	6,250,461	6,250,461
Retention payable – non current	-	(625,046)	(625,046)
Performance security payable – non current	-	(625,046)	(625,046)
Payable to contractor	-	(701,196)	(701,196)
Deferred donation income	-	(448,856)	(448,856)
Retained earnings	(1,290,011)	(3,299,173)	(4,589,184)

Reclassifications

(a) This pertains to the capital work in progress balance reclassed to Investment property under construction. Earlier it was grouped under capital work in progress in property and equipment amounting to AED 551,144.

(b) Few account balances which are in nature of VAT payable were earlier classified as other payables have now been reclassed under fee and other receivables amounting to AED 12,463 to net off against VAT receivable balance.

(c) Certain revenues in the nature of tuition and other fees amounting to AED 864,600 which were earlier grouped under other revenue have been reclassified to tuition and other fees.

(d) Certain revenues in the nature of child sponsorship fees amounting to AED 713,956 which were earlier grouped under other revenue have been reclassified to child sponsorship fees.

(e) Certain revenues in the nature of donations and events income amounting to AED 1,686,289 which were earlier grouped under other revenue have been reclassified to donations and events income.