

**LUPUS ASSOCIATION (SINGAPORE)**

[Unique Entity No. S91SS0026L]

[Registered under the Registrar of Societies]

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2014**

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**Fiducia LLP**

(UEN. T10LL0955L)

Public Accountants and

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**STATEMENT BY THE MANAGEMENT COMMITTEE**

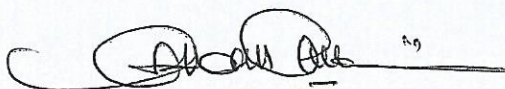
In the opinion of the Management Committee, the financial statements as set out on pages 5 to 20 are drawn up so as to give a true and fair view of the state of affairs of the Society as at 31 December 2014 and its results of financial activities, the changes in funds and cash flows of the Society for the year then ended.

At the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.


The Management Committee, comprising the following, authorized the issue of these financial statements.

President	Irene Lim Suan Kim
Vice President	Leong Keng Hong
Honorary Secretary	Serene Mai Xiuping
Honorary Treasurer	Agnes Xue Lishan
Honorary Assistant Treasurer	Au Seng Chuen
Welfare Officer	Nancy Chin Choy Hoong
Committee Member	Aisha Lateef
Committee Member	Andrea Low Hsiu Ling
Committee Member	Bernard Thong Yu Hor
Committee Member	Chan Suan Liang

For and on behalf of the Management Committee,



Irene Lim Suan Kim  
President

  
Au Seng Chuen  
Assistant Honorary Treasurer

Singapore, 20 APR 2015



## **Fiducia LLP**

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Independent auditors' report to the members of:

**LUPUS ASSOCIATION (SINGAPORE)**  
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### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Lupus Association (Singapore)** (the "Society") set out on pages 5 to 20, which comprise the statement of financial position as at 31 December 2014, the statement of financial activities, the statement of changes in funds and the statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37) and Singapore Financial Reporting Standards, and for 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 statement of financial activities and statement of financial position and to maintain accountability of assets.

#### *Auditors' 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 as to whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain 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 controls relevant to the entity's preparation of the financial statements that give a true and fair view 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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.



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(CONT'D)

Independent auditors' report to the members of:

### **LUPUS ASSOCIATION (SINGAPORE)**

[Unique Entity No. S91SS0026L]  
[Registered under the Registrar of Societies]

#### *Opinion*

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Societies Act (Chapter 311), Charities Act (Chapter 37) and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Society as at 31 December 2014, and the results, changes in funds and cash flows of the Society for the financial year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the regulations enacted under the Societies Act (Chapter 311) to be kept by the Society have been properly kept in accordance with those regulations.

During the course of our audit, nothing has come to our attention that the 30% cap mentioned in Regulation 15(1) of the Charities Act, Cap. 37 (Institutions of a Public Character) Regulations 2007 and as amended by Charities (Institutions of a Public Character) (Amendments) Regulations 2008 has been exceeded.

During the course of our audit, nothing has come to our attention that donation moneys are used for disbursements other than those in accordance with the objectives of the Society.



