PARKINSON'S DISEASE SOCIETY (SINGAPORE)
(Registered in Singapore)
(UEN: S96SS0203J)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2011
TOGETHER WITH REPORTS OF EXECUTIVE
COMMITTEE AND AUDITORS

PARKINSON'S DISEASE SOCIETY (SINGAPORE)
(Registered in Singapore)
(UEN: S96SS0203J)
FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

Registered office	26 Dunearn Road c/o Singapore National Stroke of Singapore Singapore 309423	
Committee Members	Lau Meow Hoon, Julie	- President
	Frank Schulz-Utermoehl	- Vice-President
	Theresa Goh	- Treasurer
	Tan Chew Seng, Louis	- Secretary
	Dr Tan Eng King	- Committee Member
	Patricia Lee	- Committee Member
	Dr Au Wing Lok	- Committee Member
	Dr Christopher Lien	- Committee Member
	Heinrich Jessen	- Committee Member
	Tan Siok Bee	- Committee Member
	Cheng Lay Tin	- Committee Member
	Melvyn Chiang	- Committee Member
	Lam Hock Choon	- Committee Member
	Puvadol Saengvichien	- Committee Member
	Emily Guo	- Committee Member
	Charles Foo	- Committee Member
Bankers	Oversea Chinese Banking Corporation	
Independent Auditors	Crowe Horwath First Trust LLP Certified Public Accountants 8 Shenton Way #05-01 AXA Tower Singapore 068811	

PARKINSON'S DISEASE SOCIETY (SINGAPORE)
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FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

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FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

STATEMENT BY THE EXECUTIVE COMMITTEE

In the opinion of the Executive Committee:

(a) the financial statements set out on pages 4 to 22 are drawn up in accordance with the provision of the Singapore Charities Act, Chapter 37, Singapore Societies Act, Chapter 311 and Singapore Financial Reporting Standards so as to present fairly the state of affairs of Parkinson's Disease Society (Singapore) (the "Society") as at 31 December 2011 and of the statement of income and expenditure, changes in statement of fund and 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
President

THERESA GOH
Treasurer

3 May 2012

Crowe Horwath First Trust LLP
Certified Public Accountants
Member Crowe Horwath International

8 Shenton Way
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PARKINSON'S DISEASE SOCIETY (SINGAPORE)

Report on the Financial Statements

We have audited the accompanying financial statements of Parkinson's Disease Society (Singapore) (the "Society") set out on pages 4 to 22, which comprise the balance sheet of the Society as at 31 December 2011, the statement of income and expenditure, the statement of changes in fund and the statement of cash flows of the Society, 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 Regulations, Chapter 311 (the "Regulations"), 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 profit and loss account and balance sheet and to maintain accountability of assets.

The Executive Committee is also responsible to ensure that the 30% cap in Regulations 15(1) of the Charities Act, Cap. 37 (Institutions of a Public Character) Regulations 2007 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'S DISEASE SOCIETY (SINGAPORE) (Continued)

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 state of affairs of the Society as at 31 December 2011, and of the results, changes in fund 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 Act;

(b) the Society did not comply with Regulations 15 of the Charities (Institutions of a Public Character) Regulations 2007 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
Certified Public Accountants

Singapore
3 May 2012

PARKINSON'S DISEASE SOCIETY (SINGAPORE)
(Registered in Singapore)
(UEN: S96SS0203J)

BALANCE SHEET
AS AT 31 DECEMBER 2011
(Amounts in Singapore dollar)

	Note	2011 $	2010 $
ASSETS			
Non-current asset			
Equipment	3	25,938	1,595
Current assets			
Other receivable, deposit and prepayment	4	847	260
Cash and bank balances	5	685,214	428,250
		686,061	428,510
TOTAL ASSETS		711,999	430,105
LIABILITIES AND FUNDS			
Current liabilities			
Membership subscription received in advance		715	790
Accrued expenses	6	10,617	7,733
		11,332	8,523
Funds			
Unrestricted fund		694,254	421,582
Restricted fund		6,413	-
		700,667	421,582
TOTAL LIABILITIES AND FUNDS		711,999	430,105

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

PARKINSON'S DISEASE SOCIETY (SINGAPORE)
(Registered in Singapore)
(UEN: S96SS0203J)

STATEMENT OF INCOME AND EXPENDITURE
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011
(Amounts in Singapore dollar)

