

**OSTEOPOROSIS SOCIETY (SINGAPORE)**  
**(ROS NO. 0297/1995TAP)**  
**REPORT AND FINANCIAL STATEMENTS**  
**30 APRIL 2007**

# **OSTEOPOROSIS SOCIETY (SINGAPORE)**

## **STATEMENT OF THE COMMITTEE MEMBERS OF OSTEOPOROSIS SOCIETY (SINGAPORE)**

In the opinion of the committee members of Osteoporosis Society (Singapore), the financial statements of Osteoporosis Society (Singapore) set out on pages 4 to 13 are drawn up in accordance with Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of Osteoporosis Society (Singapore) at 30 April 2007 and of its income and expenditure, changes in funds and cash flows of the Society for the year then ended.

The Osteoporosis Society (Singapore)'s Committee authorised these financial statements for issue on 14 July 2007.

On behalf of Osteoporosis Society  
(Singapore)'s Committee

---

Koh Kia Hui Leonard  
President

---

Lye Hsiew Ling Lena  
Honorary Treasurer

Singapore  
14 July 2007

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OSTEOPOROSIS SOCIETY (SINGAPORE)**

We have audited the accompanying financial statements of **Osteoporosis Society (Singapore)**, which comprise the balance sheet as at 30 April 2007, and the statement of income and expenditure, statement of changes in funds, and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### ***Society Committee's Responsibility for the Financial Statements***

The Society Committee is responsible for the preparation and fair presentation of these financial statements in accordance with Singapore Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion of 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 risks assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Society 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.

***Opinion***

In our opinion, the accompanying financial statements are properly drawn up in accordance with the Singapore Financial Reporting Standards, and so as to give a true and fair view of the state of affairs of **Osteoporosis Society (Singapore)** as at 30 April 2007, and of its income and expenditure, changes in funds and cash flows for the year then ended on that date.

**GABRIEL NG & CO**

Certified Public Accountants

Singapore

14 July 2007

# OSTEOPOROSIS SOCIETY (SINGAPORE)

## BALANCE SHEET AS AT 30 APRIL 2007

	<u>Note</u>	<u>2007</u> \$	<u>2006</u> \$
<b>ASSETS</b>			
<b>Current assets</b>			
Other receivables	3	18,642	-
Cash at bank		50,930	66,228
		<u>69,572</u>	<u>66,228</u>
<b>Non-Current Assets</b>			
Plant and equipment	4	1,428	1,230
		<u>71,000</u>	<u>67,458</u>
<b>Total assets</b>			
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables	5	11,745	8,397
<b>NET ASSETS</b>		<u>59,255</u>	<u>59,061</u>
<b>FUNDS</b>			
General Fund		37,109	15,845
Health Endowment Fund	6	22,146	43,216
<b>Total funds</b>		<u>59,255</u>	<u>59,061</u>

*The accompany notes to the financial statements form an integral part of the financial statements.*

## OSTEOPOROSIS SOCIETY (SINGAPORE)

### STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 APRIL 2007

	<u>Note</u>	<u>2007</u>	<u>2006</u>
		\$	\$
<b><u>INCOME</u></b>			
Income from forums and donations		10,272	11,763
Transferred from Health Endowment Fund	2h	30,158	44,909
Subscription fees		2,156	1,565
		<u>42,586</u>	<u>58,237</u>
Less:			
<b><u>EXPENDITURE</u></b>			
Audit fee		1,000	1,000
Bank charges		100	30
Celebrations expenses		765	1,602
Community awareness and diagnostic outreach		14,064	29,863
Conference expenses		-	695
Depreciation of plant and equipment	4	1,944	1,229
General expenses		483	275
Improvement programmes organising fee	9	12,000	12,000
Local transport		365	161
Meeting expenses		874	1,251
Postage and courier		992	327
Printing and stationery		1,208	1,513
Professional fee		1,750	1,500
Secretariat fee	9	12,000	12,000
Subscription fee		804	630
Surplus on self financing activities	10	(29,751)	-
Telecommunication expenses		416	727
Travelling expenses		569	-
Welfare grant		1,739	1,632
		<u>21,322</u>	<u>66,435</u>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		21,264	(8,198)
<b>TAXATION</b>	7	-	-
<b>SURPLUS/(DEFICIT) FOR THE YEAR TRANSFERRED TO GENERAL FUND</b>		<u>21,264</u>	<u>(8,198)</u>

The accompany notes to the financial statements form an integral part of the financial statements.