**Fiducia LLP**

Public Accountants and  
Chartered Accountants  
Singapore, 20 APR 2015

Partner-in-charge: Ong Lien Wan  
PAB. No.: 01360



**Lupus Association (Singapore)**  
**[Unique Entity No. S91SS0026L]**

*Audited Financial Statements*  
*Year Ended 31 December 2014*

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

	2014			2013		
	General Fund	Health Endowment Fund	Total Funds	General Fund	Health Endowment Fund	Total Funds
	S\$	S\$	S\$	S\$	S\$	S\$
<b>INCOME</b>						
<b>Income from generating funds</b>						
<b>Voluntary income</b>						
Donations – Tax exempt	0	81,708	81,708	0	22,850	22,850
Donations – Non-tax exempt	0	2,999	2,999	12,004	0	12,004
<b>Walk for lupus</b>						
Donations – Tax exempt	0	39,275	39,275	0	0	0
Donations – Non-tax exempt	0	14,688	14,688	0	0	0
	0	138,670	138,670	12,004	22,850	34,854
<b>Income from charitable activities</b>						
Membership fees	1,439	0	1,439	1,070	0	1,070
Sales of tickets	0	0	0	8,235	0	8,235
Sales of items	6,168	0	6,168	350	0	350
Program fees	40	0	40	615	0	615
	7,647	0	7,647	10,270	0	10,270
<b>Other income</b>						
Fixed deposit interest	24	0	24	23	0	23
Other income	2,702	0	2,702	4,186	0	4,186
	2,726	0	2,726	4,209	0	4,209
<b>TOTAL INCOME</b>	10,373	138,670	149,043	26,483	22,850	49,333
<b>EXPENDITURES</b>						
<b>Cost of generating funds</b>						
Goodie bags sponsorship	0	1,100	1,100	0	0	0
Publicity	0	2,338	2,338	0	0	0
Refreshment	0	1,990	1,990	0	0	0
Rental	0	1,220	1,220	0	0	0
Transport claims	0	200	200	0	0	0
Audit fees	0	1,284	1,284	0	0	0
Casual labour	0	50	50	0	0	0
	0	8,182	8,182	0	0	0
<b>Cost of charitable expenses</b>						
Courier and postage	1,191	0	1,191	1,157	0	1,157
Depreciation	1,418	0	1,418	1,286	0	1,286
Gifts & condolences to members	909	0	909	820	0	820
Special expensive treatment	0	22,389	22,389	0	0	0
Members educational materials	0	0	0	0	3,156	3,156
Members educational talks	0	1,484	1,484	0	5,865	5,865
Members' medical subsidy	0	0	0	0	2,727	2,727
Office supplies	130	0	130	0	0	0
Printing and stationery	3,724	0	3,724	2,175	0	2,175
Refreshment	376	0	376	71	0	71
Telephone and internet	1,658	0	1,658	734	0	734
Transport claims	561	0	561	33	0	33
	9,967	23,873	33,840	6,276	11,748	18,024
<b>Staffing costs</b>						
Casual labour	150	0	150	100	0	100
CPF and SDL contributions	928	0	928	0	813	813
Salaries and bonuses	13,601	0	13,601	0	15,079	15,079
	14,679	0	14,679	100	15,892	15,992



**Lupus Association (Singapore)**  
**[Unique Entity No. S91SS0026L]**

*Audited Financial Statements*  
*Year Ended 31 December 2014*

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**  
**(CONT'D)**

	2014			2013		
	General fund	Health Endowment fund	Total funds	General fund	Health Endowment fund	Total funds
	S\$	S\$	S\$	S\$	S\$	S\$
<b>Governance and administrative cost</b>						
Accounting fees	5,400	0	5,400	4,500	0	4,500
Audit fees – current year	1,600	0	1,600	1,500	0	1,500
Audit fees – prior year	105	0	105	0	0	0
Bank charges	313	0	313	40	0	40
	<u>7,418</u>	<u>0</u>	<u>7,418</u>	<u>6,040</u>	<u>0</u>	<u>6,040</u>
<b>TOTAL EXPENDITURES</b>	<u>32,064</u>	<u>32,055</u>	<u>64,119</u>	<u>12,416</u>	<u>27,640</u>	<u>40,056</u>
<b>NET SURPLUS / (DEFICIT)</b>	(21,691)	106,615	84,924	14,067	(4,790)	9,277
<b>FUNDS BROUGHT FORWARD</b>	<u>54,215</u>	<u>156,675</u>	<u>210,890</u>	<u>40,148</u>	<u>161,465</u>	<u>201,613</u>
<b>FUNDS CARRIED FORWARD</b>	<u>32,524</u>	<u>263,290</u>	<u>295,814</u>	<u>54,215</u>	<u>156,675</u>	<u>210,890</u>