	Note	2011 $	2010 $
INCOME			
Donations		57,835	66,597
Subscriptions		5,725	4,947
Interest income		692	732
Sales of books and caps		870	8,932
NCSS / VCF funding		3,541	1,651
Fund raising income		322,938	-
Grant income		62,912	-
Miscellaneous income		5,458	2,233
Total income		459,971	85,092
LESS: EXPENDITURE			
Employee benefits cost		91,433	34,818
Professional fees		3,672	2,427
Volunteer development & recognition		2,530	3,403
Depreciation of plant and equipment	3	1,299	797
Administrative expenses	7	21,641	10,194
Accounting fees		8,096	-
Audit fees		3,500	3,000
Bank charges		1,451	-
Printing, stationery and postages		9,548	1,861
Refreshments		2,939	-
Fund raising dinner		17,191	-
Rental of equipment and facilities		5,888	-
Promotion, communication and publications		11,698	8,026
Patients Welfare Fund		-	300
Total expenditure		180,886	64,826
Surplus before tax		279,085	20,266
Income tax	8	-	-
Surplus for the year		279,085	20,266
Other comprehensive income		-	-
Total comprehensive income for the year		279,085	20,266

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

PARKINSON'S DISEASE SOCIETY (SINGAPORE)
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STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011
(Amounts in Singapore dollar)

	Unrestricted Fund	Restricted Fund	Total
	$	$	$
Balance at 1 January 2010	401,316	-	401,316
Total comprehensive income for the year	20,266	-	20,266
Balance at 31 December 2010	421,582	-	421,582
Reclassification of fund	(6,697)	6,697	-
Total comprehensive income for the year	279,369	(284)	279,085
Balance at 31 December 2011	694,254	6,413	700,667

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

PARKINSON'S DISEASE SOCIETY (SINGAPORE)
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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011
(Amounts in Singapore dollar)

	2011	2010
	$	$
Cash flows from operating activities		
Surplus for the year	279,085	20,266
Adjustments for		
Depreciation of plant and equipment	1,299	797
Interest income	(692)	(732)
Operating cash flows before changes in working capital	279,692	20,331
Other receivables, deposit and prepayment	(587)	(1)
Membership subscription received in advance	(75)	790
Accrued expenses	2,884	3,760
Cash generated from operations	281,914	24,880
Interest received	692	732
Net cash generated from operating activities	282,606	25,612
Cash flows from investing activities		
Purchase of equipment	(25,642)	(2,392)
Net cash used in investing activity	(25,642)	(2,392)
Net increase in cash and bank balances	256,964	23,220
Cash and bank balances at the beginning of the year	428,250	405,030
Cash and bank balances at the end of the year	685,214	428,250

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

1. GENERAL INFORMATION

Parkinson's Disease 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 26 Dunearn Road, c/o Singapore National Stroke of Singapore, Singapore 309423.

The Society is conferred the Institute 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 2011 were authorised for issue by the Executive Committee on the date of the statement by the Executive Committee.

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 provisions of the Societies Act, Chapter 311, Charities Act, Chapter 37 and the Singapore Financial Reporting Standards ("FRS").

The financial statements are presented in Singapore dollar unless otherwise indicated.

The preparation of financial statements in conformity with FRS requires Executive Committee to exercise its judgment in the process of applying the Society's accounting policies. It also requires the use of 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 revenues and expenses 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. There were no significant critical accounting estimates and assumptions used.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Adoption of new and revised standards

On 1 January 2011, 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 revised 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, except as disclosed below:

Revised FRS 24 Related Party Disclosures

From 1 January 2011, the Society has applied the revised FRS 24 Related Party Disclosures to identify parties that are related to the Society and to determine the disclosures to be made on transactions and outstanding balances, including commitments, between the Society and its related parties. FRS 24 improved the definition of a related party in order to eliminate inconsistencies and ensure symmetrical identification of relationships between two parties.

The adoption of the revised FRS 24 affects only the disclosures made in the financial statements. There is no financial effect on the results and financial position of the Society for the current and previous financial years.

Standards issued but not yet effective

Certain new standards, amendments and interpretations to existing standards have been published and are mandatory for the Society's accounting periods beginning on or after 1 January 2011 or later periods and which the Society has not early adopted.

