PARKINSON SOCIETY SINGAPORE
(Registered in Singapore)
(UEN: S96SS0203J)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2015
TOGETHER WITH REPORTS OF
EXECUTIVE COMMITTEE AND AUDITORS

PARKINSON SOCIETY SINGAPORE
(Registered in Singapore)
(UEN: S96SS0203J)
FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

Registered office	Block 191 Bishan Street 13 #01-415 Singapore 570191		
Committee Members	Lau Meow Hoon, Julie	-	President
	Lam Hock Choon	-	Vice-President
	Christine Kang Hwee	-	Treasurer
	Foo Chee Lee	-	Assistant Treasurer
	Dr Tan Chew Seng, Louis	-	Secretary
	Dr Tan Hooi Hwa	-	Committee Member
	Dr Au Wing Lok	-	Committee Member
	Dr Tan Siok Bee	-	Committee Member
	Chiang Kheng Long	-	Committee Member
	Neo Lay Tin	-	Committee Member
	Goh Sin Sing Theresa	-	Committee Member
	Philip Tan Yuen Fah	-	Committee Member
	Dr Dawn Tan May Leng	-	Committee Member
	Dr Tay Kay Yaw	-	Committee Member
	Hung Kwang Hou	-	Committee Member
	Li Wei	-	Committee Member
Bankers	Oversea Chinese Banking Corporation CIMB Bank Berhad		
Independent Auditors	Crowe Horwath First Trust LLP Chartered Accountants of Singapore 8 Shenton Way #05-01 AXA Tower Singapore 068811		

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STATEMENT BY THE EXECUTIVE COMMITTEE

In the opinion of the Executive Committee:

(a) the financial statements set out on pages 4 to 20 are drawn up in accordance with the provision of the Singapore Societies Act, Chapter 311, Singapore Charities Act, Chapter 37 and Singapore Financial Reporting Standards so as to present fairly the financial position of Parkinson Society Singapore (the "Society") as at 31 December 2015 and of the statement of income and expenditure, statement of changes in funds and statement of cash flows of the Society for the financial year ended on that date; and

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

The Executive Committee authorised the issue of these financial statements.

On behalf of the Executive Committee

LAU MEOW HOON, JULIE	**CHRISTINE KANG HWEE**
President	Treasurer

20 April 2016

Crowe Horwath.

Crowe Horwath First Trust LLP
Chartered Accountants of Singapore
Member Crowe Horwath International

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PARKINSON SOCIETY SINGAPORE
(Registered under the Societies Act, Chapter 311)

Report on the Financial Statements

We have audited the accompanying financial statements of Parkinson Society Singapore (the "Society") set out on pages 4 to 20, which comprise the statement of financial position of the Society as at 31 December 2015, the statement of income and expenditure, the statement of changes in funds and the statement of cash flows of the Society for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Executive Committee's Responsibility for the Financial Statements

The Executive Committee is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Societies Act, Chapter 311 (the "Regulations"), Singapore Charities Act, Chapter 37 (the "Act"), and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and that transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

The Executive Committee is also responsible to ensure that the 30% cap in Regulations 7 of the Act (Fund-Raising Appeals) (Amendments) Regulations 2012 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 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 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 control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Executive 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.

Crowe Horwath.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PARKINSON SOCIETY SINGAPORE
(Registered under the Societies Act, Chapter 311)

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Regulations, the Act and Singapore Financial Reporting Standards so as to present fairly in all material aspects the financial position of the Society as at 31 December 2015, and of the financial performance, changes in funds and cash flows for the financial year ended on that date.

Report on Other Legal and Regulations Requirements

During the course of our audit, nothing has come to our attention to cause us to believe that:

(a) the accounting and other records required by the Regulations and the Act to be kept by the Society have not been properly kept in accordance with the provisions of the Regulations and the Act;

(b) the Society did not comply with Regulations 7 of the Act (Fund-Raising Appeals) (Amendments) Regulations 2012 and Regulation 6 of the Societies Regulations; and

(c) the donation monies have not been used in accordance with the objective of the Society as an Institution of Public Character.

