

# **LUPUS ASSOCIATION (SINGAPORE)**

*Association Registration Number: ROS 172/90/WEL*

## **FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2009*

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**LUPUS ASSOCIATION (SINGAPORE)**

**STATEMENT BY THE BOARD**

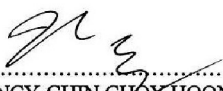
*For the financial year ended 31 December 2009*


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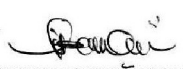
In the opinion of the Board:

- i) the accompanying statement of financial position and statement of income and expenditure together with the notes thereon are drawn up so as to give a true and fair view of the state of affairs of the Association as at 31 December 2009 and the results of the Association for the financial year then ended on that date; and
- ii) all the property, plant and equipments which are purchased are properly recorded and taken into the financial statements.

ON BEHALF OF THE BOARD

  
.....  
NANCY CHIN CHOY HOONG  
PRESIDENT

  
.....  
CORINNE KANG BENG CHOO  
HONORARY SECRETARY

  
.....  
IRENE LIM SUAN KIM  
HONORARY TREASURER

14 April 2010

**LUPUS ASSOCIATION (SINGAPORE)**

**INDEPENDENT AUDITORS' REPORT**

*To the Members of LUPUS ASSOCIATION (SINGAPORE)*

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We have audited the accompanying financial statements of LUPUS ASSOCIATION (SINGAPORE) (the "Association"), which comprise the statement of financial position as at 31 December 2009, and the statement of income and expenditure, statement of changes in fund and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

**Management's Responsibility for the Financial Statements**

The Association's management is responsible for the preparation and fair presentation of these financial statements in accordance with the Rules of Operation of Health Endowment Fund ("the Rules") issued by the Ministry of Health in 1 January 2005 and Singapore Financial Reporting Standards. This responsibility includes:

- (a) 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 profit and loss accounts and balance sheets and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

**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 whether the financial statements are free of 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 and fair presentation of the financial statements 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 the 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.

**LUPUS ASSOCIATION (SINGAPORE)**

**INDEPENDENT AUDITORS' REPORT**

*To Members of LUPUS ASSOCIATION (SINGAPORE)*

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**Opinion**

In our opinion,

- (a) the financial statements are properly drawn up in accordance with the constitution of the Association and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Association as at 31 December 2009 and the results, changes in equity and cash flows of the Association for the year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Association have been properly kept in accordance with the provisions of the Act.

We also certify for the year ended 31 December 2009:

- (1) The donations received have been used in accordance with LUPUS ASSOCIATION (SINGAPORE) objectives.
- (2) The total expenses incurred on fund-raising appeals did not exceed 30 percent of total funds received through appeals.

*Ng Yun & Company*  
NG, YUN & COMPANY  
Certified Public Accountants

Singapore

14 April 2010

**LUPUS ASSOCIATION (SINGAPORE)**

**INCOME AND EXPENDITURE STATEMENT – GENERAL FUND**

*For the financial year ended 31 December 2009*

	2009		2008	
	S\$	S\$	S\$	S\$
Voluntary income – Cash donations		1,746		5,601
Investment income – Bank interest earned		69		91
<b>Incoming resources from charitable activities</b>				
Program Fees – Educational Talks	1,520		655	
Membership Fees	775		1,410	
Sale of Hand-made items	-		937	
Sale of Books/VCDs	30		172	
Sale of Calendars	74		240	
Sponsors – patients souvenirs	2,100		-	3,414
<b>Total incoming resources</b>		<u>4,499</u>		<u>9,106</u>
		6,314		
<b>Less: Costs of generating funds</b>				
<b>Charitable activities</b>				
Handicraft making material	-		19	
Printing & stationery	1,993		2,058	
Postage & courier charges	2,020		983	
Publicity	-	4,013	1,504	4,564
<b>Governance costs</b>				
Accounting fee	2,950		2,400	
Audit fee	1,500	4,450	1,400	3,800
<b>Other resources expended</b>				
Bank charges	105		103	
Depreciation	1,529		1,701	
General office expenses	693		593	
Maintenance of office equipment	463		575	
Refreshments	140		251	
Training & seminar	-		11	
Transport charges	1,087		1,293	
Telecommunication charges	1,602	5,619	1,564	6,091
<b>Total resources expended</b>		<u>14,082</u>		<u>14,455</u>
<b>Net movement in General Fund</b>		(7,768)		(5,349)
<b>General Fund brought forward</b>		38,262		43,611
<b>General Fund carried forward</b>		<u>30,494</u>		<u>38,262</u>