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
Amendment to FRS 107 *Disclosures – Transfer of Financial Assets*	1 July 2011
Amendments to FRS 12 *Deferred Tax – Recovery of Underlying Assets*	1 January 2012
Amendments to FRS 1 *Presentation of Items of Other Comprehensive Income*	1 July 2012
FRS 19 *Employee Benefits*	1 January 2013
FRS 28 *Investments in Associates and Joint Ventures*	1 January 2013
FRS 111 *Joint Arrangements*	1 January 2013
FRS 112 *Disclosure of Interests in Other Entities*	1 January 2013
FRS 113 *Fair Value Measurements*	1 January 2013

Except for the Amendments to Amendments to FRS 1 and FRS 112, 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. The nature of the impending changes in accounting policy on adoption of the Amendments to FRS 1 and FRS 112 is described below.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Standards issued but not yet effective (Continued)

Amendments to FRS 1 – *Presentation of Items of Other Comprehensive Income*

The Amendments to FRS 1 Presentation of Items of Other Comprehensive Income (OCI) is effective for financial periods beginning on or after 1 July 2012.

The Amendments to FRS 1 changes the grouping of items presented in OCI. Items that could be reclassified to statement of income and expenditure at a future point in time would be presented separately from items which will never be reclassified. As the Amendments only affect the presentations of items that are already recognised in OCI, the Society does not expect any impact on its financial position or performance upon adoption of this standard.

FRS 112 Disclosure of Interests in Other Entities

FRS 112 is effective for financial periods beginning on or after 1 January 2013.

FRS 112 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. FRS 112 requires an entity to disclose information that helps users of its financial statements to evaluate the nature and risks associated with its interests in other entities and the effects of those interests on its financial statements. The Society is currently determining the impact of the disclosure requirements. As this is a disclosure standard, it will have no impact to the financial position and financial performance of the Society when implemented in 2013.

Equipment

All items of equipment are initially recorded at cost. The cost of the asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. The cost of the day-to-day servicing of equipment is recognised in the statement of income and expenditure as incurred.

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

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 live (years)
Computers	3

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

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equipment (Continued)

The estimated useful life and depreciation method are reviewed periodically to ensure that the amount, method and period of depreciation are consistent with the expected pattern of economic benefits derived from items of equipment.

The gain or loss arising on disposal or retirement of an item of plant and equipment 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. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Society bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Society's cash-generating units to which the individual assets are allocated. These budgets and forecasts calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth years.

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.

For assets excluding goodwill, 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 profit and loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial assets

Financial assets are recognised on the balance sheet when the Society becomes a party to the contractual provisions of the instrument.

Financial assets are initially recognised at fair value plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets have expired or have been transferred. 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 the statement of income and expenditure.

All regular way purchases and sales of financial assets are recognised and derecognised on trade date basis where the purchase or sale of financial assets are under a contract whose terms require delivery of the assets within the timeframe established by the market concerned.

A. <u>Classification</u>

The Society classifies its investments in 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 purpose for which the assets were acquired. Executive Committee determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date, with the exception that the designation of financial assets at fair value through profit or loss is not revocable.

The Society has no financial assets at fair value through profit or loss, held to maturity investments and available-for-sale financial assets at the respective balance sheet 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 arise when the Society provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except those maturing more than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are presented as other receivables and deposit and cash and cash and bank balances on the balance sheet.

B. <u>Subsequent measurement</u>

At subsequent reporting dates, loans and receivables are measured at amortised cost using the effective interest rate method. Gains and losses are recognised in statement of income and expenditure when the loans and receivables are derecognised or impaired, and through the amortisation process.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets

The Society assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired and recognised the impairment loss when such evidence exists.

(i) Financial assets carried at amortised cost

An impairment loss is recognised in statement of income and expenditure when there is objective evidence that the asset is impaired, and is measure 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.

(ii) Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

Cash and cash equivalents

Cash and cash equivalent comprises cash on hand and in banks and fixed deposits. Cash and cash equivalents are short term, highly liquid investments readily convertible to known amounts of cash and subjected to an insignificant risk of changes in value.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities

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.

Subsequent measurement
Subsequent to initial recognition, financial liabilities except for financial liabilities at fair value through profit or loss 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.

The Society does not have any financial liabilities at fair value through profit or loss.

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.

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 which administered by Patient Welfare sub-çommittee is set up to provide financial assistant to needy patients.

Provisions

A provision is recognised when there is 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 regularly at each balance sheet 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, the amount of provision is 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.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue from membership subscription is recognized on time apportionment basis over the period of the membership, with the unrecognized portion recorded as membership subscription received in advance in the balance sheet.

Revenue from sale of goods is recognised on the transfer of 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 are 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.

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 lease payments are recognised as an expense in the profit and loss on a straight-line basis over the lease term.

Employee 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 balance sheet 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.

