

**THE HAEMOPHILIA SOCIETY
OF SINGAPORE**

(Charity Registration No.: 00374)

Report of the Management Committee and
Audited Financial Statements

30 June 2011

JM Partners

THE HAEMOPHILIA SOCIETY OF SINGAPORE
ANNUAL FINANCIAL STATEMENTS – 30 JUNE 2011

MANAGEMENT COMMITTEE

Dr. Gan Kim Loon (President)
Dr. Tan Hooi Hwa (Vice President)
Wee Ai Choo (Hon. Secretary)
Ng Teck Hiang (Hon. Treasurer)

AUDITORS

JM Partners

PRINCIPAL BANKERS

DBS Bank Ltd

INDEX

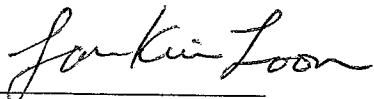
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THE HAEMOPHILIA SOCIETY OF SINGAPORE


STATEMENT BY THE MANAGEMENT COMMITTEE

We, hereby state that, in the opinion of the Management Committee of The Haemophilia Society of Singapore ("the Society"), the financial statements set out on pages 3 to 13 are properly drawn up in accordance with the Singapore Financial Reporting Standards and so as to give a true and fair view of the state of affairs as at 30 June 2011 and the results, changes in funds and reserves and cash flows of the Society for the financial year ended on that date. 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.

On behalf of the Management Committee,



Dr. Gan Kim Loon
President



Wee Ai Choo
Hon. Secretary



Ng Teck Hiang
Hon. Treasurer

Singapore

Dated: 15 SEP 2011

THE HAEMOPHILIA SOCIETY OF SINGAPORE

REPORT OF THE AUDITORS TO THE MANAGEMENT COMMITTEE

We have audited the financial statements of The Haemophilia Society of Singapore ("the Society") for the financial year ended 30 June 2011 set out on pages 3 to 13. These financial statements comprise the balance sheet as at 30 June 2011, statement of financial activities, and statement of cash flows for the financial period then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Charities Act, Cap 37, Recommended Accounting Practice 6 and Singapore Financial Reporting Standards. This responsibility includes devising and maintaining a system of internal controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair income and expenditure account and balance sheet and to maintain accountability of assets; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Management is also responsible for ensuring that the 30% cap mentioned in Regulation 15(1) of the Charities Act, Cap 37 (Institutions of a Public Character) (Amendment) Regulations 2008 has not been exceeded.

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.

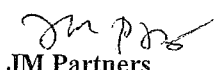
An audit includes performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Society's preparation and fair presentation of the financial statement 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 Society's internal control. 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.

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the Charities Act, Cap 37, Recommended Accounting Practice 6, and Singapore Financial Reporting Standards and so as to give a true and fair view of the state of affairs of the Society as at 30 June 2011 and of the results and cash flows of the Society for the financial year ended on that date.

During the course of our audit, nothing has come to our attention that the 30/70 fund-raising rule in Regulation 15(1) of the Charities Act, Cap 37 (Institutions of a Public Character) (Amendment) Regulations 2008 has been exceeded by the Society.



JM Partners

Public Accountants and
Certified Public Accountants
Singapore

Dated: 15 SEP 2011

THE HAEMOPHILIA SOCIETY OF SINGAPORE
BALANCE SHEET AS AT 30 JUNE 2011

	Note	2011 \$	2010 \$
Current assets			
Bank balances	3	409,578	123,265
Fixed deposits	3	787,444	1,129,385
Other receivables		488	-
		1,197,510	1,252,650
Current liabilities			
Accrued expenses		1,500	1,500
Subscriptions received in advance		2,250	2,570
		3,750	4,070
Net current assets		1,193,760	1,248,580
Total assets less current liabilities		1,193,760	1,248,580
Non-current liabilities			
Subscription received in advance		-	(950)
Net assets		1,193,760	1,247,630
Funds			
Unrestricted			
-Haemophilia welfare fund	4	57,465	33,365
-Dulcie Wilson scholarship fund	5	20,000	-
-Accumulated fund		1,116,295	1,214,265
		1,193,760	1,247,630

The annexed notes form an integral part of the financial statements

THE HAEMOPHILIA SOCIETY OF SINGAPORE
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2011