## OSTEOPOROSIS SOCIETY (SINGAPORE)

### STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED 30 APRIL 2007

	<u>2007</u>	<u>2006</u>
	\$	\$
<b>GENERAL FUND</b>		
Balance at beginning of year	15,845	24,043
Surplus/(deficit) for the year	21,264	(8,198)
Balance at end of year	<u>37,109</u>	<u>15,845</u>
 <b>HEALTH ENDOWMENT FUND</b>		
Balance at beginning of year	43,216	45,928
Receipts during the year	9,088	42,197
	<u>52,304</u>	<u>88,125</u>
Disbursements during the year	(30,158)	(44,909)
Balance at end of year	<u>22,146</u>	<u>43,216</u>
 <b>TOTAL FUNDS</b>		
	<u>59,255</u>	<u>59,061</u>

*The accompany notes to the financial statements form an integral part of the financial statements.*

## OSTEOPOROSIS SOCIETY (SINGAPORE)

### CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2007

	<u>Note</u>	<u>2007</u>	<u>2006</u>
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Surplus/(deficit) for the year transferred to general fund		21,264	(8,198)
Adjustments for:			
Depreciation of plant and equipment	4	1,944	1,229
Health Endowment Fund		(21,070)	(2,712)
Operating surplus/(deficit) before working capital changes		<u>2,138</u>	<u>(9,681)</u>
Increase in other receivables		(18,642)	-
Increase/(decrease) in other payables		3,348	(3,297)
<b>Net cash outflow from operating activities</b>		<u>(13,156)</u>	<u>(12,978)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of plant and equipment	4	(2,142)	-
<b>Net cash outflow from investing activities</b>		<u>(2,142)</u>	<u>-</u>
<b>Net decrease in cash and cash equivalents</b>		(15,298)	(12,978)
<b>Cash and cash equivalents at beginning of year</b>		66,228	79,206
<b>Cash and cash equivalents at end of year</b>	8	<u>50,930</u>	<u>66,228</u>

*The accompany notes to the financial statements form an integral part of the financial statements*

# **OSTEOPOROSIS SOCIETY (SINGAPORE)**

## **NOTES TO THE FINANCIAL STATEMENTS 30 APRIL 2007**

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

### **1 GENERAL**

The Society is domiciled in Singapore and registered under the Societies Act (ROS. No.: 0297/1995TAP). The registered office of Osteoporosis Society (Singapore) is located at c/o Department of Rheumatology and Immunology, Tan Tock Seng Hospital, Moulmein Road, Singapore 308433.

The Society is a registered Charity and an Institute of a Public Character (IPC) under the Income Tax Act, Cap. 134.

The principal activities of the Society is to promote public awareness and knowledge of osteoporosis through community services and activities, public forums and educational programmes.

### **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

The financial statements have been prepared on a historical cost convention, except as disclosed in the accounting policies below.

The financial statements which are expressed in Singapore Dollars, have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

In the current financial year, the Society adopted all relevant, new or revised FRS and Interpretations to FRS (INT FRS) that are effective in current financial year.

The Society has not applied the new and revised FRSs and INT FRS that have been issued as of the balance sheet date but are not yet effective for the current financial year. The initial application of these standards and interpretations is not expected to have any, or material, impact on the Society's financial statements.

The Society has not considered the impact of accounting standards issued after the balance sheet date.

#### **(b) Functional and presentation currency**

The Society has determined the currency of the primary economic environment in which the Society operates to be Singapore dollars ("the functional currency"). The financial statements are presented in Singapore Dollars which is the Society's functional currency.

#### **(c) Plant and equipment**

All items of plant and equipment are initially recorded at cost and are stated at cost less accumulated depreciation and any impairment in value.

## OSTEOPOROSIS SOCIETY (SINGAPORE)

### NOTES TO THE FINANCIAL STATEMENTS 30 APRIL 2007

Plant and equipment are depreciated on a straight line basis so as to write off the value of the assets over their estimated useful lives at the following annual rates:

Computers	-	33 1/3%
Office equipment	-	20%

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

#### (d) **Impairment of assets**

The carrying amounts of the Society's non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss suffered. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Society estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of income and expenditure, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of income and expenditure, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### (e) **Other receivables**

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for doubtful debts based on a review of all outstanding amounts at the year end. An allowance for doubtful debts is made when there is objective evidence that the Association will not be able to collect all amounts due according to original terms of debts. The amount of allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance is recognised in the statement of income and expenditure. Bad debts are written off when identified.

## **OSTEOPOROSIS SOCIETY (SINGAPORE)**

### **NOTES TO THE FINANCIAL STATEMENTS 30 APRIL 2007**

(f) **Cash and cash equivalents**

For the purposes of the cash flow statements, cash and cash equivalents comprise of cash at bank.

(g) **Other payables**

Other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

Gains or losses are recognised in the statement of income and expenditure when the liabilities are derecognised as well as through the amortisation process.

(h) **Health Endowment Fund**

All amounts received with tax deductible receipts issued under IPC status are first accounted for directly in the Health Endowment Fund ("the Fund").

Expenses disbursed from the Fund are charged directly to the statement of income and expenditure.

Amount from the Fund is recognised as income in the statement of income and expenditure to match the amount of expenses disbursed from the Fund.

(i) **Income recognition**

Income is recognised on a cash basis except for interest income which is recognised on an accrual basis.

Members' annual and admission fees are recognised as income upon receipt of fees.

Sponsorship fees taken up as donations are recognised as income upon committed contributions by the sponsors.

(j) **Critical accounting estimates and assumption**

The preparation of the financial statements in conformity with Singapore Financial Reporting Standard requires the Society Committee to exercise judgements and, the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of incomes and expenses during the financial year. Although these estimates are based on the Society Committee's best knowledge of current events and actions, actual results may differ from those estimates.

