

**SOCIETY OF SHENG HONG WELFARE SERVICES**

ROS. No. 0316/1999  
UEN. No. T00SS0066C  
Charity. No. 1437

**31ST MARCH 2010**

## Index to the financial statements

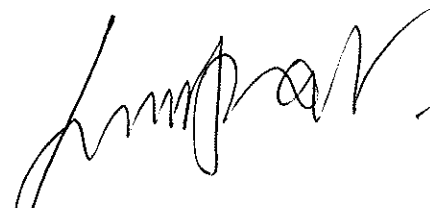
	Page
Statement by President and Treasurer	1
Independent auditors' report to the members	2
Statement of financial position	3
Statement of financial activities	4
Statement of cash flows	6
Notes to the financial statements	7

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## Statement by President and Treasurer

We, Ling Kin Huat and Tan Teck Seng, being the President and Treasurer of Society Of Sheng Hong Welfare Services, respectively, do hereby state that in our opinion, the accompanying statement of financial position, statement of financial activities and statement of cash flows are properly drawn up so as to give a true and fair view of the state of affairs of the society as at 31st March 2010 and of its financial activities and cash flows for the year then ended.

On behalf of the Management Committee



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LING KIN HUAT  
President



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TAN TECK SENG  
Treasurer

Dated : 30th July 2010

# Chew Whye Lee & Co.

Certified Public Accountants

Chew Whye Lee CPA

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Bedok Town Centre, Singapore 460209.  
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周懷禮特許會計師  
周懷禮特許會計師館

## Independent auditors' report to the members of Society of Sheng Hong Welfare Services

We have audited the accompanying financial statements of the society, which comprise the statement of financial position as at 31st March 2010, the statement of financial activities and statement of cash flows for the year ended 31st March 2010, 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 accordance with the provisions of the Society Act, Cap. 311 (the "Act") and the 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 statement of financial activities and statement of financial position 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 from material misstatement.

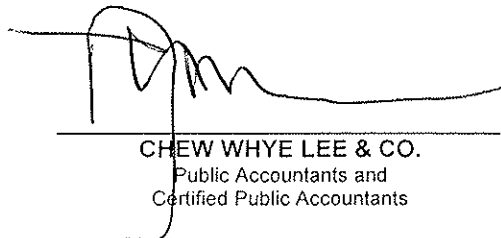
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the society'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 society's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management committee, 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.

The society derives a substantial proportion of its income from voluntary donations. Because of the nature of these donations, the society cannot provide accounting controls over contributions prior to the initial entry in the accounting records. Accordingly, it was impracticable to extend our examination beyond the receipts recorded.

### Opinion

In our opinion, except for the effects of the matter discussed in the preceding paragraph, the donation monies received was used in accordance with the objectives of the IPC and the financial statements are properly drawn up in accordance with the provisions of the Society Act, Cap. 311 and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the society as at 31st March 2010 and of the financial activities and cash flows of the society for the year ended on that date.



CHEW WHYE LEE & CO.  
Public Accountants and  
Certified Public Accountants

Singapore, 30th July 2010

## Statement of financial position

	NOTE	2010 S\$	2009 S\$
<b>ASSETS</b>			
<b>Non-Current Asset</b>			
Property, plant and equipment	3	10,694	-
<b>Current Assets</b>			
Other receivables	4	185,508	87,821
Cash and cash equivalents	5	644,901	297,531
		830,409	385,352
<b>Total Assets</b>		<u>841,103</u>	<u>385,352</u>
<b>Accumulated Funds</b>			
Restricted fund	6	359,324	62,600
Unrestricted fund	7	291,762	191,808
		651,086	254,408
<b>Current Liabilities</b>			
Special funds	8	47,712	15,912
Provisions and other payables	9	142,305	115,032
		190,017	130,944
<b>Total Funds And Liabilities</b>		<u>841,103</u>	<u>385,352</u>