Grants that compensate the Society for a fixed asset purchased are recognised in statement of income and expenditure as other income.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Currency translation

Functional and presentation currency

The individual financial statements of each entity are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore dollar, which is the functional currency of the Society.

Transactions and balances

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the balance sheet date are recognised in the statement of income and expenditure. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the statement of income and expenditure for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly either in equity or other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised directly either in funds or other comprehensive income.

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 Executive Committee 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.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

The Executive Committee are of the opinion that there are no key sources of estimation uncertainty at the balance sheet date and no critical judgements involved that have a significant effect on the amount recognised in the financial statements.

3. EQUIPMENT

	Computer	Renovation	Total
	$	$	$
Cost			
At 1 January 2010	-	-	-
Additions	2,392	-	2,392
At 31 December 2010	2,392	-	2,392
Additions	1,806	23,836	25,642
At 31 December 2011	4,198	23,836	28,034
Accumulated depreciation			
At 1 January 2010	-	-	-
Depreciation charge for the year	797	-	797
At 31 December 2010	797	-	797
Depreciation charge for the year	1,299	-	1,299
At 31 December 2011	2,096	-	2,096
Net carrying amount			
At 1 January 2010	-	-	-
At 31 December 2010	1,595	-	1,595
At 31 December 2011	2,102	23,836	25,938

4. OTHER RECEIVABLES

	2011 $	2010 $
Other receivables	723	260
Prepayment	124	-
	847	260

5. CASH AND CASH EQUIVALENTS

	2011 $	2010 $
Cash and bank balances	485,807	229,577
Fixed deposits	199,407	198,673
Cash and cash equivalents	685,214	428,250

The fixed deposits at balance sheet date have a maturity of 2 to 8 months (2011: 2 to 8 months) from the end of the financial year end. The effective interest rates for the fixed deposits range from 0.10% to 0.45% (2011: 0.15% to 0.55%) 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. ACCRUED EXPENSES

	2011 $	2010 $
Accrued salaries	4,027	3,833
Accrued operation expenses	6,590	3,900
	10,617	7,733

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. ADMINISTRATIVE EXPENSES

	2011 $	2010 $
Logistic expenses	1,880	-
Other administrative expenses	9,697	816
Sundry expenses	2,796	-
Rental of office	4,800	4,800
Telephone and fax	1,235	3,629
Transportation	1,233	949
	21,641	10,194

8. INCOME TAX

The Society is registered as a charity under the 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.

9. 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 has issued tax-exempt receipts for donations collected amounting to $320,503 (2010: $64,082).

10. 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 2011 and 31 December 2010.

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.

There is a donation received from a firm in which one of the committee member has a financial interest.

11. EMPLOYEE BENEFITS COST

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

12. CAPITAL COMMITMENTS

Capital expenditure approved by the Executive Committee as at the balance sheet date but not recognised in the financial statements is as follows:

	2011	2010
	$	$
Capital commitment in respect of:		
- establishment of a centre for the Society	391,164	415,000

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. There has been no significant change in the manner in which it manages and measures the risk.

The Society's overall strategy remains unchanged from 2010.

(a) Market risk

(i) 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.

(ii) 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 2011, 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:

	2011	2010
	$	$
Within one year – fixed rates		
Fixed deposits	199,407	198,673

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

<u>Interest risk sensitivity</u>

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.

13. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(b) 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 following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Society can be required to pay.

	On demand or within 1 year
	$
As at 31 December 2011	
Accrued expenses	10,617
As at 31 December 2010	
Accrued expenses	7,733

(c) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Society. For trade receivables, the Society adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Society adopts the policy of dealing only with high credit quality counterparties. In addition, receivable balances are monitored on an ongoing basis such that the Society's exposure to bad debts is not significant.

The Society's major classes of financial assets are cash and cash equivalents which represent the Society's maximum exposure to credit risk in relation to financial assets. Cash and cash equivalents are placed with reputable financial institutions. Therefore, credit risk arises mainly from the inability of the financial institution to make payment when due.

As the Society does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet. No other financial assets carry a significant exposure to credit risk.

13. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(d) Fair value of financial instruments

(i) Fair value of financial instruments that are carried at fair value

Fair value hierarchy

The Society classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

At balance sheet date, there are no financial instruments in this category.

(ii) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of cash at bank and fixed deposits, other receivable and accruals are reasonable approximation of fair values due to the relatively short-term maturity of these financial instruments.

(iii) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

At balance sheet date, there are no financial instruments in this category.

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 Parkinson's Disease Society (Singapore) is to hold reserves of up to 3 times over annual operating expenses.