However, the Society Committee is of the opinion that no judgements or key assumptions are expected to have a significant effect and material adjustment to the carrying amounts of assets and liabilities within the next financial year.

# OSTEOPOROSIS SOCIETY (SINGAPORE)

## NOTES TO THE FINANCIAL STATEMENTS 30 APRIL 2007

### 3 OTHER RECEIVABLES - \$18,642

Other receivables were mainly sponsorship fees committed by the sponsors and receivable at financial year end.

### 4 PLANT AND EQUIPMENT

2007	COMPUTERS	OFFICE EQUIPMENT	TOTAL
	\$	\$	\$
<u>COST</u>			
At 01.05.2006	4,977	2,999	7,976
Additions	2,142	-	2,142
Disposals	-	-	-
At 30.04.2007	7,119	2,999	10,118
<u>ACCUMULATED DEPRECIATION</u>			
At 01.05.2006	4,347	2,399	6,746
Charge for the year	1,344	600	1,944
Disposals	-	-	-
At 30.04.2007	5,691	2,999	8,690
<u>NET CARRYING AMOUNT</u>			
At 30.04.2007	1,428	-	1,428
2006	COMPUTERS	OFFICE EQUIPMENT	TOTAL
	\$	\$	\$
<u>COST</u>			
At 01.05.2005 and 30.04.2006	4,977	2,999	7,976
<u>ACCUMULATED DEPRECIATION</u>			
At 01.05.2005	3,718	1,799	5,517
Charge for the year	629	600	1,229
Disposals	-	-	-
At 30.04.2006	4,347	2,399	6,746
<u>NET CARRYING AMOUNT</u>			
At 30.04.2006	630	600	1,230

# OSTEOPOROSIS SOCIETY (SINGAPORE)

## NOTES TO THE FINANCIAL STATEMENTS 30 APRIL 2007

### 5 OTHER PAYABLES

	<u>2007</u>	<u>2006</u>
	\$	\$
Other payables	-	4,347
Other operating expenses	4,050	4,050
APOF workshop expenses	7,695	-
	<u>11,745</u>	<u>8,397</u>

### 6 HEALTH ENDOWMENT FUND - \$22,146

The Health Endowment Fund is to provide subsidies and financial assistance for approved needy patients of osteoporosis and to finance the principal activities mentioned in note 1.

The administration of the Fund is governed by the terms and conditions of Ministry of Health's Health Endowment Fund Scheme - Operating Rules & Best Practices.

### 7 TAXATION

Subject to compliance with Section 13M (2)(b) of the Income Tax Act, Cap. 134 and agreement by the Comptroller of Income Tax, the Society which is a Charity will be exempted from income tax.

### 8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are denominated in Singapore dollars.

### 9 RELATED PARTY TRANSACTIONS

During the financial year, there were the following amounts paid on terms agreed between the parties of which a party is the secretariat who is a committee member:

	<u>2007</u>	<u>2006</u>
	\$	\$
Improvement programmes organising fee	12,000	12,000
Secretariat fee	12,000	12,000
	<u>24,000</u>	<u>24,000</u>

### 10 SELF FINANCING ACTIVITIES

2007	<u>Income</u>	<u>Expenses</u>	<u>Surplus</u>
	\$	\$	\$
APOF 2007	<u>(61,747)</u>	<u>31,996</u>	<u>29,751</u>

## **OSTEOPOROSIS SOCIETY (SINGAPORE)**

### **NOTES TO THE FINANCIAL STATEMENTS**

**30 APRIL 2007**

The above refers to Asia Pacific Osteoporosis Foundation's workshop in Singapore organised by the Society.

#### **11 TAX-EXEMPT RECEIPTS**

The Centre is a member of the Health Endowment Fund and an Institution of Public Character. Tax-exempt receipts issued for donations collected during the year amounted to \$9,088 (2006: \$42,197).

#### **12 AUDITORS IN CHARGE**

As the auditors of the Society is a Certified Public Accountants firm of sole-practitioner, clause 11.5 of the Ministry of Health's Health Endowment Fund Scheme – Operating Rules and Best Practices revised on 1 January 2005 with regards to the rotation of partner in charge of the audit in every 5 years could not be applied.

#### **13 AUTHORISATION OF FINANCIAL STATEMENTS**

The financial statements were authorised for issue in accordance with a resolution of the Society's committee on 14 July 2007.

#### **14 FINANCIAL INSTRUMENTS**

##### **Risk management**

The main risks arising from the Society's financial instruments are credit risk and liquidity risk. The Society reviews and agrees policies for managing each of these risks and they are summarised below:

##### Credit risk

Cash at bank is placed with creditworthy institution and the financial risks associated with these financial instruments are minimal.

##### Liquidity risk

In the management of liquidity risk, the Society monitors and maintains a level of bank balance deemed adequate to finance the Society's operations and mitigate the effects of fluctuations in cash flows.

##### **Fair value**

The carrying amount of current financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values.