

SINGAPORE NATIONAL STROKE ASSOCIATION

FINANCIAL STATEMENTS

FOR THE

YEAR ENDED 31 DECEMBER 2009

CONTENTS

Statement by the Management Committee	1
Auditor's Report	2 -3
Balance Sheet	4
Statement Of Financial Activities/Income and Expenditure	5 -6
Statement of Changes in Funds	7
Statement of Cash Flow	8
Notes to the Financial Statements	9-14

**SINGAPORE NATIONAL STROKE ASSOCIATION (UEN S96SS0196G)**

STATEMENT BY THE MANAGEMENT COMMITTEE

We, being two members on behalf of the Management Committee of the SINGAPORE NATIONAL STROKE ASSOCIATION, state that in the opinion of the Management Committee, the accompanying Balance Sheet, Statement of Financial Activities/Income and Expenditure account, Statement of Changes in Funds, Statement of Cash Flow, together with the notes thereon, are properly drawn up in compliance with the Rules for Operation of the Health Endowment Fund ("the Rules") issued by the Ministry of Health, and the 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 its results, changes in funds and cash flows for the year then ended.

On behalf of the Committee



.....  
WONG SOW WEI  
President



.....  
TAN WAN JIUN  
Treasurer

Singapore, 19 May 2010



# Elizabeth Leong & Co

5001 Beach Road #07-10 Golden Mile Complex Singapore 199588  
Tel: 6292 2398 Fax: 6292 0018 Email: e\_lco@yahoo.com.sg

Certified Public Accountants

## AUDITORS' REPORT TO THE MEMBERS OF SINGAPORE NATIONAL STROKE ASSOCIATION (UEN S96SS0196G)

We have audited the accompanying financial statements of the SINGAPORE NATIONAL STROKE ASSOCIATION, which comprise the balance sheet as at 31 December 2009, the statement of financial activities/income and expenditure account, statement of changes in funds and statement of cash flow for the 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 and fair presentation of these financial statements in compliance with the Rules for Operation of the Health Endowment Fund ("the Rules") issued by the Ministry of Health 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.

### *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 includes 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 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.

AUDITORS' REPORT TO THE MEMBERS OF  
SINGAPORE NATIONAL STROKE ASSOCIATION (UEN S96SS0196G)

*Opinion*

In our opinion,

- a) the financial statements are properly drawn up in accordance with the provisions of the Constitution of the Association and Singapore Financial Reporting Standards so as to present fairly the state of affairs of the Association as at 31 December 2009, and of the results, changes in funds and cash flows for the year ended on that date; and
- b) the accounting and other records required by the regulations enacted under the Societies Act, Cap 311, to be kept by the Association have been properly kept in accordance with the regulations.



Elizabeth Leong & Co.  
Public Accountants and  
Certified Public Accountants

Singapore, 19 May 2010

**SINGAPORE NATIONAL STROKE ASSOCIATION (UEN S96SS0196G)**

BALANCE SHEET AS AT 31 DECEMBER 2009

	Note	2009 \$	2008 \$
ASSETS			
Non-current asset			
Plant & equipment	3	10,253	19,081
Current assets			
Other receivables	4	30,340	27,786
Fixed deposits	5	32,961	32,691
Cash and bank balances	6	73,989	102,128
		-----	-----
		137,290	162,605
		-----	-----
TOTAL ASSETS		147,543	181,686
		=====	=====
FUNDS AND LIABILITIES			
UNRESTRICTED FUND			
Accumulated fund		146,043	178,457
CURRENT LIABILITIES			
Other payable	7	1,500	3,229
		-----	-----
TOTAL FUND AND LIABILITIES		147,543	181,686
		=====	=====

[The accompanying notes form an integral part of and should be read in conjunction with these financial statements. ]