Crowe Horwath First Trust LLP

Crowe Horwath First Trust LLP
Public Accountants and
Chartered Accountants
Singapore

20 April 2016

PARKINSON SOCIETY SINGAPORE
(Registered in Singapore)
(UEN: S96SS0203J)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

(Amounts in Singapore dollar)

	Note	2015 $	2014 $
ASSETS			
Non-current asset			
Property, plant and equipment	3	445,934	515,700
Current assets			
Other receivables and prepayments	4	131,189	11,196
Cash and cash equivalents	5	1,079,497	1,116,661
		1,210,686	1,127,857
TOTAL ASSETS		1,656,620	1,643,557
LIABILITIES AND FUNDS			
Current liabilities			
Deferred capital grant	6	368,306	426,858
Accrued expenses	7	27,714	41,622
		396,020	468,480
Funds			
Unrestricted fund		1,035,342	946,926
Restricted fund	8	225,258	228,151
		1,260,600	1,175,077
TOTAL LIABILITIES AND FUNDS		1,656,620	1,643,557

The accompanying notes are an integral part of the financial statements.

PARKINSON SOCIETY SINGAPORE
(Registered in Singapore)
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STATEMENT OF INCOME AND EXPENDITURE
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015
(Amounts in Singapore dollar)

	Note	2015	2014
		$	$
INCOME			
Donations		83,784	23,932
Subscriptions		5,644	10,725
Interest income		6,886	5,277
Merchandise sales		4,039	1,734
VWOs-Charities Capability Fund funding		2,040	1,980
Fund raising income		-	428,572
Grant income		428,871	238,413
Grant income – deferred capital grant	6	64,044	57,005
Programme income		61,325	60,742
Wages Credit Scheme		14,116	-
Other income		3,063	5,414
Total income		673,812	833,794
LESS: EXPENDITURE			
Manpower cost		278,583	229,448
Programme Instructors' fee		55,180	66,634
Programme cost		36,269	27,123
Volunteer development & recognition		7,483	8,598
Depreciation of plant and equipment	3	82,199	78,213
Administrative expenses		6,121	6,960
Accounting fees		17,700	12,748
Audit fees		6,299	4,217
Bank charges		698	1,322
Printing, stationery and postages		10,271	9,587
Refreshments		9,829	1,520
Facilities management expenses		10,484	11,451
Rental of equipment and facilities		31,679	13,842
Public education & publicity		10,176	74,472
General insurance		6,221	5,106
General expenses		-	560
General utilities		9,939	9,369
Fund raising expenses		-	56,162
Transportation		2,005	1,878
Non-capitalised assets		1,280	-
Other expenses		2,820	-
Patients' welfare fund		3,053	2,210
Total expenditure		588,289	621,420
Surplus before tax		85,523	212,374
Income tax	9	-	-
Surplus for the year representing total comprehensive income for the year		85,523	212,374

The accompanying notes are an integral part of the financial statements.

PARKINSON SOCIETY SINGAPORE
(Registered in Singapore)
(UEN: S96SS0203J)

STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015
(Amounts in Singapore dollar)

	Unrestricted fund	Restricted fund	Total
	$	$	$
Balance at 1 January 2014	732,703	230,000	962,703
Reclassification of fund	(361)	361	-
Total comprehensive income / (expenditure) for the year	214,584	(2,210)	212,374
Balance at 31 December 2014	946,926	228,151	1,175,077
Balance at 1 January 2015	946,926	228,151	1,175,077
Reclassification of fund	(160)	160	-
Total comprehensive income / (expenditure) for the year	88,576	(3,053)	85,523
Balance at 31 December 2015	1,035,342	225,258	1,260,600

The accompanying notes are an integral part of the financial statements.