Statement of financial activities

2010

	NOTE	Unrestricted Funds		Restricted Funds		Total
		Society Of Sheng Hong Welfare Services	Hougang Sheng Hong Student Care Centre	Society Of Sheng Hong Welfare Services	Hougang Sheng Hong Family Service Centre Programme "FLE"	
<b>Income</b>		SS	SS	SS	SS	SS
Voluntary income	10	400,220	-	65,187	-	465,407
Funds generating activities		-	142,160	-	-	2,352,545
Other income		-	13,580	-	104,216	101,393
<b>Total income</b>		400,220	155,740	65,187	104,216	2,913,311
<b>Expenditure</b>						
Cost of charitable activities		-	211,292	7,009	107,909	2,279,633
Governance costs		-	3,500	2,500	-	43,000
<b>Total expenditure</b>		-	214,792	9,509	107,909	2,522,633
Surplus / (deficit) for the year		400,220	(59,052)	55,678	(3,693)	395,678
Transfer between funds		-	-	(3,693)	3,693	-
Transfer between funds		(300,266)	241,214	-	-	-
Net surplus for the year		99,954	-	51,985	-	395,678
Total funds brought forward		191,808	-	62,600	-	254,408
<b>Total funds carried forward</b>		291,762	-	114,585	-	651,086

Statement of financial activities

2009

	Unrestricted Funds				Restricted Funds				Total
	Society Of Sheng Hong Welfare Services	Hougang Sheng Hong Family Service Centre	Hougang Sheng Hong Student Care Centre	Macpherson Sheng Hong Childcare Centre	Society Of Sheng Hong Welfare Services	Core Programme	"I Can" Programme	Programme "FLE"	
NOTE	SS	SS	SS	SS	SS	SS	SS	SS	SS
<b>Income</b>									
Voluntary income	531,000	-	-	-	217,588	-	-	-	748,588
Funds generating activities	-	180,407	895,397	895,397	-	510,232	-	130,256	1,719,113
Other income	-	3,559	13,102	13,102	-	-	2,821	-	27,445
<b>Total income</b>	<b>531,000</b>	<b>183,966</b>	<b>908,499</b>	<b>908,499</b>	<b>217,588</b>	<b>510,232</b>	<b>2,821</b>	<b>130,256</b>	<b>2,495,157</b>
<b>Expenditure</b>									
Cost of charitable activities	30	221,715	1,234,770	1,234,770	14,077	634,991	4,660	129,714	2,471,601
Governance costs	-	2,500	3,500	3,500	5,040	7,860	-	1,965	20,865
<b>Total expenditure</b>	<b>30</b>	<b>224,215</b>	<b>1,238,270</b>	<b>1,238,270</b>	<b>19,117</b>	<b>642,851</b>	<b>4,660</b>	<b>131,679</b>	<b>2,492,465</b>
Surplus / (deficit) for the year	530,970	(40,249)	(329,771)	(329,771)	198,481	(132,619)	(1,839)	(1,423)	2,591
Transfer between funds	-	-	-	-	(135,881)	132,619	1,839	1,423	-
Transfer between funds	(530,970)	40,249	299,862	299,862	82,600	-	-	-	2,591
Net (deficit) / surplus for the year	-	-	(59,909)	(59,909)	-	-	-	-	-
Total funds brought forward	251,717	-	-	-	-	-	-	-	251,717
<b>Total funds carried forward</b>	<b>251,717</b>	<b>-</b>	<b>(59,909)</b>	<b>(59,909)</b>	<b>82,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>254,408</b>

Society Of Sheng Hong Welfare Services  
(UEN. No. T00SS0066C)  
**Financial statements for the year ended 31st March 2010**