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

**LUPUS ASSOCIATION (SINGAPORE)**

**INCOME AND EXPENDITURE STATEMENT – HEALTH ENDOWMENT FUND (“HEF”)**

*For the financial year ended 31 December 2009*

	Note	2009		2008	
		S\$	S\$	S\$	S\$
<b>Incoming Resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income – Cash Donations			105,864		180,335
<b>Total incoming resources</b>	4		<u>105,864</u>		<u>180,335</u>
<b>Resources expended</b>					
<b>Cost of generating funds</b>					
Costs of Donation in Kind			-		150
<b>Charitable activities</b>					
Members’ Welfare		77,439		34,635	
Member Educational materials		2,695		6,392	
Member Educational talks		11,658		6,449	
Gifts/condolences to members		3,367		250	
Members’ workout – Tai Chi exercise		-		260	
Members’ Medical Subsidy		22,250		6,329	
Salaries		10,778		9,861	
CPF		232		1,436	
SDF		<u>24</u>	128,443	<u>75</u>	65,687
<b>Other resources expended</b>					
Bank charges		308		282	
General office expenses		170		500	
Late payment interest		<u>58</u>	536	<u>-</u>	782
<b>Total resources expended</b>			<u>128,979</u>		<u>66,619</u>
<b>Net movement in HEF</b>			(23,115)		113,716
<b>HEF brought forward</b>			173,508		59,792
<b>HEF carried forward</b>			<u>150,393</u>		<u>173,508</u>

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

LUPUS ASSOCIATION (SINGAPORE)

STATEMENT OF FINANCIAL POSITION

As at 31 December 2009

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	Note	2009 S\$	2008 S\$
<b>Property, plant &amp; equipment</b>	5	<u>2,160</u>	<u>2,591</u>
<b>Current assets:</b>			
Other receivables	6	2,077	3,511
Fixed deposit	7	15,841	15,750
Bank balance	7	170,323	198,292
Cash in hand	7	179	362
<b>Total current assets</b>		<u>188,420</u>	<u>217,915</u>
<b>Current liabilities:</b>			
Accrued expenses		2,003	8,711
Subscriptions received in advance		190	25
Donations received in advance		7,500	-
<b>Total current liabilities</b>		<u>9,693</u>	<u>8,736</u>
<b>Net current assets</b>		<u>178,727</u>	<u>209,179</u>
<b>Net assets</b>		<u>180,887</u>	<u>211,770</u>
<b>Unrestricted income funds</b>			
General fund		30,494	38,262
HEF - General	8	127,672	167,087
HEF - Members' Welfare	9	-	2,750
HEF - Members' Medical Subsidy	10	22,721	3,671
<b>Total unrestricted funds</b>		<u>180,887</u>	<u>211,770</u>

*The accompanying notes form an integral part of these financial statement*



LUPUS ASSOCIATION (SINGAPORE)

STATEMENT OF CHANGES IN RESERVE AND FUNDS

For the financial year ended 31 December 2009

	General Fund S\$	HEF – General S\$	HEF – Members' Welfare S\$	HEF – Members' Medical Subsidy S\$	Total S\$
Balance as at 1 January 2008	43,611	59,792	-	-	103,403
(Deficit)/surplus for the year	(5,349)	107,295	2,750	3,671	108,367
Balance as at 31 December 2008	38,262	167,087	2,750	3,671	211,770
Balance as at 1 January 2009	38,262	167,087	2,750	3,671	211,770
(Deficit)/surplus for the year	(7,768)	(39,415)	(2,750)	19,050	(30,883)
Balance as at 31 December 2009	30,494	127,672	-	22,721	180,887

The accompanying notes form an integral part of these financial statement

**LUPUS ASSOCIATION (SINGAPORE)****STATEMENT OF CASH FLOWS***For the financial year ended 31 December 2009*

	Note	2009 S\$	2008 S\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
(Deficit)/Surplus		(30,883)	108,367
<b>ADJUSTMENT FOR:</b>			
Depreciation	5	1,529	1,701
Interest received from fixed deposit		(69)	(91)
Cash Flow Before Working Capital Changes		<u>(29,423)</u>	<u>109,977</u>
Decrease in inventories		-	150
Decrease/(increase) in other receivables		1,434	(3,273)
(Decrease)/increase in accrued expenses		(6,708)	6,479
Increase/(decrease) in subscription received in advance		165	(5)
Increase in donations received in advance		7,500	-
Cash Generated/(Utilised) in Operations		<u>(27,032)</u>	<u>113,328</u>
Net Cash From Operating Activities		<u>(27,032)</u>	<u>113,328</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchases of fixed assets		(1,098)	(249)
Interest received		69	91
Net Cash From Investing Activities		<u>(1,029)</u>	<u>(158)</u>
Net (Decrease)/Increase In Cash And Cash Equivalents		(28,061)	113,170
Cash And Cash Equivalents At Beginning Of Year		214,404	101,234
Cash And Cash Equivalents At End Of Year	7	<u>186,343</u>	<u>214,404</u>

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

**LUPUS ASSOCIATION (SINGAPORE)**

**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2008*

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

**1. GENERAL**

The principal activities of the Association are to promote and support medical research on Lupus illnesses and to develop community awareness of Lupus and related illnesses.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of Preparation**

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") as required by the Companies Act.