PARKINSON SOCIETY SINGAPORE
(Registered in Singapore)
(UEN: S96SS0203J)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015
(Amounts in Singapore dollar)

	2015 $	2014 $
Cash flows from operating activities		
Surplus for the year	85,523	212,374
Adjustments:		
Depreciation of property, plant and equipment	82,199	78,213
Grant income – Deferred capital grant	(64,044)	(57,005)
Interest income	(6,886)	(5,277)
Operating cash flows before changes in working capital	96,792	228,305
Other receivables and prepayments	(119,993)	(5,875)
Collections in advance	-	-
Deferred capital grant	5,492	83,801
Accrued expenses	(13,908)	33,264
Cash generated from operations	(31,617)	339,495
Interest received	6,886	5,277
Net cash (used in) / generated from operating activities	(24,731)	344,772
Cash flows from investing activities		
Purchase of property, plant and equipment, representing net cash used in investing activity	(12,433)	(76,199)
Net (decrease) / increase in cash and bank balances	(37,164)	268,573
Cash and bank balances at the beginning of the year	1,116,661	848,088
Cash and bank balances at the end of the year	1,079,497	1,116,661

The accompanying notes are an integral part of the financial statements.

1. GENERAL INFORMATION

Parkinson Society Singapore (the "Society") was registered as a society under the Singapore Societies Act, Chapter 311 and is domiciled in Singapore. The Society is registered as an exempt charity and is also subject to the provisions of the Charities Act, Chapter 37. The registered office and place of operations of the Society is at Block 191 Bishan Street 13, #01-415, Singapore 570191.

The Society is conferred the Institution of Public Character status (IPC No: HEF0080/G). Accordingly, qualifying donors are granted tax deduction for the donations made to the Society.

The Society's principal activities are providing financial care and other assistance to patients affiliated with Parkinson's disease. There have been no significant changes in the nature of the principal activities during the financial year.

The financial statements of the Society for the financial year ended 31 December 2015 were authorised for issue by the Executive Committee on 20 April 2016.

2. SIGNIFICANT ACCOUNTING POLICIES

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 Singapore Societies Act, Chapter 311, Singapore Charities Act, Chapter 37, and Singapore Financial Reporting Standards ("FRS"). The financial statements are presented in Singapore dollar ("$").

The preparation of the financial statements in conformity with FRS requires Executive Committee to exercise its judgement in the process of applying the Society's accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of income and expenditure during the financial year. Although these estimates are based on Executive Committee's best knowledge of current events and actions, actual results may ultimately differ from those estimates. Critical accounting estimates and assumptions used that are significant to the financial statements and areas involving a higher degree of judgement or complexity, are disclosed in this Note.

Adoption of new and revised standards

On 1 January 2015, the Society adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application from that date. Changes to the Society's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS. The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Society's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Standards issued but not yet effective

The Society has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
FRS 114 *Regulatory Deferral Accounts*	1 January 2016
Amendments to FRS 27: *Equity Method in Separate Financial Statements*	1 January 2016
Amendments to FRS 16 and FRS 38: *Clarification of Acceptable Methods of Depreciation and Amortisation*	1 January 2016
Amendments to FRS 16 and FRS 41: *Agriculture: Bearer Plants*	1 January 2016
Amendments to FRS 111: *Accounting for Acquisitions of Interests in Joint Operations*	1 January 2016
Amendments to FRS 110 and FRS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	1 January 2016
Improvements to FRSs (November 2014)	
- Amendment to FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*	1 January 2016
- Amendment to FRS 107 *Financial Instruments: Disclosures*	1 January 2016
- Amendment to FRS 19 *Employee Benefits*	1 January 2016
- Amendment to FRS 34 *Interim Financial Reporting*	1 January 2016
Amendments to FRS 1: *Disclosure Initiative*	1 January 2016
Amendments to FRS 110, FRS 112 and FRS 28: *Investment Entities: Applying the Consolidation Exception*	1 January 2016
Amendments to FRS 67: *Disclosure Initiative*	1 January 2017
Amendments to FRS 12: *Recognition of Deferred Tax Assets for Unrealised Losses*	1 January 2017
FRS 115 *Revenue from Contracts with Customers*	1 January 2018
FRS 109 *Financial Instruments*	1 January 2018

The Executive Committee expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application.

Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and 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. The cost of an item of property, plant and equipment including subsequent expenditure is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. When significant parts of property, plant and equipment is required to be replaced in intervals, the Society recognises such parts as individual assets with specific lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance expenses are recognised in statement of income and expenditure when incurred.

After initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Property, plant and equipment are depreciated using the straight-line method to write-off the cost of the assets less estimated residual value over their estimated useful lives. The estimated useful lives have been taken as follows:

	Useful lives (Years)
Furniture and fittings	3 to 5
Gym equipment	5
Leasehold improvement	10

The estimated useful life and depreciation method are reviewed, and adjusted as appropriate at each reporting date to ensure that the amount, method and period of depreciation are consistent with the expected pattern of economic benefits derived from items of property, plant and equipment. Fully depreciated assets are retained in the financial statements until they are no longer in use.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.The gain or loss arising on retirement or disposal is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in the statement of income and expenditure.

Impairment of non-financial assets

The Society assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Society makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely dependent on those from other assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognised in statement of income and expenditure in those expense categories consistent with the function of the impaired asset, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets (Continued)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Society estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. This increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the statement of income and expenditure unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

Financial assets

(i) Initial recognition and measurement

Financial assets are recognised on the statement of financial position when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. Financial assets are initially recognised at fair value plus, in the case of financial assets classified as held-to-maturity, directly attributable transaction costs.

The Society classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the nature of the assets and the purpose for which the assets were acquired. Executive Committee determines the classification of its financial assets at initial recognition and for held-to-maturity investments, re-evaluates this designation at every reporting date. As at the reporting date, the Society has no financial assets in the category of fair value through profit or loss, held to maturity investments and available-for-sale financial assets.

(ii) Subsequent measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Society provides money, goods or services directly to a debtor with no intention of trading the receivable. They are presented as current assets, except for those expected to be realized later than 12 months after the reporting date which are classified as non-current assets. Loans and receivables comprise cash and cash equivalent, other receivables and deposits.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest rate method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

(iii) Derecognition

Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Society has transferred substantially all the risks and rewards of ownership. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in statement of income and expenditure.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets

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

For financial assets carried at amortised cost, the Society first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Society determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

An impairment loss is recognised in statement of income and expenditure when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in the statement of income and expenditure.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Society considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in statement of income and expenditure.

Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. The Society determines the classification of its financial liabilities at initial recognition. Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

(ii) Subsequent measurement

Subsequent to initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in statement of income and expenditure when liabilities are derecognised, and through the amortisation process.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities (Continued)

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of income and expenditure.

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 lease payments are recognised as an expense in the statement of income and expenditure on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.

Provisions

A provision is recognised when the Society has a present obligation, legal or constructive, as a result of a past event 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. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Funds

Unrestricted fund

Funds are available for use at the discretion of the Executive Committee in furtherance of the Society's objects.

Restricted fund

Patient's Welfare fund - This is administered by Patient Welfare sub-committee which was set up to provide financial assistance to needy patients.

Capital Expenditure Fund - This is set up by the board of committee in 2013 by setting aside an amount of fund from unrestricted fund for future development of the Society.

Revenue recognition

Revenue from membership subscription is recognised on time apportionment basis over the period of the membership, with the unrecognised portion recorded as membership subscription received in advance in the statement of financial position.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from sale of goods is recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and title has passed.

Donations are recognised in the statement of income and expenditure on an accrual basis when the donations are committed to the Society.

Donation-in-kind is recognised when the fair value of the assets received can be reasonably ascertained.

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the effective interest rates applicable.

Employees' benefits

(i) Retirement benefits

The Society makes contribution to the Central Provident Fund (CPF) Scheme in Singapore, a defined contribution retirement schemes.

Obligations for contributions to defined contribution retirement plans are recognised as an expense in the period in which the related service is performed.

