

LUPUS ASSOCIATION (SINGAPORE)

Association Registration Number: ROS 172/90/WEL

FINANCIAL STATEMENTS

For the financial year ended 31 December 2007

Table of Contents

Statement by Council	3
Independent Auditors' Report	4
Income and Expenditure Account – General Fund	5
Income and Expenditure Account – Health Endowment Fund	6
Balance Sheet	7
Cash Flow Statement	8
Notes to the Financial Statements	9

LUPUS ASSOCIATION (SINGAPORE)

STATEMENT BY THE BOARD

For the financial year 31 December 2007

In the opinion of the Council:

- i) the accompanying balance sheet and income and expenditure statement 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 2007 and the results of the Association for the financial year then ended on that date; and
- ii) all the fixed assets which are purchased are properly recorded and taken into the financial statements.

ON BEHALF OF THE ASSOCIATION

.....
NANCY CHIN CHOY HOONG
PRESIDENT

.....
CORINNE KANG BENG CHOO
HONORARY SECRETARY

.....
SUSIE SEE LIAN HONG
HONORARY TREASURER

11 April 2008

LUPUS ASSOCIATION (SINGAPORE)

INDEPENDENT AUDITORS' REPORT

To Members of LUPUS ASSOCIATION (SINGAPORE)

We have audited the accompanying financial statements of the Fund, which comprise the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The Fund's management is responsible for the preparation and fair presentation of these financial statements in accordance with the Rules of Operation of the Health Endowment Fund ("the Rules") issued by the Ministry of Health in 1 January 2005 and Singapore Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and 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.

In our opinion, the financial statements are properly drawn up in accordance with the constitution of the Fund and Singapore Financial Reporting Standards, and so as to present fairly the state of affairs of the Fund as at 31 December 2007 and the results, changes in equity and cash flows of the Fund for the year ended on that date.

We also certify for the year ended 31 December 2007:

- (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 the appeals.

NG, VUN & COMPANY
Certified Public Accountants

Singapore

11 April 2008

LUPUS ASSOCIATION (SINGAPORE)**INCOME AND EXPENDITURE STATEMENT – GENERAL FUND***For the financial year ended 31 December 2007*

	<u>Note</u>	<u>2007</u>		<u>2006</u>	
		S\$	S\$	S\$	S\$
BANK INTEREST		90		87	
EDUCATIONAL TALKS		1,860		-	
HANDICRAFT SALES		1,510		2,304	
OTHER INCOME	3	4,062		4,012	
SALE OF CALENDAR		750		16,240	
SALES OF BOOKS & VCD		36		401	
SOCIAL FUNCTION		-		1,235	
SUBSCRIPTIONS		2,271	10,579	1,805	26,084
		<hr/>		<hr/>	
Less:					
EXPENSES					
Accounting fee		1,600		1,200	
Administration services rendered		-		322	
Audit fee		1,300		1,200	
Bank charges		90		30	
Depreciation on fixed assets		1,684		1,983	
Fund raising costs		60		-	
General expenses		705		518	
Handicraft making materials		4		52	
Maintenance of office equipment		173		556	
Postage		1,154		776	
Printing and stationery		1,262		1,506	
Publicity		-		2,046	
Refreshment		189		127	
Telecommunication charges		1,662		1,598	
Training		180		-	
Transport charges		1,009	(11,072)	902	(12,816)
		<hr/>		<hr/>	
(DEFICIT)/SURPLUS FOR THE YEAR			(493)		13,268
ACCUMULATED FUND BROUGHT FORWARD			44,104		30,836
ACCUMULATED FUND CARRIED FORWARD			<u>43,611</u>		<u>44,104</u>

The accompanying notes form an integral part of these financial statements

LUPUS ASSOCIATION (SINGAPORE)

INCOME AND EXPENDITURE STATEMENT – HEALTH ENDOWMENT FUND

For the financial year ended 31 December 2007

	<u>Note</u>	<u>2007</u>		<u>2006</u>	
		S\$	S\$	S\$	S\$
DONATIONS	4		41,730		38,548
Less:					
EXPENSES					
Bank charges		268		320	
Condolences		268		150	
CPF/SDL		1,309		1,160	
Conference expenses		5,043		-	
Members' welfare		29,190		24,833	
Patient educational materials		2,093		4,893	
Patient educational talks		9,087		6,932	
Salaries		8,876	(56,134)	8,198	(46,486)
DEFICIT FOR THE YEAR			<u>(14,404)</u>		<u>(7,938)</u>
ACCUMULATED FUND BROUGHT FORWARD			74,196		82,134
ACCUMULATED FUND CARRIED FORWARD			<u>59,792</u>		<u>74,196</u>