**Statement of cash flows**

	NOTE	2010 S\$	2009 S\$
<b>Cash Flows From Operating Activities</b>			
Surplus / (deficit) for the year		295,319	(18,174)
Other receivables		(97,687)	(72,678)
Provisions and other payables		27,273	(19,695)
Special funds		31,800	(3,458)
<b>Net Cash Inflow / (Outflow) From Operating Activities</b>		256,705	(114,005)
<b>Cash Flows From Investing Activity</b>			
Purchase of property, plant and equipment (Note A)		(10,694)	-
<b>Net Cash Outflow From Investing Activity</b>		(10,694)	-
<b>Cash Flows From Financing Activity</b>			
Government grant - Job credits scheme		101,359	20,865
<b>Net Cash Inflow From Financing Activity</b>		101,359	20,865
Net increase / (decrease) in cash and cash equivalents		347,370	(93,140)
Cash and cash equivalents at beginning of the year		297,531	390,671
<b>Cash And Cash Equivalents At End Of The Year</b>	5	<u>644,901</u>	<u>297,531</u>

**A. Property, plant and equipment**

During the financial year, the society acquired property, plant and equipment with an aggregate cost of S\$10,694 (2009 : Nil) in cash.



## **Notes to the financial statements**

### **1. General information**

Society Of Sheng Hong Welfare Services has been registered under the Society Act Cap. 311, as well as a charity under the Charities Act, 1994 (Cap. 37).

#### Charity status :

UEN No : T00SS0066C  
ROS Registration No : ROS 316/99 WEL  
Date Of Establishment : 9th May 2000  
Charity Registration No : 1437  
Charity Registration Date : 9th May 2000

#### IPC status :

Effective Date : 3rd November 2000  
Central Fund : A member of NCSS

The registered office is located at 15 Arumugam Road, Singapore 409960.

The principal places of activities of the society are located at :

- (i) Block 237 Hougang Street 21, #01-406, Singapore 530237,
- (ii) Block 238 Hougang Avenue 1, #01-292, Singapore 530238 and
- (iii) 175 Macpherson Road, Singapore 348537.

The objects of the society are those of provision of assistance welfare and relief, financial or otherwise to all people without discrimination as to race, language creed or religion and the promotion of education and fostering of friendship and cohesion in the community.

The financial statements of the Society of Sheng Hong Welfare Services for the year ended 31st March 2010 was authorised for issue in accordance with a resolution by the members on 30th July 2010.

### **2. Summary of significant accounting policies**

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

The financial statements are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Society Act, Cap. 311, Charity Act, Cap. 37 and Singapore Financial Reporting Standards ("FRS").

In the current financial year, the society has adopted all the new and revised FRSs and interpretations of FRS ("INT FRS") that are relevant to its activities and effective for annual periods beginning on or after 1st January 2009. The adoption of these new or revised FRSs and INT FRSs does not result in changes to the society's accounting policies and has no material effect on the amounts reported for the current or prior years.

**(b) Critical accounting judgements and key sources of estimation uncertainty**

The society's accounting policies and use of estimates are integral to the reported results. Certain accounting estimates require exercise of management's judgement in determining the appropriate methodology for valuation of assets and liabilities. The society believes its estimates for determining the valuation of its assets and liabilities are appropriate.

The key assumptions concerning the future, and the key sources of estimation uncertainty at the reporting 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.

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment to be within 1 year. The carrying amount of the society's property, plant and equipment as at 31st March 2010 was S\$10,694 (2009 : Nil). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

**(c) Functional and presentation currency**

As financial activities are denominated primarily in Singapore dollars and receipts from donations and activities are usually retained in Singapore dollars. The financial statements of the society are presented in Singapore Dollars, which is the society's functional currency.

**(d) Property, plant and equipment and depreciation**

Property, plant and equipment are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and impairment in value.

The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by the management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Subsequent expenditure relating to the property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that the future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the company and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it incurred.

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

Depreciation is calculated on the straight-line method so as to write off the depreciable amount of the property, plant and equipment over their estimated useful lives as follows :

Computer	- 1 year
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**(d) Property, plant and equipment and depreciation – cont'd**

The residual values, useful lives and depreciation method are reviewed at each reporting date to ensure that the residual values, period of depreciation and depreciation method are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

**(e) Impairment of non-financial assets**

The carrying amounts of the society's assets subject to impairment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the asset belongs will be identified.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value-in-use, based on an internal discounted cash flow evaluation. The asset or cash-generating unit is subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Any impairment loss is charged to the statement of comprehensive income unless it reverses a previous revaluation in which case it is charged to equity.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

A reversal of an impairment loss on a revalued asset is credited directly to equity under the heading revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the statement of comprehensive income, a reversal of that impairment loss is recognised as income in the statement of comprehensive income.