(ii) Employee leave entitlement

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

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all terms and conditions relating to the grants have been complied with. When the grant relates to an expense item, it is recognised in the statement of income and expenditure over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Government grants relating to the fixed asset purchased are included in the statement of financial position as deferred capital grant and are credited to the statement of income and expenditure on a straight-line basis over the expected lives of the related assets.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Society if that person:

- (i) Has control or joint control over the Society;
- (ii) Has significant influence over the Society; or
- (iii) Is a member of the key management personnel of the Society.

(b) An entity is related to the Society if any of the following conditions applies:

- (i) The entity and the Society are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Society or an entity related to the Society.
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key Executive Committee personnel of the entity.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprises cash on hand, deposits with financial institutions and short term, highly liquid investments readily convertible to known amounts of cash and subjected to an insignificant risk of changes in value.

Critical accounting estimates and judgements

The Society makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions 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.

<u>Useful lives of property, plant and equipment</u>

The property, plant and equipment are depreciated on a straight-line basis over the respective asset's estimated economic useful lives. The Executive Committee exercised their judgement on estimating the useful lives at the end of each reporting period. The total carrying amount of the property, plant and equipment of the Society is disclosed in Note 3. Changes in the expected level of usage could impact the useful lives and the residual values, if any, of these assets, therefore future depreciation charges could be revised.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. PROPERTY, PLANT AND EQUIPMENT

	Furniture and fittings	Gym equipment	Leasehold improvement	Total
	$	$	$	$
Cost				
At 1 January 2014	21,419	70,422	508,736	600,577
Additions	7,705	-	68,494	76,199
At 31 December 2014	29,124	70,422	577,230	676,776
At 1 January 2015	29,124	70,422	577,230	676,776
Additions	9,612	-	2,821	12,433
At 31 December 2015	38,736	70,422	580,051	689,209
Accumulated depreciation				
At 1 January 2014	7,877	16,405	58,581	82,863
Depreciation charge for the year	7,152	14,084	56,977	78,213
At 31 December 2014	15,029	30,489	115,558	161,076
At 1 January 2015	15,029	30,489	115,558	161,076
Depreciation charge for the year	10,203	14,085	57,911	82,199
At 31 December 2015	25,232	44,574	173,469	243,275
Net carrying amount				
At 31 December 2015	13,504	25,848	406,582	445,934
At 31 December 2014	14,095	39,933	461,672	515,700
At 1 January 2014	13,542	54,017	450,155	517,714

4. OTHER RECEIVABLES AND PREPAYMENTS

	2015	2014
	$	$
Other receivables	123,552	1,722
Prepayments	4,088	7,924
Deposits	3,549	1,550
	131,189	11,196

5. CASH AND CASH EQUIVALENTS

	2015	2014
	$	$
Cash and bank balances	474,598	459,581
Fixed deposits	604,899	657,080
Cash and cash equivalents	1,079,497	1,116,661

The fixed deposits at reporting date have a maturity of 3 to 12 months (2014: 6 to 12 months) from the end of the financial year end. The effective interest rates for the fixed deposits range from 0.25% to 1.73% (2014: 0.25% to 1.12%) per annum.

Fixed deposits with maturity dates more than 3 months can be withdrawn anytime before the maturity dates without penalty. As the principal value of the deposits is readily convertible to cash, they form part of the cash and cash equivalents in the statement of cash flows.

6. DEFERRED CAPITAL GRANT

	2015	2014
	$	$
Balance as at beginning of the year	426,858	400,062
Amount transferred from grant income	5,492	83,801
Deferred capital grant amortised during the year	(64,044)	(57,005)
Balance as at end of the year	368,306	426,858

The deferred capital grant will be amortise subsequently in the statement of income and expenditure over the period necessary to match income and expenditure on a systematic basis.