**SINGAPORE NATIONAL STROKE ASSOCIATION (UEN S96SS0196G)**

STATEMENT OF FINANCIAL ACTIVITIES/INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009 \$	2008 \$
INCOME RESOURCES FROM GENERATED FUNDS		
<u>Voluntary income</u>		
Donations in cash	9,110	106,105
Grants	134,505	102,790
Sponsorship	180	180
	-----	-----
	143,795	209,075
	-----	-----
Income from fund-raising activities	-	145
	-----	-----
<u>Investment income</u>		
Interest income	232	269
	-----	-----
<u>Incoming resources from charitable activities</u>		
Membership fee	50	790
	-----	-----
Other incoming resources	5,323	4,071
	-----	-----
TOTAL INCOMING RESOURCES	149,400	214,350
	-----	-----
RESOURCES EXPENDED		
<u>Cost of generating voluntary income</u>		
Office rental	129,266	102,790
<u>Charitable activities expenses</u>		
Gifts	-	250
Event expenses	-	706
Newsletter	-	5,409
Postages & courier	-	76
NCSS Membership fee	125	125
	-----	-----
	129,391	109,356
	-----	-----

RESOURCES EXPENDED - cont'd

Governance costs

Accounting fee	400	600
Audit fee	1,100	1,100
Bank charges	126	42
Casual labour	22,815	12,550
Computer expenses	3,035	3,436
Depreciation	9,896	9,999
Refreshment & meeting expenses	98	214
Gardening	2,800	1,645
General expenses	12	1,046
Insurance	-	178
Postages and courier	241	173
Printing & stationery	580	251
Repair & maintenance	4,658	9,285
Rental of copier	2,311	2,314
Telecommunication	2,001	1,072
Transport & moving fees	239	29
Utilities	2,111	1,872
	-----	-----
	52,423	45,806
	-----	-----
TOTAL RESOURCES EXPENDED	181,814	155,162
	-----	-----
Net (outgoing)/incoming resources before other recognised gain	( 32,414)	59,188
Other recognised gain		
Gain on disposal of fixed asset	-	384
	-----	-----
Net movement in funds	( 32,414)	59,572
<u>Reconciliation of funds</u>		
Balance brought forward	178,457	118,885
	-----	-----
Balance carried forward	146,043	178,457
	=====	=====

**SINGAPORE NATIONAL STROKE ASSOCIATION (UEN S96SS0196G)**

STATEMENT OF CHANGES IN FUND  
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
UNRESTRICTED FUND		
Accumulated Fund		
Opening balance	178,457	118,885
(Deficit)/surplus for the year	( 32,414)	59,572
	-----	-----
Closing balance	146,043	178,457
	=====	=====

[The accompanying notes form an integral part of and should be read in conjunction with these financial statements. ]

**SINGAPORE NATIONAL STROKE ASSOCIATION (UEN S96SS0196G)**

## STATEMENT OF CASH FLOW

FOR THE FINANCIAL YEAR ENDED DECEMBER 31 2009

---

	Note	2009 \$	2008 \$
<b>Cash flows from operating activities</b>			
(Deficit)/surplus for the year		( 32,414)	59,572
Adjustments for:			
Depreciation of fixed assets	3	9,896	9,999
Gain on disposal of fixed assets		-	( 384)
Interest income		( 232)	( 269)
		-----	-----
Operating (deficit)/surplus before working capital changes		( 22,750)	68,918
(Increase) in other receivables		( 2,554)	( 5,337)
(Decrease)/increase in other payables		( 1,729)	1,729
		-----	-----
<b>Net cash (used in)/from operating   activities</b>		( 27,033)	65,310
		-----	-----
<b>Cash flows from investing activities</b>			
Interest income		232	269
Proceed from disposal of fixed assets		-	500
Purchase of fixed assets		( 1,068)	( 28,622)
		-----	-----
<b>Net cash (used in) investing activities</b>		( 836)	( 27,853)
		-----	-----
<b>Net (decrease)/increase in cash and cash   equivalents</b>		( 27,869)	37,457
<b>Cash and cash equivalents at beginning of the year</b>		134,819	97,362
		-----	-----
<b>Cash and cash equivalents at end of year</b>	6	106,950	134,819
		=====	=====

[The accompanying notes form an integral part of and should be read  
in conjunction with these financial statements.]

# **SINGAPORE NATIONAL STROKE ASSOCIATION (UEN S96SS0196G)**

Notes to the Financial Statements  
For the financial year ended December 31,2009

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

## **1. GENERAL INFORMATION**

The Association is registered in Singapore under the Societies Act. It is also registered as a charitable organization under the Charities Act on 23 November 1998 (Registration No. 1333).

