

**To consider and, if deemed fit, pass the following resolutions:**

- a. **To authorise the Board of Trustees to provide an advanced sum of S\$250,000 to the Management Committee (MC) for the purpose of renovation and retrofitting works for Khalsa Kindergarten at the SKA premises.**
- b. **To authorise the MC to set up a Kindergarten Building Account and transfer the abovementioned fund to the account.**

### **Background**

1. During the Annual General Meeting of the Singapore Khalsa Association (SKA) on 8 November 2020, the members gave their approval for the MC to utilise \$250,000 to convert SKA's Level 5 ballroom to a kindergarten (Khalsa Kindergarten) in 2021.

### **Update on Progress**

2. Since then, the Khalsa Kindergarten Relocation Committee has undertaken the following tasks:
  - a. Sought and received the necessary pre-construction approvals from the Singapore Civil Defence Force and the Urban Redevelopment Authority for the proposed relocation, design and safety requirements for the kindergarten;
  - b. Finalised the scope of works on the retrofitting works to meet the kindergarten's design requirements set by the Ministry of Education (MOE);
  - c. Informed the parents of the proposed relocation (targetted by end December 2021) as required by the MOE;
  - d. Called an 'Open Tender' on 30 June 2021; and
  - e. Set up of a Tender Evaluation Committee to evaluate the tenders.

### **Scope of Work**

3. The scope of work of the retrofitting of the kindergarten is as follows:
  - a. Retrofitting of the existing ballroom and foyer area to classrooms and offices;
  - b. Replacement of floor finishes, and installation of classroom partitions and safety frames on windows;
  - c. Retrofitting of existing adult toilets to children's toilets;
  - d. Conversion of the existing diaper room to a pantry;
  - e. Realignment and replacement of existing mechanical and engineering services; and
  - f. Purchase of information technology and other equipment, and relocation works.

## **Budgetary Quote and Considerations**

4. To pre-empt the potential costs of the total works, budgetary quotes were called with the average quote being \$250,000.
5. SKA's current operating surplus is well below the required amount and revenue streams have been greatly impacted by the COVID-19 pandemic, especially the collections from the fruit machines and booking of the function halls.
6. The financial landscape is unlikely to improve in the next few months which are critical timelines for the completion of the kindergarten's retrofitting works. Any delay to the project timeline is untenable as the authority approvals will need to be sought again and much effort and submission costs will be wasted.
7. The MC would thus like to request that a sum of \$250,000 be advanced from the SKA Trust Fund for these retrofitting works.
8. The MC expects revenue from the kindergarten to improve, given that the premises are new compared to the ones at Beatty Road. The kindergarten is likely to attract more students and it has catered for that with the addition of another class. The new kindergarten will also justify an increase in school fees with effect from 2023.

## **Conclusion**

9. The MC would like to seek the members' authorisation for the Board of Trustees to provide an advanced sum of S\$250,000 to the MC for the purpose of renovation and retrofitting works for Khalsa Kindergarten at SKA's premises.
10. The MC will set up a Kindergarten Building Account for the project. It shall also endeavour to return the money to the Trust Fund with effect from 2023 in the following schedules:
  - a. If SKA's net profit is \$50,000 and below, a payback of **25%** of net profit will be made to the Trust Fund; and
  - b. If SKA's net profit is \$50,000 and above, a payback of **50%** of net profit will be made to the Trust Fund.
11. The proposed schedule is aimed at ensuring that while the MC makes regular re-payments to the Trust Fund, it also has adequate money in its account to be able carry out its own functions and operations in an effective and competent manner.

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Prepared: SKA Management Committee

Date: 1 August 2021