The accounting policies have been consistently applied by the Association and are consistent with those used in the previous year.

The financial statements have been prepared on a historical cost convention.

The financial statements are presented in Singapore Dollars (S\$).

In the current financial year, the Association has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2009. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Association's accounting policies and has no material effect on the amounts reported for the current or prior years.

**2.2 Income Recognition**

The income of the Association is mainly derived from donation of members, the sale of handicraft and membership subscriptions.

**2.3 Property, Plant & Equipment**

(a) Measurement

(i) Property, plant & equipment

Property, plant & equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment loss.

**LUPUS ASSOCIATION (SINGAPORE)**

**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2008*

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**2.3 Property, Plant & Equipment (Cont'd)**

(ii) Cost of equipment

The cost of an item of property, plant & equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Plant and equipment are stated at cost less accumulated depreciation. Depreciation is calculated on the straight-line method to write off the cost of the fixed assets over their estimated useful lives. The estimated useful lives have been taken as follows: -

Office equipment	5 years
Furniture & fittings	5 years
Computer	5 years

Fully depreciated assets are retained in the financial statements until they are no longer in use.

(c) Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the income statement.

**2.4 Cash and Cash Equivalents**

Cash and cash equivalents for the statement of cash flows includes fixed deposits, cash at banks and cash in hand.

**3. OTHER INCOME**

This comprises income from the miscellaneous donation (road show fund raising, cash donations) donated by patients, members and the public.

**4. DONATIONS**

Included are tax-exempt donations of S\$105,864/-.

**LUPUS ASSOCIATION (SINGAPORE)**

**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2008*

**5. PROPERTY, PLANT AND EQUIPMENT**

	Furniture & fittings S\$	Office Equipment S\$	Computer S\$	Total S\$
<u>Cost</u>				
At 1 January 2008	2,201	11,609	750	14,560
Additions	-	249	-	249
At 31 December 2008 and 1 January 2009	2,201	11,858	750	14,809
Additions	-	1,098	-	1,098
At 31 December 2009	2,201	12,956	750	15,907
<u>Accumulated Depreciation</u>				
At 1 January 2008	1,027	9,227	263	10,517
Charge for the year	440	1,111	150	1,701
At 31 December 2008 and 1 January 2009	1,467	10,338	413	12,218
Charge for the year	440	939	150	1,529
At 31 December 2009	1,907	11,277	563	13,747
<u>Net carrying amount:</u>				
At 31 December 2008	734	1,520	337	2,591
At 31 December 2009	294	1,679	187	2,160

**6. OTHER RECEIVABLES**

	<u>2009</u> S\$	<u>2008</u> S\$
Prepayment	60	3,471
Interest receivables	17	40
Donations receivables	2,000	-
	<u>2,077</u>	<u>3,511</u>

**7. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of cash in hand, bank balances and fixed deposits. Cash and cash equivalents in the cash flow statement comprise the following balance sheet amounts: -

	<u>2009</u> S\$	<u>2008</u> S\$
Fixed deposits	15,841	15,750
Cash at bank	170,323	198,292
Cash in hand	179	362
	<u>186,343</u>	<u>214,404</u>

**LUPUS ASSOCIATION (SINGAPORE)**

**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2008*

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**8. HEF - GENERAL**

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Balance at beginning of financial year	167,087	59,792
Add: Donation received (tax-exempt)	<u>44,564</u>	<u>150,335</u>
	211,651	210,127
Less: Resources expended	<u>(83,979)</u>	<u>(43,040)</u>
	<u>127,672</u>	<u>167,087</u>

**9. HEF - MEMBERS' WELFARE**

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Balance at beginning of financial year	2,750	-
Add: Donation received (tax-exempt)	<u>20,000</u>	<u>20,000</u>
	22,750	20,000
Less: Resources expended	<u>(22,750)</u>	<u>(17,250)</u>
	<u>-</u>	<u>2,750</u>

**10. HEF - MEMBERS' MEDICAL SUBSIDY**

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Balance at beginning of financial year	3,671	-
Add: Donation received (tax-exempt)	<u>41,300</u>	<u>10,000</u>
	44,971	10,000
Less: Resources expended	<u>(22,250)</u>	<u>(6,329)</u>
	<u>22,721</u>	<u>3,671</u>

**11. AUTHORISATION OF FINANCIAL STATEMENTS**

The financial statements were authorised for issue in accordance with a resolution of the management committee on 14 April 2010.