	Notes	Unrestricted Funds 2011 \$	Unrestricted Funds 2010 \$
<u>Income</u>			
Income from generated funds			
- Voluntary income		71,480	36,110
- Investment income		9,200	9,199
Total income		80,680	45,309
<u>Expenditure</u>			
Cost of generating funds			
- Cost of generating voluntary funds			
Entertainment and refreshment		1,197	1,184
General expenses		2,942	1,462
IT related costs		787	989
Postage and stationery		2,384	1,642
Token of appreciation		410	250
		7,720	5,527
- Cost of charitable activities			
Medical fee subsidies to members		780	300
Subsidy of treatment – NUH Endowment Fund		50,000	90,000
Subsidy of treatment – SGH Haemophilia Fund		49,341	80,000
Subsidy of treatment – KKH Endowment Fund		19,936	-
Welfare – outing for members		(24)	525
Welfare – merit award		1,500	1,300
		121,533	172,125
- Governance costs			
Accountancy fees		2,750	2,500
Auditors' remuneration		1,500	1,500
		4,250	4,000
- Other resources expenses			
Bank charges		147	167
Total resources expended		133,650	181,819
Deficit for the year		(52,970)	(136,510)

The annexed notes form an integral part of the financial statements.

THE HAEMOPHILIA SOCIETY OF SINGAPORE
INCOME AND EXPENDITURE STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	Notes	2011 \$	2010 \$
Income			
Donations received	5	67,100	32,250
Membership subscriptions		3,810	3,860
Other collections/receipts		570	-
		71,480	36,110
Add: other income			
Interest income		9,200	9,199
Total Income		<u>80,680</u>	<u>45,309</u>
Less: operating expenditure			
Other operation expenditure			
Accountancy fees		2,750	2,500
Auditors' remuneration		1,500	1,500
Bank charges		147	167
Entertainment and refreshment		1,197	1,184
General expenses		2,942	1,462
IT related costs		787	989
Medical fee subsidies to members		780	300
Postage and stationery		2,384	1,642
Subsidy of treatment – NUH Endowment Fund		50,000	90,000
Subsidy of treatment – SGH Haemophilia Fund		49,341	80,000
Subsidy of treatment – KKH Endowment Fund		19,936	-
Token of appreciation		410	250
Welfare – outing for members		(24)	525
Welfare – merit award		1,500	1,300
		(133,650)	(181,819)
Deficit for the year		<u>(52,970)</u>	<u>(136,510)</u>

The annexed notes form an integral part of the financial statements.

THE HAEMOPHILIA SOCIETY OF SINGAPORE
INCOME AND EXPENDITURE STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	Total	Haemophilia	Dulcie Wilson	Accumulated
	\$	Welfare Fund	Scholarship	Fund
	\$	\$	Fund	\$
Opening balance at 1 July 2010	1,247,630	33,365	-	1,214,265
Net deficit for the year	(53,870)	(900)	-	(52,970)
Transfers	-	25,000	20,000	(45,000)
Closing balance at 30 June 2011	<u>1,193,760</u>	<u>57,465</u>	<u>20,000</u>	<u>1,116,295</u>
Opening balance at 1 July 2009	1,388,140	37,365	-	1,350,775
Net deficit for the year	(140,510)	(4,000)	-	(136,510)
Closing balance at 30 June 2010	<u>1,247,630</u>	<u>33,365</u>	<u>-</u>	<u>1,214,265</u>

The annexed notes form an integral part of the financial statements.

THE HAEMOPHILIA SOCIETY OF SINGAPORE
CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	Notes	2011 \$	2010 \$
Cash flows from operating activities:			
Deficit for the year transferred to accumulated fund		(52,970)	(136,510)
Adjustments for:			
Interest income		(9,200)	(9,199)
Operating deficit before working capital changes		<u>(62,170)</u>	<u>(145,709)</u>
(Increase) / Decrease in other receivables		(488)	1,476
Decrease in other payables		(1,270)	(320)
Net cash used in charitable activities		<u>(63,928)</u>	<u>(144,553)</u>
Cash flow from investing activities			
Interest received		9,200	9,199
Net cash generated from investing activities		<u>9,200</u>	<u>9,199</u>
Financing Activities			
Used for welfare fund		(900)	-
Net cash used in investing activities		<u>(900)</u>	<u>-</u>
Net decrease in cash and cash equivalents		(55,628)	(135,354)
Cash and cash equivalents at beginning of year		<u>1,252,650</u>	<u>1,392,004</u>
Cash and cash equivalents at end of year	3	<u><u>1,197,022</u></u>	<u><u>1,256,650</u></u>

The annexed notes form an integral part of the financial statements.