The registered office and principal place of business of the Association is located at 26 Dunearn Road, Singapore 309423.

The principal activities of the Association are to establish and operate projects and activities for post stroke adjustment and building up of community support for stroke victims and their caregivers.

The financial statements of the Association for the financial year ended 31 December 2009 were authorised for issue by the Management Committee on the date on which these financial statements were signed.

## **2. SIGNIFICANT ACCOUNTING POLICIES**

### **a) Basis of preparation**

The financial statements are prepared in accordance with Singapore Financial Reporting Standards (FRS) as required by the Companies Act, Cap 50 and under the historical cost convention, except as modified by the accounting policies below. The Association adopted all the new and revised FRS that are applicable and relevant to its operations and effective for this financial year. The adoption of new/revised FRS has no material impact on the financial statements. The Association is of the view that the adoption of FRS which have been issued but not yet effective until future periods will have no material impact on the financial statements.

The financial statements are presented in Singapore dollars, which is the Association's functional and presentation currency.

### **b) Accounting Estimates**

The preparation of financial statements in conformity with FRS requires management's best ability and knowledge to make judgement, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Such judgement, estimates and assumptions are assessed on an ongoing basis and are based on current events, historical experience and other apparent factors under the circumstances. Actual results may differ from those estimates and assumptions which the Association makes concerning the future.

### **c) Fixed assets and depreciation**

Fixed assets are stated at cost less accumulated depreciation and impairment loss if any.

Depreciation is calculated on the straight line method to write off the cost of the assets over their estimated useful lives as follows:-

Air conditioner	3 years
Computers	3 years
Furniture & fittings	3 years
Office equipment	3 years
Renovation	3 years

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

### **d) Impairment of non-financial assets**

The carrying amounts of the Association's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised if there has been a change in the estimates used to determine the recoverable amount.

### **e) Operating leases**

Leases in respect of rentals are charged to the income and expenditure statement in the accounting period in which they are incurred. Where there has been lease incentives including lease rebates etc, such are recognised as an integral part of the total lease payments made.

### **f) Financial assets**

#### **i) Classification**

The Association classifies its financial assets as loans and 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 reporting date.

#### **Loans and receivables**

Loans and 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 balance sheet date which are classified as non-current assets. Loans and receivables are classified with "other receivables" and "cash and cash equivalents" on the balance sheet.

#### **ii) Impairment**

The Association assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is required.

### Loans and receivables

An allowance for impairment of loans and receivable, including other receivables, is recognised when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables. 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.

### g) Financial liabilities

Financial liabilities comprise sundry payables and accruals which are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

### h) Recognition of Income

#### i) Membership fee and donation income

Income from membership fee, Government Grant and donation are recognised on the cash receipt basis.

#### ii) Interest income

Interest income is recognised on an accrual basis.

### i) Provisions

Provisions are recognised when the Association has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### j) Income tax

The Association is registered under the Charities Act and is exempted from income tax under the provisions of the Income Tax Act.

## 3. FIXED ASSETS

	Air conditioner	Computer	Furniture & fittings	Office Equipment	Renovation	Total
	\$	\$	\$	\$	\$	\$
Cost:						
At 1. 1.09	1,800	4,792	10,298	10,929	25,412	53,231
Additions	-	1,068	-	-	-	1,068
	-----	-----	-----	-----	-----	-----
At 31.12.09	1,800	5,860	10,298	10,929	25,412	54,299
	=====	=====	=====	=====	=====	=====
Accumulated Depreciation:						
At 1. 1.09	1,800	4,792	8,158	10,929	8,471	34,150
Charge for the year	-	356	1,070	-	8,470	9,896
	-----	-----	-----	-----	-----	-----
At 31.12.09	1,800	5,148	9,228	10,929	16,941	44,046
	=====	=====	=====	=====	=====	=====
Net book value:						
At 31.12.09	-	712	1,070	-	8,471	10,253
	=====	=====	=====	=====	=====	=====