**(f) Financial assets**

**(i) Classification**

The society classifies its financial assets according to 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. The society's only financial assets is other receivables.

(f) Financial assets – cont'd

(i) Classification – cont'd

Receivables

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 reporting date which are classified as non-current assets. Receivables are presented as "other receivables" and "cash and cash equivalents" on the statement of financial position.

(ii) Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the society commits to purchase or sell the asset. Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the society had transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the net sale proceeds and its carrying amount is recognised in statement of financial activities. Any amount in the fair value reserve relating to that asset is also transferred to statement of financial activities.

(iii) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through statement of financial activities are recognised as expenses.

(iv) Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method.

Interest incomes on financial assets are recognised separately in statement of financial activities.

(v) Impairment

The society assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

Receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial re-organisation, and default or delinquency in payments are considered indicators that the receivable is impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account, and the amount of the loss is recognised in statement of financial activities. The allowance amount 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. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in statement of financial activities.

**(g) Other receivables**

Receivables are recognised and stated at original cost less an amount for any uncollectible amounts. Bad receivables are written off and specific allowances are made for those receivables considered to be doubtful.

**(h) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, bank balances and demand deposits which are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

**(i) Financial liabilities**

Classification as debt

Financial liabilities of the society are classified according to the substance of the contractual agreements entered into and the definitions of a financial liability.

Other payables

Other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis except for short-term payables when the recognition of interest would be immaterial.

**(j) Provisions**

Provisions are recognised when the society has a present obligation (legal or constructive) where, as a result of past events; and 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. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of provision is the present value of the expenditure expected to be required to settle the obligation.

**(k) Leases**

Operating leases

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased item are classified as operating leases. Operating leases payments are recognised as an expense in the statement of financial activities on a straight-line basis over the lease term.

**(l) Related parties**

Related parties refer to those office bearers and key management in which the management members of the society have substantial interest and able to exercise significant influence over the operations of the society.

**(m) Income resources**

Voluntary income – Voluntary income is received by way of donations and included in full in the statement of financial activities when receivable.

Income generating activities – Income is recognised upon due and received.

**(n) Government grants**

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised in the statement of comprehensive income over the periods necessary to match them on a systematic basis, to the costs, which it is intended to compensate. Where the grants relates to an asset, the fair value is credited to a deferred income account and is released to the statement of comprehensive income over the expected useful life of the relevant asset by equal annual instalments.

**(o) Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes GST which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

**(p) Employee benefits**

(i) Retirement benefit costs

Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans and are charged as an expense as they fall due.

(ii) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the reporting date.

Society Of Sheng Hong Welfare Services  
 (UEN. No. T00SS0066C)  
 Financial statements for the year ended 31st March 2010

3. Property, plant and equipment

	Computer S\$	Renovation, Plumbing And Sanitary S\$	Electrical Work S\$	Equipment And Signage S\$	Furniture And Fittings S\$	Total S\$
<b>Cost</b>						
As at 01/04/08	36,575	384,243	7,916	61,461	151,294	641,489
Disposals	<u>(36,575)</u>	<u>(384,243)</u>	<u>(7,916)</u>	<u>(61,461)</u>	<u>(151,294)</u>	<u>(641,489)</u>
As at 31/03/09	-	-	-	-	-	-
Additions	<u>10,694</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,694</u>
As at 31/03/10	<u>10,694</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,694</u>
<b>Accumulated depreciation</b>						
As at 01/04/08	36,575	384,243	7,916	61,461	151,294	641,489
Disposals	<u>(36,575)</u>	<u>(384,243)</u>	<u>(7,916)</u>	<u>(61,461)</u>	<u>(151,294)</u>	<u>(641,489)</u>
As at 31/03/09	-	-	-	-	-	-
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
As at 31/03/10	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Carrying amount</b>						
As at 31/03/09	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
As at 31/03/10	<u>10,694</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,694</u>