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



**Lupus Association (Singapore)**  
**[Unique Entity No. S91SS0026L]**

*Audited Financial Statements*  
*Year Ended 31 December 2014*

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014**

	Note	2014 S\$	2013 S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	299,430	207,930
Other receivables	5	24	3,060
		<u>299,454</u>	<u>210,990</u>
<b>Non-current assets</b>			
Property, plant and equipment	6	<u>2,362</u>	<u>2,043</u>
<b>Total assets</b>		<u>301,816</u>	<u>213,033</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables	7	<u>6,002</u>	<u>2,143</u>
<b>Total liabilities</b>		<u>6,002</u>	<u>2,143</u>
<b>NET ASSETS</b>		<u>295,814</u>	<u>210,890</u>
<b>UNRESTRICTED INCOME FUNDS</b>			
Unrestricted fund - General fund		32,524	54,215
Health endowment fund - General		155,112	48,497
Health endowment fund - Members' medical subsidy		108,178	108,178
		<u>295,814</u>	<u>210,890</u>

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



**Lupus Association (Singapore)**  
**[Unique Entity No. S91SS0026L]**

*Audited Financial Statements*  
*Year Ended 31 December 2014*

**STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

	General Fund	Health Endowment Fund - General	Health Endowment Fund - Members' medical subsidy	Total
	S\$	S\$	S\$	S\$
<b>2014</b>				
<b>Balance at beginning of financial year</b>	54,215	48,497	108,178	210,890
Net surplus / (deficit) for the year	(21,691)	106,615	0	84,924
<b>Balance at end of financial year</b>	<u>32,524</u>	<u>155,112</u>	<u>108,178</u>	<u>295,814</u>
<b>2013</b>				
<b>Balance at beginning of financial year</b>	40,148	53,287	108,178	201,613
Net surplus / (deficit) for the year	14,067	(4,790)	0	9,277
<b>Balance at end of financial year</b>	<u>54,215</u>	<u>48,497</u>	<u>108,178</u>	<u>210,890</u>

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



**STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

	Note	2014 S\$	2013 S\$
<b>Cash flows from operating activities</b>			
Net surplus		84,924	9,277
Adjustments for:			
- Depreciation	6	1,418	1,286
- Fixed deposit interest		(24)	(23)
Operating cash flow before working capital changes		86,318	10,540
Changes in working capital			
- Other receivables		3,036	(3,009)
- Other payables		3,859	(362)
<b>Net cash provided by operating activities</b>		93,213	7,169
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment	6	(1,737)	0
Interest received		24	16
<b>Net cash (used in) / provided by investing activities</b>		(1,713)	16
<b>Net increase in cash and cash equivalents</b>		91,500	7,185
Cash and cash equivalents at beginning of financial year		207,930	200,745
<b>Cash and cash equivalents at end of financial year</b>	4	299,430	207,930
<b>Cash and cash equivalents comprise:</b>			
Cash at bank		283,467	191,977
Fixed deposit		15,963	15,953
	4	299,430	207,930

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



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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

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

**1. General information**

Lupus Association (Singapore) ("the Society") is registered and domiciled in Singapore. The address of its registered office is c/o Department of Rheumatology and Immunology, Tan Tock Seng Hospital, 11 Jalan Tan Tock Seng, Singapore 308433.

The objective of the Society is to promote and support medical research on Lupus illnesses and to develop community awareness of Lupus and related illnesses.

The Society has been accorded the Institutions of a Public Character ("IPC") status for the period from 06 May 2014 to 05 May 2015.

These financial statements are presented in Singapore Dollar, which is the Society's functional currency.

**2. Significant accounting policies**

**2.1 Basis of preparation**

The financial statements have been prepared in accordance with Singapore Financial Reporting Standard ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Society's accounting policies. It also requires the use of certain critical accounting estimates and assumptions.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

**Interpretations and amendments to published standards effective in 2014**

On 1 January 2014, the Company adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adaptation of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Company and had no material effect on the amounts reported for the current or prior financial years.