7. ACCRUED EXPENSES

	2015	2014
	$	$
Accrued operating expenses	27,714	41,622

8. RESTRICTED FUND

	Patient Welfare Fund		Capital Expenditure Fund		Total	
	2015	2014	2015	2014	2015	2014
	$	$	$	$	$	$
Balance as at beginning of the year	28,151	30,000	200,000	200,000	228,151	230,000
Transfer from unrestricted fund	160	361	-	-	160	361
Approved usage during the year	(3,053)	(2,210)	-	-	(3,053)	(2,210)
Balance as at end of the year	25,258	28,151	200,000	200,000	225,258	228,151

9. INCOME TAX

The Society is registered as a charity under the Singapore Charities Act, Chapter 37. With effect from Year of Assessment 2008, all registered charities will enjoy automatic income tax exemption without having the need to meet the 80% spending rule.

10. TAX-EXEMPT RECEIPTS DONATION

The Society enjoys a concessionary tax treatment whereby qualifying donors are granted tax deduction for the donations made to the Society.

During the financial year, the Society issued tax-exempt receipts for donations collected amounting to $59,008 (2014: $384,701).

11. RELATED PARTY TRANSACTIONS

Key Executive Committee personnel comprise members of the Executive Committee.

The Executive Committee members, or people connected with them, have not received any monetary remuneration, or other benefits, from the Society for their contribution for the financial years ended 31 December 2015 and 2014.

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

12. EMPLOYEE BENEFITS COST

There are no employees with emoluments above $100,000.

13. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Society's activities expose it to a variety of financial risks primarily liquidity risk, credit risk and interest rate risk. Overall risk is monitored by the Executive Committee. The Society's overall financial risk management strategy remains unchanged from 2014. It is the Society's policy not to trade in derivative contracts.

(i) Market risk

(a) Foreign currency risk

The Society is not exposed to any foreign currency risk. Accordingly, sensitivity analysis is not necessary. The Society does not engage in trading or speculation in foreign currencies.

(b) Interest rate risk

The Society constantly monitors its interest rate risk and does not utilise forward contracts or other arrangements for trading or speculative purposes. As at 31 December 2015, there were no interest rate swap contracts or other derivative instruments outstanding.

The Society has no interest-bearing financial liabilities. The following table sets out the carrying amount, by maturity, of the Society's financial instruments, that are exposed to interest rate risk:

	2015	2014
	$	$
Within one year – fixed rates		
Fixed deposits	604,899	657,080

Interests on financial instruments are fixed until the maturity of the instruments.

The Society's statement of income and expenditure and unrestricted fund are not significantly affected by changes in interest rates as the interest-bearing financial instruments carry fixed interest rates. As such, sensitivity analysis is not necessary.

(ii) Liquidity risk

The Society is primarily funded by general donations received. The Society monitors its liquidity risk and maintains a level of cash and bank balances deemed adequate by Executive Committee to finance the Society's operations and to mitigate the effects of fluctuations in cash flows. Typically the Society ensures that it has sufficient cash on demand to meet expected operational expenses. The financial liabilities of the Society as at 31 December 2015 and 2014 are repayable on demand or due within 1 year from the reporting date.

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Society. The carrying amounts of cash and cash equivalents, other receivables and deposits represent the Society's maximum exposure to credit risk in relation to financial assets. No other financial assets carry a significant exposure to credit risk. Cash and bank balances are placed with reputable licensed financial institutions.

13. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(iii) Credit risk (Continued)

The carrying amounts of financial assets and financial liabilities reported on the statement of financial position are reasonable approximation of fair values to the relatively short-term maturity of these financial instruments.

(v) Categories of financial instruments

The following table sets out the financial instruments as at the reporting date:

	2015	2014
	$	$
Cash and other receivables	1,206,598	1,119,933
Financial liabilities at amortised cost	27,714	41,622

Capital risk management policies and objectives

The Executive Committee reviews its fund regularly to ensure that the Society will be able to continue as a going concern. The Society's reserves policy focuses on the level of the unrestricted fund. The Society relies on cash donations, which by their nature are unpredictable to support the Society's activities.

The amount of fund will be regularly reviewed by the Executive Committee to ensure that they are adequate to fulfill continuing obligations. The reserve policy of the Society is to hold reserves of up to 3 times over annual operating expenses.