4. Other receivables

	2010 S\$	2009 S\$
Other receivables	86,307	45,410
NCSS grants	83,655	28,587
School fees	2,097	1,095
Deposits	6,881	6,381
Prepayments	<u>6,568</u>	<u>6,348</u>
	<u>185,508</u>	<u>87,821</u>

**Society Of Sheng Hong Welfare Services**  
 (UEN. No. T00SS0066C)  
**Financial statements for the year ended 31st March 2010**

**5. Cash and cash equivalents**

Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts :

	2010 S\$	2009 S\$
Bank balance - Children and youth assistance funds	8,908	15,583
Bank balance	633,273	280,295
Cash balance	2,720	1,653
	<u>644,901</u>	<u>297,531</u>

**6. Restricted fund**

	2010 S\$	2009 S\$
Accumulated fund brought forward	62,600	-
Surplus for the year	296,724	62,600
Accumulated fund carried forward	<u>359,324</u>	<u>62,600</u>

**7. Unrestricted fund**

	2010 S\$	2009 S\$
Accumulated fund brought forward	191,808	251,717
Surplus / (deficit) for the year	99,954	(59,909)
Accumulated fund carried forward	<u>291,762</u>	<u>191,808</u>

**8. Special funds**

	2010 S\$	2009 S\$
School Pocket Money Funds	25,566	11,030
NEER	8	3,932
Lee Foundation	2,000	950
Milk funds	250	-
SRJC "I WILL"	19,888	-
	<u>47,712</u>	<u>15,912</u>



**Society Of Sheng Hong Welfare Services**  
 (UEN. No. T00SS0066C)  
**Financial statements for the year ended 31st March 2010**

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**9. Provisions and other payables**

	2010	2009
	S\$	S\$
Current		
- Accruals	59,195	17,303
- Deposit received	82,260	66,920
- Other payables	-	24,479
- School fee received in advance	850	6,330
	<u>142,305</u>	<u>115,032</u>

**10. Voluntary income**

	2010	2009
	S\$	S\$
Donation received - Tax exempted		
- Related parties	-	210,000
- Others	65,187	7,598
Donation received - Non tax-exempted		
- Lorong Koo Chye Sheng Hong Temple Association	300,000	331,000
- Related parties	100,000	200,000
- Others	220	-
	<u>465,407</u>	<u>748,598</u>

There are no fund-raising activities carried out during the financial year.

## 11. Related party transactions

A related party includes the trustees / office bearers 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 other 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 chief executive officer and the direct reporting senior officers.

The summary below provides details of the transactions and arrangements between the society and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements.

### (i) Donation received from related parties

	2010 S\$	2009 S\$
Donation received		
- Tax exempted	-	210,000
- Non tax-exempted	400,000	531,000
	<u>400,000</u>	<u>531,000</u>

(ii) No members of the management committee received any remuneration during the year.

(iii) The society is the welfare arm of Lorong Koo Chye Sheng Hong Temple Association, an association registered in Singapore.

## 12. Staff cost

	2010 S\$	2009 S\$
Salaries and bonuses	1,340,537	1,178,637
CPF, FWL and SDF	151,791	116,239
Staff training	45,975	21,276
Staff welfare	18,453	14,682
	<u>1,556,756</u>	<u>1,330,834</u>

Number of staff in remuneration bands :

	2010	2009
<u>Annual remuneration</u>		
Below S\$50,000	48	44
S\$50,000 - S\$100,000	3	3
	<u>3</u>	<u>3</u>

**Society Of Sheng Hong Welfare Services**  
 (UEN. No. T00SS0066C)  
**Financial statements for the year ended 31st March 2010**

**13. Taxation**

- (a) The society is exempted from tax under Section 13M(2)(b) of the Singapore Income Tax Act.
- (b) From 1st April 2009 to 31st March 2010, the society issued tax-exempt receipts for donations collected amounting to S\$65,187 (2009 : S\$217,598) for restricted programmes.