THE HAEMOPHILIA SOCIETY OF SINGAPORE

NOTES TO FINANCIAL STATEMENTS – 30 JUNE 2011

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

1. GENERAL INFORMATION

The Haemophilia Society of Singapore (“the Society”), which is domiciled and registered in Singapore with the Registrar of Societies. Its registered office is located at 704 Bedok Reservoir Road #01-3622 Singapore 470704. It is also registered as a Charity under the Charities Act, 1994 (Charity Registration No. 00374).

The objects of the Society are to look after the welfare of people with haemophilia and their families through giving help and support.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting

The financial statements are prepared in accordance with the Singapore Financial Reporting Standards (“FRS”), Recommended Accounting Practice (“RAP”) 6, and operating rules and practices of the Ministry of Health’s Health Endowment Fund Scheme.

The financial statements are prepared under the historical cost convention. The accounting policies have been consistently applied by the society and are consistent with those used in the previous financial year. The financial statements are presented in Singapore Dollars, which the Society’s functional and presentation currency.

2.2 Incoming resources from generating funds

All incoming resources are included in the Statement of Financial Activities to the extent that it is probable that the economic benefits will flow to the Society and the amount can be reliably measured. No amounts are included for services donated by volunteers. Incoming resources from generated funds comprise:

Voluntary income

(a) Donations

Donations are accounted for on an accrual basis when monies are received or pledged and collection is certain. Donations in kinds are taken up as income at their estimated values on the date of receipt.

(b) Donations in kind

Donations in kind are recognised based on an estimate of the fair value at the date of the receipt of the donation of the non-monetary asset or the grant of right to a monetary asset. The donation is recognised if the amount of the gift can be measured reliably and there is no uncertainty that it will be received.

Interest income

Interest income from bank deposits is accrued on a time apportion basis using the effective interest method.

Membership subscription income

Membership subscription income is recognized on an accrual basis.

2.3 Resources expended

Expenditure is accounted for on an accrual basis.

Cost of generating voluntary income

The costs of generating voluntary income are those costs attributable to generating income for the Society includes directly attributable overheads.

Cost of charitable activities

The charitable activities of the Society flow from its vision and purpose. The primary charitable activity is to look after the welfare of people with haemophilia and their families through giving help and support.

2.4 Governance cost

Governance costs are those incurred in compliance with constitutional and statutory requirement including related professional fees.

2.5 Cash and cash equivalents

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

2.6 Payables

Payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether billed or not billed to the Society.

2.7 Impairment of assets

For the purpose of impairment testing, 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 (CGU) is reduced to its recoverable amount. The impairment loss is recognized in the income and expenditure account.

Impairment for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. The carry 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 recognized for the asset in prior years. A reversal of impairment loss for an asset is recognized in the income and expenditure account.

THE HAEMOPHILIA SOCIETY OF SINGAPORE

NOTES TO FINANCIAL STATEMENTS – 30 JUNE 2011

3. CASH AND CASH EQUIVALENTS

	2011	2010
	\$	\$
Cash at bank	409,578	123,265
Short-term bank deposits	787,444	1,129,385
	<u>1,197,022</u>	<u>1,252,650</u>

The Society's cash and cash equivalents are denominated in Singapore dollars.

The Society places excess cash in short term deposits usually for a period of 3 months to twelve months depending on the immediate cash requirements of the Society. The weighted average effective interest rate as at 30 June 2011 for the Society is between 0.5% - 0.625% per annum.

4. HAEMOPHILIA WELFARE FUND

	2011	2010
	\$	\$
Balance at beginning of the year	33,365	37,365
Tax exempt donations – transfer from general fund	25,000	-
Medical fees subsidies	(900)	(4,000)
Balance at end of the year	<u>57,465</u>	<u>33,365</u>

The welfare fund was established from the receipt of the initial donation of \$25,000 from National Council of Social Service in 1990. This welfare fund is used to assist members who have financial difficulties. Assistance rendered which ranges from \$25 to \$2,500 are reviewed on a case by case basis by the committee.

5. DULCIE WILSON SCHOLARSHIP FUND

	2011	2010
	\$	\$
Transfer from general fund and balance at end of the year	<u>20,000</u>	<u>-</u>

The scholarship fund was established in memory of Mrs Dulcie Wilson. The scholarship fund is open to all members of the Society who has haemophilia and pursuing studies in a recognised local tertiary institution. Each year, the fund would award three scholarships of \$1,000 each for each academic year.