Descriptions	Annual periods commencing on
Amendments to FRS 19 (R) Employee Benefits – Defined Benefit Plans : Employee Contributions	
<b>Annual improvements 2012</b>	
- FRS 102 Share-Based Payment	
- FRS 103 Business Combinations	
- FRS 108 Operating Segments	
- FRS 16 Property, Plant and Equipment	
- FRS 38 Intangible Assets	
- FRS 24 Related Party Disclosures	1 July 2014
<b>Annual improvements 2013</b>	
- FRS 103 Business Combinations	
- FRS 113 Fair Value Measurement	
- FRS 40 Investment Property	



## **2. Significant accounting policies**

### **2.1 Basis of preparation (Cont'd)**

#### **Interpretations and amendments to published standards effective in 2014 (Cont'd)**

<b>Descriptions</b>	<b>Annual periods commencing on</b>
FRS 114 Regulatory Deferral Accounts Amendments to FRS 27: Equity Method in Separate Financial Statements Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation Amendments to FRS 16 and FRS 41: Agricultural - Bearer Plants Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
FRS 115 Revenue from Contracts with Customers	1 January 2017
FRS 109 Financial Instruments	1 January 2018

### **2.2 Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the services rendered in the ordinary course of the Society's activities. Revenue is recognized as follows:

#### **2.2.1 Donations**

Donations are taken up and accrued as and when they are committed. Uncommitted donations, income from charity events and all income except as listed below, are recognized on receipt basis. Donations-in-kind are recognized when the fair value of the assets received can be reasonably ascertained.

#### **2.2.2 Interest income**

Interest income on bank current accounts and fixed deposits placed with banks are recognized on a time-proportion basis using the effective interest method.

#### **2.2.3 Other income**

Other income is recognized upon receipt.



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## **2. Significant accounting policies (cont'd)**

### **2.3 Property, plant and equipment**

#### **2.3.1 Measurement**

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment includes its purchase price and any costs that are 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.

#### **2.3.2 Depreciation**

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	<u>Useful lives</u>
Computers	5 years
Furniture and fittings	5 years
Office equipment	5 years

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision of the residual values and useful lives are included in the statement of financial activities for the financial year in which the changes arise.

#### **2.3.3 Subsequent expenditure**

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expenses in the statement of financial activities during the financial year in which it is incurred.

#### **2.3.4 Disposal**

On disposal of an item of property, plant and equipment, the difference between the net disposals proceeds and its carrying amount is taken to the statement of financial activities.

### **2.4 Impairment of non-financial assets**

Property, plant and equipment are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of the assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in the statement of financial activities.



**2. Significant accounting policies (cont'd)**

**2.4 Impairment of non-financial assets (cont'd)**

An impairment loss for an asset is reversed if there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the statement of financial activities.

**2.5 Fair value estimation of financial assets and liabilities**

The carrying amounts of current financial assets and liabilities, carried at amortized cost, approximate their fair values due to their short-term nature.

**2.6 Financial assets**

**2.6.1 Classification**

The Society classifies its financial assets as receivables. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every statement of financial position date.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the statement of financial position date, which are classified as non-current assets. Loans and receivables are classified within "Other receivables" and "Cash and cash equivalents" on the statement of financial position.

**2.6.2 Recognition and derecognition**

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Society has transferred substantially all risks and rewards of ownership.

**2.6.3 Measurement**

Financial assets are initially recognised at fair value plus transaction costs. Receivables are subsequently carried at amortised cost using effective interest method.

**2.6.4 Impairment**

The Society assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

An allowance for impairment of receivables is recognised when there is objective evidence that the Society 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 is considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance for impairment is recognised in the statement of financial activities within "Administrative expenses".



**2.7 Other payables**

Other payables are initially recognized at fair value, and subsequently carried at amortized cost, using the effective interest method.