**14. Operating lease commitments**

At the reporting date, the society was committed to making the following lease payments under non-cancellable operating leases for premises and office equipment :

	2010 S\$	2009 S\$
Not later than one year	408,600	408,600
Later than one year and not later than five years	<u>127,763</u>	<u>536,363</u>

**15. Financial instruments**

**(a) Categories of financial instruments**

	2010 S\$	2009 S\$
<b>Financial assets</b>		
<b>Receivables</b>		
- Other receivables	185,508	87,821
- Cash and cash equivalents	<u>644,901</u>	<u>297,531</u>
<b>Financial liabilities</b>		
<b>Financial liabilities through amortised cost</b>		
- Special funds	47,712	15,912
- Provisions and other payables	<u>142,305</u>	<u>115,032</u>

**(b) Financial risk management**

The main risks arising from the society's financial instruments are credit risk, liquidity risk and other risk. The society's policies in managing these risks are summarised as below : -

Credit risk

The society has minimal risk because, majority of the activities are on cash basis.

Liquidity risk

In the management of liquidity risk, the society monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the society's activities and mitigate the effects of fluctuations in cash flows.

**15. Financial instruments – cont'd**

**(b) Financial risk management – cont'd**

Other risk

The society is not exposed to interest rate risks as it does not have interest bearing asset and liability.

It has no foreign currency risk as it transacts solely in Singapore dollars.

**(c) Fair value**

The carrying amounts of the financial assets and financial liabilities as reflected in the statement of financial position approximate to their fair values.

Statement of financial activities (Supplementary schedule)

2010

	Unrestricted Funds			Restricted Funds			Total
	Society Of Sheng Hong Welfare Services	Hougang Sheng Hong Student Care Centre	Macpherson Sheng Hong Childcare Centre	Society Of Sheng Hong Welfare Services	Hougang Sheng Hong Family Service Centre Core Programme "FLE"	Programme "FLE"	
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<b>Income</b>							
Voluntary income							
Donation received - Exempt	400,220	-	-	65,187	-	-	65,187
Donation received - Non-exempt	-	-	-	-	-	-	400,220
	400,220	-	-	65,187	-	-	465,407
Funds generating activities							
2nd PDP Funding received	-	-	-	-	-	88,176	88,176
FSC Funding - received from MCYS	-	-	-	-	463,082	-	463,082
FSC Funding - received from NCSS	-	-	-	-	146,096	-	146,096
FSC Funding - received from Tole Board	-	-	-	-	283,599	-	283,599
Fund received for programme	-	4,945	72,219	-	195,956	16,040	289,160
Government grants	-	22,569	405,205	-	-	-	427,774
Holiday fee	-	7,560	940	-	-	-	8,500
Membership	-	-	-	-	313	-	313
Miscellaneous	-	153	28,802	-	7,005	-	36,060
Other subsidy	-	-	-	-	35,529	-	35,529
Registration fees	-	840	3,800	-	-	-	4,640
School fees	-	106,093	463,520	-	-	-	569,613
	-	142,160	974,589	-	1,131,580	104,216	2,352,545
Other income							
Job credits	-	13,560	47,362	-	40,417	-	101,359
<b>Total income</b>	400,220	155,740	1,021,951	65,187	1,171,997	104,216	2,919,311

Statement of financial activities (Supplementary schedule)