THE HAEMOPHILIA SOCIETY OF SINGAPORE

NOTES TO FINANCIAL STATEMENTS – 30 JUNE 2011

6. DONATIONS RECEIVED

	2011	2010
	\$	\$
Tax exempt donations	66,800	22,100
Other donations	300	10,150
	<u>67,100</u>	<u>32,250</u>

During the financial year, the Society issued tax exempt receipts for donations collected amounting to \$66,800 (2010: \$22,100).

7. TAXATION

The Society is exempted from income tax under Section 13(1) (e) of the Income Tax Act, Cap. 134.

8. RELATED PARTY TRANSACTIONS

The management committee did not receive any compensation during the year.

There were no transaction with a corporation in which the above key management personnel have an interest.

A related party includes the management committee and key management of the Society. It also includes an entity or person that directly or indirectly controls, is controlled by, or is under common or joint control with these persons. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others, who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. Key management personnel include the executive director/Chief Executive Officer (CEO) and the two direct reporting senior officers.

The management committee, or people connected with them, has not received remuneration, or other benefits, from the Society for which they are responsible, or from institutions connected with the Society.

There is no claim by the management committee for services provided to the Society, either by reimbursement to the management committee or by providing the management committee with an allowance or by direct payment to third party.

All management committees, chairmen and sub-committees and staff members of the Society are required to read and understand the conflict of interest policy in place and make full disclosure of interests, relationships and holding that could potentially result in conflict of interests. When a conflict of interest situation arises, the members or staffs shall abstain from participating in the discussion, decision making and voting on the matter.

9. FINANCIAL INSTRUMENTS – RISK MANAGEMENT

The classification of financial assets and liabilities as recorded at the end of the year by FRS 39 categories:

	2011 \$	2010 \$
Financial assets:		
Other receivables	488	-
Cash and cash equivalents	1,197,022	1,252,650
At end of the period	<u>1,197,510</u>	<u>1,252,650</u>
Financial liabilities:		
Accrued expenses	1,500	1,500
Subscriptions	2,250	3,520
	<u>3,750</u>	<u>5,020</u>

The Society's principal financial instruments comprise cash and short term deposits. The main purpose of these financial instruments is to manage the finances for the Society's operating, investing and financing activities. These financial instruments are exposed to financial risks such as interest rate risk, liquidity risk and credit risk. All financial risk management activities are carried and monitored by the management committee. All financial risk management activities are carried out following good market practices.

The management committee reviews and agrees policies for managing each of these risk and they are summarized below:

(a) Interest rate risk

The Society's exposure to interest rate risk as changes in interest rates relates primarily to the Society's cash and short term deposits. The Society does not use derivative financial instruments to hedge its investment portfolio.

The Society's policy is to obtain the most favorable interest rates available.

The following table analyses the breakdown by type of interest rate:

	2011 \$	2010 \$
Financial assets:		
Fixed rate	1,197,022	1,252,650
Non-interest bearing	-	-
At end of the period	<u>1,197,022</u>	<u>1,252,650</u>
Financial liabilities:		
Non-interest bearing	<u>3,750</u>	<u>5,020</u>

9. FINANCIAL INSTRUMENTS – RISK MANAGEMENT (CONT'D)

(b) Liquidity risk

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The following table analyses financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	2011	2010
	\$	\$
Payables		
Less than 1 year	3,750	2,570
More than 1 year	-	950
	<u>3,750</u>	<u>3,520</u>

The average credit period taken to settle other payables is about 30 days.

It is expected that all the liabilities will be paid at their contractual maturity date. In order to meet such commitments the financial activities are expected generate sufficient cash inflows.

(c) Credit risk

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligation in full or in a timely manner consist principally of cash balances with bank, cash equivalents and other receivables. The maximum exposure to credit risk is the fair value of the financial instruments at the end of the reporting year. Credit risk on cash balances with bank is limited because the counterparties are banks with acceptable credit ratings.

(c) Credit risk (Cont'd)

All unencumbered bank deposits with the banks licensed by the Monetary Authority of Singapore are guaranteed by the Singapore Government until 31 December 2011.

(d) Fair value of financial assets and financial liabilities

The carrying amount of financial assets and liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

10. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 30 June 2011 were authorized for issue in accordance with a resolution of the management committee on 15 SEP 2011.

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