The accompanying notes form an integral part of these financial statements

LUPUS ASSOCIATION (SINGAPORE)

BALANCE SHEET

As at 31 December 2007

	<u>Note</u>	<u>2007</u> S\$	<u>2006</u> S\$
ASSETS			
PLANT & EQUIPMENT	5	<u>4,043</u>	<u>5,727</u>
CURRENT ASSETS			
<u>General Fund</u>			
Bank balance	6	10,244	15,397
Fixed deposit	6	15,660	15,570
Other receivables	7	238	242
Cash in hand		552	572
<u>Health Endowment Fund</u>			
Inventory		150	-
Bank balance		<u>74,778</u>	<u>82,597</u>
TOTAL CURRENT ASSETS		<u>101,622</u>	<u>114,378</u>
TOTAL ASSETS		<u>105,665</u>	<u>120,105</u>
FUND AND LIABILITIES			
FUND			
General fund		43,611	44,104
Health endowment fund		<u>59,792</u>	<u>74,196</u>
TOTAL FUND		<u>103,403</u>	<u>118,300</u>
CURRENT LIABILITY			
Accrued expenses		2,232	1,754
Subscription received in advance		<u>30</u>	<u>51</u>
		<u>2,262</u>	<u>1,805</u>
TOTAL FUND AND LIABILITY		<u>105,665</u>	<u>120,105</u>

The accompanying notes form an integral part of these financial statements

LUPUS ASSOCIATION (SINGAPORE)

CASH FLOW STATEMENT

For the financial year ended 31 December 2007

	<u>Note</u>	<u>2006</u> S\$	<u>2005</u> S\$
CASH FLOW FROM OPERATING ACTIVITIES			
(Deficit)/Surplus		(14,897)	5,330
ADJUSTMENT FOR:			
Depreciation	5	1,684	1,983
Interest received from fixed deposit		(90)	(87)
Cash Flow Before Working Capital Changes		<u>(13,303)</u>	<u>7,226</u>
Increase in inventories		(150)	-
Increase in other receivables		4	27
Increase in accrued expenses		478	114
(Decrease)/Increase in subscription received in advance		(21)	51
Cash (Utilised)/Generated in Operations		<u>(12,992)</u>	<u>7,468</u>
Net Cash From Operating Activities		<u>(12,992)</u>	<u>7,468</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Purchases of fixed assets		-	(1,127)
Interest received		90	87
Net Cash From Investing Activities		<u>90</u>	<u>(1,040)</u>
Net (Decrease)/Increase In Cash And Cash Equivalents		(12,902)	6,428
Cash And Cash Equivalents At Beginning Of Year		114,136	107,708
Cash And Cash Equivalents At End Of Year	6	<u>101,234</u>	<u>114,136</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 2007

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 financial statements have been prepared on a historical cost convention.

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

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 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.

2.4 Cash and Cash Equivalents

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

3. OTHER INCOME

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

LUPUS ASSOCIATION (SINGAPORE)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2007

4. DONATIONS

Included are tax-exempt donations of S\$41,730/-.

5. PLANT AND EQUIPMENT

	<u>Furniture & fittings</u> S\$	<u>Office Equipment</u> S\$	<u>Computer</u> S\$	<u>Total</u> S\$
<u>Cost</u>				
At 1 January 2006	2,201	11,232	-	13,433
Additions	-	377	750	1,127
At 31 December 2006 and 1 January 2007	2,201	11,609	750	14,560
At 31 December 2007	2,201	11,609	750	14,560
<u>Accumulated Depreciation</u>				
At 1 January 2006	147	6,703	-	6,850
Charge for the year	440	1,430	113	1,983
At 31 December 2006 and 1 January 2007	587	8,133	113	8,833
Charge for the year	440	1,094	150	1,684
At 31 December 2007	1,027	9,227	263	10,517
<u>Net carrying amount:</u>				
At 31 December 2006	1,614	3,476	637	5,727
At 31 December 2007	1,174	2,382	487	4,043

6. 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>2007</u> S\$	<u>2006</u> S\$
Fixed deposits	15,660	15,570
Cash at bank	85,022	97,994
Cash in hand	552	572
	<u>101,234</u>	<u>114,136</u>

LUPUS ASSOCIATION (SINGAPORE)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2007

7. OTHER RECEIVABLES

	<u>2007</u> S\$	<u>2006</u> S\$
Prepayment	199	203
Interest receivables	39	39
	<u>238</u>	<u>242</u>

8. INVENTORY

This comprises donations-in-kind donated by patients, members and the public.

9. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution of the management committee on 11 April 2008.