

LUPUS ASSOCIATION (SINGAPORE)

Association Registration Number: ROS 172/90/WEL

FINANCIAL STATEMENTS

For the financial year ended 31 December 2008

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LUPUS ASSOCIATION (SINGAPORE)

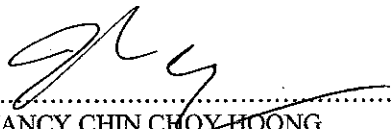
STATEMENT BY THE BOARD


For the financial year ended 31 December 2008

In the opinion of the Board:

- 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 2008 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


.....
SUSIE SEE LIAN HONG
HONORARY TREASURER

16 March 2009

LUPUS ASSOCIATION (SINGAPORE)

INDEPENDENT AUDITORS' REPORT
To Members of LUPUS ASSOCIATION (SINGAPORE)

We have audited the accompanying financial statements of the Association, which comprise the balance sheet as at 31 December 2008, and the income statement, statement of changes in reserve and funds 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 Association'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:

- (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 income and expenditure statement and balance sheet and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

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 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 Board 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 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 2008 and the results, changes in reserve and funds and cash flows of Association for the year ended on that date.

We also certify for the year ended 31 December 2008:

- (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
NG, VUN & COMPANY
Certified Public Accountants

Singapore
16 March 2009

LUPUS ASSOCIATION (SINGAPORE)

INCOME AND EXPENDITURE STATEMENT – GENERAL FUND

For the financial year ended 31 December 2008

	2008		2007	
	S\$	S\$	S\$	S\$
Voluntary income – Cash donations		5,601		4,062
Investment income – Bank interest earned		91		90
Incoming resources from charitable activities				
Program Fees – Educational Talks	655		1,860	
Membership Fees	1,410		2,271	
Sale of Hand-made items	937		1,510	
Sale of Books/VCDs	172		36	
Sale of Calendars	240	3,414	750	6,427
Total incoming resources		<u>9,106</u>		<u>10,579</u>
Less: Costs of generating funds				
Charitable activities				
Handicraft making material	19		4	
Printing & stationery	2,058		1,262	
Postage & courier charges	983		1,154	
Publicity	1,504	4,564	60	2,480
Governance costs				
Accounting fee	2,400		1,600	
Audit fee	1,400	3,800	1,300	2,900
Other resources expended				
Bank charges	103		90	
Depreciation	1,701		1,684	
General office expenses	593		705	
Maintenance of office equipment	575		173	
Refreshments	251		189	
Training & seminar	11		180	
Transport charges	1,293		1,009	
Telecommunication charges	1,564	6,091	1,662	5,692
Total resources expended		<u>14,455</u>		<u>11,072</u>
Net movement in General Fund		(5,349)		(493)
General Fund brought forward		43,611		44,104
General Fund carried forward		<u>38,262</u>		<u>43,611</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 2008

	Note	2008		2007	
		S\$	S\$	S\$	S\$
<u>Incoming Resources</u>					
Incoming resources from generated funds					
Voluntary income – Cash Donations			180,335		41,430
Voluntary income – Donation in Kind			-		300
Total incoming resources	4		<u>180,335</u>		<u>41,730</u>
<u>Resources expended</u>					
Cost of generating funds					
Costs of Donation in Kind			150		-
Charitable activities					
Members’ Welfare		34,635		29,190	
Member Educational materials		6,392		2,093	
Member Educational talks		6,449		9,087	
Gifts/condolences to members		250		268	
Members’ workout – Tai Chi exercise		260		-	
Members’ Medical Subsidy		6,329		-	
Salaries		9,861		8,876	
CPF		1,436		1,227	
SDF		75		82	
Lupus 2007 Shanghai Conference		-	65,687	5,043	55,866
Other resources expended					
Bank charges		282		268	
General office expenses		500	782	-	268
Total resources expended			<u>66,619</u>		<u>56,134</u>
Net movement in HEF			113,716		(14,404)
HEF brought forward			59,792		74,196
HEF carried forward			<u>173,508</u>		<u>59,792</u>

The accompanying notes form an integral part of these financial statements

LUPUS ASSOCIATION (SINGAPORE)

BALANCE SHEET

As at 31 December 2008

	Note	2008 S\$	2007 S\$
Property, plant & equipment	5	<u>2,591</u>	<u>4,043</u>
Current assets:			
Other receivables	6	3,511	238
Fixed deposit		15,750	15,660
Bank balance		198,292	85,022
Cash in hand		362	552
Stock: Donations-in-kind	8	-	150
Total current assets		<u>217,915</u>	<u>101,622</u>
Current liabilities:			
Accrued expenses		8,711	2,232
Subscriptions received in advance		25	30
Total current liabilities		<u>8,736</u>	<u>2,262</u>
Net current assets		<u>209,179</u>	<u>99,360</u>
Net assets		<u>211,770</u>	<u>103,430</u>
Unrestricted income funds			
General fund		38,262	43,611
HEF - General	9	167,087	59,792
HEF - Members' Welfare	10	2,750	-
HEF - Members' Medical Subsidy	11	3,671	-
Total unrestricted funds		<u>211,770</u>	<u>103,403</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 2008