2010 - cont'd

	Unrestricted Funds			Restricted Funds		Total
	Society Of Sheng Hong Welfare Services	Macpherson Sheng Hong Childcare Centre	Hougang Sheng Hong Student Care Centre	Society Of Sheng Hong Welfare Services	Hougang Sheng Hong Family Service Centre Programme "FLE"	
	SS	SS	SS	SS	SS	
<b>Expenditure</b>						
Cost of charitable activities						
Bank charges	-	229	95	301	-	628
Children and youth assistance funds	-	-	6,640	-	-	6,640
Cleaning materials	-	4,798	-	989	-	6,462
Communications	-	3,324	-	4,265	753	12,448
Contract service	-	56	-	772	-	2,262
CPF, FWL and SDL	-	19,871	-	61,253	5,403	151,791
Food and marketing	-	7,819	-	279	-	32,656
General expenses	-	125	-	399	-	798
Insurance	-	2,082	-	4,855	539	16,810
Leasing of office equipment	-	2,825	-	2,827	499	9,852
Medical expenses	-	1,525	-	2,785	309	10,383
Office supplies	-	525	-	1,033	-	2,317
Printing and stationery	-	639	-	4,941	872	10,756
Postage charges	-	89	-	125	-	217
Programme expenses	-	7,063	-	185,259	44,404	317,305
Public education and publicity	-	1,134	-	1,319	-	3,416
Purchase of new equipment	-	1,641	-	5,392	-	17,039
Recruitment	-	1,255	-	1,281	-	2,536
Rental	-	2,850	-	4,900	865	385,286
Repairs and maintenance - Building	-	436	-	2,165	-	6,728
Repairs and maintenance - Computer and IT services	-	1,779	-	4,730	835	11,105
Repairs and maintenance - Equipment	-	1,114	-	3,368	-	8,472
<b>Expenditure carried forward</b>	-	605,792	7,509	293,238	54,479	1,016,007

## Statement of financial activities (Supplementary schedule)

2010 - (cont'd)

	Unrestricted Funds			Restricted Funds			Total
	Society Of Sheng Hong Welfare Services	Hougang Sheng Hong Student Care Centre	Macpherson Sheng Hong Childcare Centre	Society Of Sheng Hong Welfare Services	Hougang Sheng Hong Family Service Centre Core Programme	Programme "FLE"	
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Expenditure brought forward	-	-	-	-	-	-	1,016,007
Salary and bonuses	-	55,489	605,792	7,009	293,238	54,479	1,340,537
Staff training	-	142,095	805,257	-	548,355	46,829	45,975
Staff welfare	-	1,610	12,559	-	28,626	3,180	18,463
Subscription	-	2,399	9,225	-	6,146	683	629
Transport	-	-	489	-	140	-	1,747
Utilities	-	9,639	10	-	1,737	-	56,285
	-	211,292	1,258,865	7,009	15,515	2,738	2,479,633
Governance costs	-	-	-	-	893,758	107,909	-
Audit fee	-	3,000	3,000	2,000	3,500	-	11,500
Professional fee	-	500	500	500	30,000	-	31,500
	-	3,500	3,500	2,500	33,500	-	43,000
Total expenditure	-	214,792	1,263,165	9,509	927,258	107,909	2,522,633
Surplus / (deficit) for the year	400,220	(59,052)	(241,214)	55,678	244,739	(3,693)	386,678
Transfer between funds	-	-	-	(3,693)	-	3,693	-
Transfer between funds	(300,266)	59,052	241,214	-	-	-	-
Net surplus for the year	99,954	-	-	51,985	244,739	-	386,678
Total funds brought forward	191,808	-	-	62,600	-	-	254,408
Total Funds Carried Forward	291,762	-	-	114,585	244,739	-	651,086

Statement of financial activities (Supplementary schedule)