**2.8 Provisions for other liabilities and charges**

Provisions for other liabilities and charges are recognised when the Society has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

**2.9 Employee compensation**

*Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Society pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The Society has no further payment obligations once the contributions have been paid. The Society's contribution to defined contribution plans are recognised as employee compensation expense when they are due.

*Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date.

**2.10 Cash and cash equivalents**

Cash and cash equivalents include cash on hand and deposits with financial institutions.

**3. Critical accounting estimates, assumptions and judgments**

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

***Critical judgements in applying the entity's accounting policies***

The key assumptions concerning the future and other key sources of estimation uncertainty at the date of statement of financial position 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.

*Estimated useful lives of property, plant and equipment*

The Society reviews annually the estimated useful lives of property, plant and equipment based on factors such as business plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

*Impairment of property, plant and equipment*

Property, plant and equipment are reviewed for impairment whenever there is any indication that the assets are impaired. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the impairment loss. The key assumptions for the value in use calculation are those regarding the growth rates, and expected change to selling price and direct costs during the year and a suitable discount rate.



**3. Critical accounting estimates, assumptions and judgments (cont'd)**

*Allowance for impairment of receivables*

The Society reviews the adequacy of allowance for impairment of receivables at each closing by reference to the ageing analysis of receivables, and evaluates the risks of collection according to the credit standing and collection history of individual customer. If there are indications that the financial position of a customer has deteriorated resulting in an adverse assessment of his risk profile, an appropriate amount of allowance will be provided.

**4. Cash and cash equivalents**

	2014 S\$	2013 S\$
Cash at bank	283,467	191,977
Fixed deposits	15,963	15,953
	<u>299,430</u>	<u>207,930</u>

Fixed deposits had maturity of 1 month (2013: 6 months) from the reporting date and have effective interest rates of 0.15% (2013: 0.20%).

At the date of statement of financial position, the carrying amounts of cash and cash equivalents approximated their fair values.

**5. Other receivables**

	2014 S\$	2013 S\$
Other receivables:		
- Prepayments	0	4
- Interest receivables	24	10
Accrued donations	0	3,046
	<u>24</u>	<u>3,060</u>

At the date of statement of financial position, the carrying amounts of other receivables, deposits and prepayment approximated their fair value.



**6. Property, plant and equipment**

	Balance at beginning of the year S\$	Additions S\$	(Disposals) S\$	Balance at end of the year S\$
<b>2014</b>				
<b>At cost</b>				
Computer	3,993	1,737	0	5,730
Furniture and fittings	2,201	0	0	2,201
Office equipment	6,805	0	0	6,805
	<u>12,999</u>	<u>1,737</u>	<u>0</u>	<u>14,736</u>
	Balance at beginning of the year S\$	Depreciation charge S\$	(Written back/off) S\$	Balance at end of the year S\$
<b>Accumulated depreciation</b>				
Computer	2,660	996	0	3,656
Furniture and fittings	2,201	0	0	2,201
Office equipment	6,095	422	0	6,517
	<u>10,956</u>	<u>1,418</u>	<u>0</u>	<u>12,374</u>
	Balance at beginning of the year S\$			Balance at end of the year S\$
<b>Net book value</b>				
Computer	1,333			2,074
Furniture and fittings	0			0
Office equipment	710			288
	<u>2,043</u>			<u>2,362</u>



**6. Property, plant and equipment (Cont'd)**

<b>2013</b>	Balance at beginning of the year S\$	Additions S\$	(Disposals) S\$	Balance at end of the year S\$
<b>At cost</b>				
Computer	3,993	0	0	3,993
Furniture and fittings	2,201	0	0	2,201
Office equipment	6,805	0	0	6,805
	<u>12,999</u>	<u>0</u>	<u>0</u>	<u>12,999</u>
	Balance at beginning of the year S\$	Depreciation charge S\$	(Written back/off) S\$	Balance at end of the year S\$
<b>Accumulated depreciation</b>				
Computer	2,012	648	0	2,660
Furniture and fittings	2,201	0	0	2,201
Office equipment	5,457	638	0	6,095
	<u>9,670</u>	<u>1,286</u>	<u>0</u>	<u>10,956</u>
	Balance at beginning of the year S\$			Balance at end of the year S\$
<b>Net book value</b>				
Computer	1,981			1,333
Furniture and fittings	0			0
Office equipment	1,348			710
	<u>3,329</u>			<u>2,043</u>