	General Fund S\$	HEF -- General S\$	HEF -- Members' Welfare S\$	HEF -- Members' Medical Subsidy S\$	Total S\$
Balance as at 1 January 2007	44,104	74,196	-	-	118,300
Deficit for the year	(493)	(14,404)	-	-	(14,897)
Balance as at 31 December 2007	43,611	59,792	-	-	103,403
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

The accompanying notes form an integral part of these financial statements

LUPUS ASSOCIATION (SINGAPORE)

CASH FLOW STATEMENT

For the financial year ended 31 December 2008

	<u>Note</u>	<u>2008</u> S\$	<u>2007</u> S\$
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus/(Deficit)		108,367	(14,897)
ADJUSTMENT FOR:			
Depreciation	5	1,701	1,684
Interest received from fixed deposit		(91)	(90)
Cash Flow Before Working Capital Changes		<u>109,977</u>	<u>(13,303)</u>
Decrease/(increase) in inventories		150	(150)
(Increase)/decrease in other receivables		(3,273)	4
Increase in accrued expenses		6,479	478
Decrease in subscription received in advance		(5)	(21)
Cash Generated/(Utilised) in Operations		<u>113,328</u>	<u>(12,992)</u>
Net Cash From Operating Activities		<u>113,328</u>	<u>(12,992)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Purchases of fixed assets		(249)	-
Interest received		91	90
Net Cash From Investing Activities		<u>(158)</u>	<u>90</u>
Net Increase/(Decrease) In Cash And Cash Equivalents		113,170	(12,902)
Cash And Cash Equivalents At Beginning Of Year		101,234	114,136
Cash And Cash Equivalents At End Of Year	7	<u>214,404</u>	<u>101,234</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

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").

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\$).

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.

(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.

LUPUS ASSOCIATION (SINGAPORE)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2008

2.3 Property, Plant & Equipment (Cont'd)

(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 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.

4. DONATIONS

Included are tax-exempt donations of S\$180,335/-.

LUPUS ASSOCIATION (SINGAPORE)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2008

5. PROPERTY, 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 2007	2,201	11,609	750	14,560
At 31 December 2007 and 1 January 2008	2,201	11,609	750	14,560
Additions	-	249	-	249
At 31 December 2008	2,201	11,858	750	14,809
<u>Accumulated Depreciation</u>				
At 1 January 2007	587	8,133	113	8,833
Charge for the year	440	1,094	150	1,684
At 31 December 2007 and 1 January 2008	1,027	9,227	263	10,517
Charge for the year	440	1,111	150	1,701
At 31 December 2008	1,467	10,338	413	12,218
<u>Net carrying amount:</u>				
At 31 December 2007	1,174	2,382	487	4,043
At 31 December 2008	734	1,520	337	2,591

6. OTHER RECEIVABLES

	<u>2008</u> S\$	<u>2007</u> S\$
Prepayment	3,471	199
Interest receivables	40	39
	<u>3,511</u>	<u>238</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>2008</u> S\$	<u>2007</u> S\$
Fixed deposits	15,750	15,660
Cash at bank	198,292	85,022
Cash in hand	362	552
	<u>214,404</u>	<u>101,234</u>

LUPUS ASSOCIATION (SINGAPORE)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2008

8. STOCK: DONATIONS-IN-KIND

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

9. HEF - GENERAL

	<u>2008</u> S\$	<u>2007</u> S\$
Balance at beginning of financial year	59,792	74,196
Add: Donation received (tax-exempt)	150,335	41,730
	<u>210,127</u>	<u>115,926</u>
Less: Resources expended	(43,040)	(56,134)
	<u>167,087</u>	<u>59,792</u>

10. HEF – MEMBERS’ WELFARE

	<u>2008</u> S\$	<u>2007</u> S\$
Balance at beginning of financial year	-	-
Add: Donation received (tax-exempt)	20,000	-
	<u>20,000</u>	<u>-</u>
Less: Resources expended	(17,250)	-
	<u>2,750</u>	<u>-</u>

11. HEF – MEMBERS’ MEDICAL SUBSIDY

	<u>2008</u> S\$	<u>2007</u> S\$
Balance at beginning of financial year	-	-
Add: Donation received (tax-exempt)	10,000	-
	<u>10,000</u>	<u>-</u>
Less: Resources expended	(6,329)	-
	<u>3,671</u>	<u>-</u>

12. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution of the management committee on 16 March 2009.