**Fixed assets – cont'd**

	Air conditioner \$	Computer \$	Furniture & fittings \$	Office Equipment \$	Renovation \$	Total \$
Cost:						
At 1. 1.08 &	1,800	8,016	8,223	15,674	6,200	39,913
Additions	-	-	3,210	-	25,412	28,622
Disposal/written off	-	(3,224)	(1,135)	( 4,745)	( 6,200)	(15,304)
	-----	-----	-----	-----	-----	-----
At 31.12.08	1,800	4,792	10,298	10,929	25,412	53,231
	=====	=====	=====	=====	=====	=====
Accumulated Depreciation:						
At 1. 1.08	1,800	8,016	8,107	15,216	6,200	39,339
Charge for the year	-	-	1,070	458	8,471	9,999
Disposal	-	(3,224)	(1,019)	( 4,745)	( 6,200)	(15,188)
	-----	-----	-----	-----	-----	-----
At 31.12.08	1,800	4,792	8,158	10,929	8,471	34,150
	=====	=====	=====	=====	=====	=====
Net book value:						
At 31.12.08	-	-	2,140	-	16,941	19,081
	=====	=====	=====	=====	=====	=====

**4. OTHER RECEIVABLES**

	2009 \$	2008 \$
Other debtors	4,145	11,367
Deposit	12,044	920
Prepayment	14,105	15,416
Interest receivable	46	83
	-----	-----
	30,340	27,786
	=====	=====

**5. FIXED DEPOSIT**

Fixed deposits mature within twelve months and bear interest at rates 0.45% (2008: 0.825%) per annum.

**6. CASH & CASH EQUIVALENTS**

	2009 \$	2008 \$
Bank balance	73,691	101,830
Cash balances	298	298
Fixed deposits	32,961	32,691
	-----	-----
Cash and cash equivalents per cash flow statement	106,950	134,819
	=====	=====

**7. OTHER PAYABLES**

	2009 \$	2008 \$
Accruals	1,500	3,229
	=====	=====

**8. VOLUNTARY INCOME**

The amount represents income received from donations and sponsorships.

The government grant is received from the Ministry of Health and represents financial expenditure for rental subsidy.

**9 OPERATING LEASE COMMITMENTS**

At the balance sheet date, the Association has committed to making the following payments in respect of operating leases:

	2009 \$	2008 \$
Not later than one year	138,528 =====	138,528 =====
Later than one year but not later than five years	88,263 =====	226,791 =====

**10. TAXATION**

The Association is registered under the Charities Act (Registration No. 1333) and its income is exempt from Income Tax.

**11. FINANCIAL INSTRUMENTS****a) Categories of financial instruments**

Financial instruments as at the balance sheet date are as follows:

	2009 \$	2008 \$
Financial assets		
Other receivables	30,340	27,786
Fixed deposits	32,961	32,691
Cash and bank balances	73,989	102,128
	-----	-----
Loans and receivables	137,290 =====	162,605 =====
Financial liabilities		
Other payables and accruals	1,500 =====	3,229 =====

**b) Financial risk management**

The Association's activities expose it to minimal financial risks and overall risk management is determined and carried out by the Management Committee.

**Foreign exchange risk**

As the Association's transactions are mainly in Singapore dollars, it is not exposed to foreign exchange risk.

**Interest rate risk**

The Association's income and operating cash flows are substantially independent of changes in market interest rates although it has interest-bearing deposits with financial institutions. The Association has no interest bearing liabilities.

The sensitivity analysis for interest rate is not disclosed as the effect on the financial statements is not expected to be significant.

**Credit risk**

The carrying amounts of cash and bank balances and fixed deposits and other receivables represent the Association's maximum exposure to credit risk in relation to financial assets. No other financial assets carry a significant exposure to credit risk. The maximum exposure to credit risk is represented by the carrying value of each class of financial assets recognised in the balance sheet.

Fixed deposit and cash and bank balances are placed with reputable financial institutions with high credit ratings and no history of default.

**Liquidity risk**

The Management Committee exercises prudence on liquidity and cash flow risk management policies and aims at maintaining a high level of liquidity and cash flow at all times.

**c) Fair values**

The fair values of the current year financial assets and liabilities recorded in the balance sheet approximate their carrying values due to their short term nature.