2009

Income	Unrestricted Funds				Restricted Funds				Total
	Society Of Sheng Hong Welfare Services	Hougang Sheng Hong Family Service Centre	Hougang Sheng Hong Student Care Centre	Macpherson Sheng Hong Childcare Centre	Society Of Sheng Hong Welfare Services	Core Programme	Programme "I Can"	Programme "FLE"	
	SS	SS	SS	SS	SS	SS	SS	SS	SS
Voluntary income	-	-	-	-	207,586	-	-	-	207,586
Donation received - Exempt	-	-	-	-	10,000	-	-	-	10,000
Donation received - Exempt (Children and youth assistance funds)	300,000	-	-	-	-	-	-	-	300,000
Donation received - Non-exempt	231,000	-	-	-	-	-	-	-	231,000
Donation received - Extension of building (Non-exempt)	531,000	-	-	-	217,586	-	-	-	748,586
Funds generating activities	-	-	-	-	-	-	-	-	-
2nd PDP	-	-	-	-	-	-	-	-	-
Mandatory counselling programme	-	-	6,322	-	-	900	100,140	-	100,140
Fund received for programme	-	-	57,671	-	-	105,469	-	-	203,303
Government grants	-	-	7,940	-	-	348,150	2,821	20,802	739,547
Holiday fee	-	-	-	-	-	-	-	-	10,240
MYS sponsorship	-	-	-	-	-	-	-	9,314	9,314
Membership	-	-	-	-	-	-	-	258	258
Miscellaneous	-	-	326	-	-	258	-	-	11,289
NCSS subsidy	-	-	-	-	-	304	-	-	52,431
Other subsidy	-	-	-	-	-	52,431	-	-	1,720
Registration fees	-	-	635	-	-	1,720	-	-	3,913
School fees	-	-	106,913	-	-	-	-	-	696,058
	-	-	180,407	-	-	510,232	2,821	130,256	1,719,113
Other income	-	10,765	3,559	13,102	-	-	-	-	27,446
Job credits	-	-	-	-	217,586	-	-	-	217,586
Total income	531,000	10,765	183,966	908,499	217,586	510,232	2,821	130,256	2,495,157





Statement of financial activities (Supplementary schedule)

2009 - (cont'd)

	Unrestricted Funds				Restricted Funds				Total
	Society Of Sheng Hong Welfare Services	Hougang Sheng Hong Family Service Centre	Hougang Sheng Hong Student Care Centre	Macpherson Sheng Hong Chiatscare Centre	Society Of Sheng Hong Welfare Services	Core Programme	"I Can" Programme	"FLE" Programme	
	SS	SS	SS	SS	SS	SS	SS	SS	
Expenditure brought forward	30	231,644	58,881	583,248	14,077	210,773	580	52,549	1,151,792
Repairs and maintenance - Building	-	-	1,468	4,612	-	1,633	-	-	7,713
Repairs and maintenance - Computer and IT services	-	-	1,779	7,063	-	4,555	-	1,138	14,536
Repairs and maintenance - Equipment	-	-	375	4,851	-	1,965	-	-	7,192
Salary and bonuses	-	-	143,286	584,229	-	379,575	4,070	67,477	1,178,637
Staff training	-	-	784	2,681	-	14,249	-	3,562	21,276
Staff welfare	-	-	2,326	8,073	-	3,426	-	857	14,682
Subscription	-	-	-	541	-	70	-	-	611
Teaching materials	-	-	-	6,546	-	-	-	-	6,548
Transport	-	-	146	1,730	-	2,221	-	-	4,097
Utilities	-	-	12,670	31,194	-	16,523	-	4,130	64,917
	30	231,644	221,715	1,234,770	14,077	634,991	4,660	129,714	2,471,601
Governance costs									
Audit fee	-	-	1,500	2,500	1,980	1,760	-	440	8,180
Professional fee	-	-	1,000	1,000	3,060	6,100	-	1,525	12,685
	-	-	2,500	3,500	5,040	7,860	-	1,965	20,865
<b>Total expenditure</b>	30	231,644	224,215	1,238,270	19,117	642,851	4,660	131,679	2,482,466
Surplus / (deficit) for the year	530,970	(220,859)	(40,249)	(529,771)	198,481	(132,619)	(1,839)	(1,423)	2,691
Transfer between funds	-	-	-	-	(135,881)	132,619	1,839	1,423	-
Transfer between funds	(530,970)	220,859	40,249	259,862	-	-	-	-	-
Net (deficit) / surplus for the year	-	-	-	(59,909)	62,600	-	-	-	2,691
Total funds brought forward	251,717	-	-	-	-	-	-	-	251,717
<b>Total Funds Carried Forward</b>	<b>251,717</b>	<b>-</b>	<b>-</b>	<b>(59,909)</b>	<b>62,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>254,408</b>