**7. Other payables**

	2014 S\$	2013 S\$
Subscription received in advance	0	30
Accrued expenses	6,002	2,113
	<u>6,002</u>	<u>2,143</u>

At the date of statement of financial position, the carrying amounts of other payables and accruals approximated their fair values.



**8. Unrestricted funds**

The General Fund represents accumulated surplus and is for the purpose of meeting operating expenses incurred by the Society.

**9. Income tax**

The Society is a charity registered under the Charities Act since 31 July 1992. Consequently, the income of the Society is exempted from tax under the provisions of Section 13 of the Income Tax Act Cap. 134.

**10. Remuneration of key employees/executives/volunteers**

The key management personnel is the President of the Society.

During the current and previous year, none of the members of the Management Committee was paid any remuneration.

**11. Management of conflict of interest**

If the management committee of the Society is directly or indirectly interested in any contract, proposed contract, or other matter and is present at a meeting of the Society or any sub-committee thereof, at which the contract or other matter is the subject of consideration, the management committee shall, at the meeting and as soon as practicable after it commences, disclose the fact, and shall not thereafter be present during the consideration or discussion of, and shall not vote on, any question with respect to that contract or other matter.

**12. Financial risk management**

The Society's activities expose it to minimal financial risks and overall risk management is determined and carried out by the Management Committee on an informal basis.

The Society has limited exposure to the following risk through its charitable activities:

Interest rate risk

Changes in interest rates do not have a material impact on the Society as it does not have any interest-bearing liabilities.

The responsibility for managing the above risks is vested in the Management Committee.

Credit risk

The society has minimal exposure to credit risk due to the nature of its activities.

Liquidity risk

The Society manages its liquidity risk by monitoring and maintaining a level of cash and bank balances deemed adequate by the Management Committee to fund the Society's activities. It places its cash with creditworthy institutions.

**Fair values**

The carrying amounts of the financial assets and liabilities recorded in the financial statements of the Society approximate their fair values due to their short-term nature.



### 13. Reserve position and policy

The Society's reserve position for financial year ended 31 December 2014 is as follows:

		2014	2013	Increase/ (decrease)
		S\$	S\$	%
A	Unrestricted Funds			
	Accumulated general funds	32,424	54,215	(81)
B	Restricted or Designated Funds			
	Designated Funds	0	0	0
	Restricted Funds	0	0	0
C	Endowment Funds	263,390	156,675	82
D	Total Funds	295,814	210,890	40
E	Total Annual Operating Expenditure	64,119	40,056	60
F	Ratio of Funds to Annual Operating Expenditure (D/E)	4.61	5.26	(12.3)

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a foundation to spend as grants.
- D. Total Funds include unrestricted, restricted / designated and endowment funds.
- E. Total Annual Operating Expenditure includes expenses related to Cost of Charitable Activities and Governance and Other Administrative Costs.

The Society's Reserve Policy is as follows:

The Society's reserve policy requires it to build an operating reserve of three years to ensure that services can continue to function during lean years. Fund raising income usually reduces during the periods when the economy is not doing well but it is also during these periods that beneficiaries need help the most.

The Society will not keep a reserve fund that is more than three years of its operating budget. The Society's overall approach to management of reserve remains unchanged from 2008.

### 14. Authorization of financial statements

These financial statements were authorized for issue in accordance with a resolution of the Management Committee on

20 APR 2015