

# Leukemia & Lymphoma Foundation

IRAS Charities Registration No.: 01699  
IPC Registration No. (MOH): HEF0083/G  
UEN: T02SS0150A

## Annual Report for Year Ended 31 December 2016

Leukemia and Lymphoma Foundation LLF was set up on 13 September 2002 as a society. It was registered as a charity under the Charities Act on 12 June 2003.

**Unique Entity Number (UEN)** : T02SS0150A  
**MOH Health Endowment Fund** : HEF0083/G  
**Registered Address** : 10 Sinaran Drive #10-20  
Novena Medical Center  
Singapore 307506

### Governing Committee 2016:

Name	Designation
Dr Patrick Tan Huat Chye	President
Ms Wendy Tang May San	Vice President (Services & Projects)
Mr Tan Hee Teck	Vice President (Fund-raising & Events)
A/Prof Ren Ee Chee	Honorary Treasurer
A/Prof Goh Yeow Tee	Honorary Secretary
Ms Annabel Kang	Ordinary Member
Dr Seong Peck Suet Lydia	Ordinary Member

Dr Patrick Tan is the Medical Director of the Haematology & Stem Cell Transplant Centre at Mt Elizabeth Hospital. He is a registered medical specialist in Haematology and was posted as a special fellow to the Fred Hutchinson Cancer Center in Seattle, USA for work in Bone Marrow Transplant and Transplant Immunology. Upon his return to Singapore General Hospital, Dr Tan had led the Department of Haematology in more than 600 cases of haematopoietic stem cell transplant (1985 – 2004). Since joining Mt Elizabeth Hospital, Dr Tan had performed more than 150 stem cell transplants from 2005. Dr Tan is currently the President since Jan 2016.

Ms Wendy Tang May San is the Director of Acres Consultancy. She has over 20 years of experience working in the real estate industry. Her work experiences included many major projects in Beverly Tower Development Sdn Bhd, Alpha

Investment Partners and Knight Frank. Ms Tang was the President of LLF in 2015 and is currently Vice President (Services & Projects).

Mr Tan Hee Teck is a member of the Board, and President & Chief Operating Officer of Genting Singapore PLC ("GENS"). GENS is listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX") with a market capitalization of over S\$20 billion. Concurrently, he is also the Chief Executive Officer of Resorts World at Sentosa Pte Ltd. He is the corporate officer responsible for the management of the GENS Group's businesses and concurrently oversees the development, operations and business of Singapore's Integrated Resort at Sentosa. Mr Tan is the Vice President (Fund-raising & Events) since 2014.

A/Prof Ren Ee Chee is the Principal Investigator in the Singapore Immunology Network SigN and concurrently Assoc Professor at the Department of Microbiology, Yong Loo Lin School of Medicine, NUS. He serves as Board member in local and overseas organisations including Nanyang Polytechnic, Member of Pharmacogenetics Panel of Health Sciences Authority and Member of the FTF Foundation of Bankinter, Spain. He is the Treasurer of LLF since 2015.

A/Prof Goh Yeow Tee is a haematologist specialist and Senior Consultant at Singapore General Hospital. He is the Acting Chairman of the Division of Research, Director of Clinical Trials Resource Centre and the Office of Translational Medicine Oversight in SGH. A/Prof Goh is actively involved in basic research to treat leukemia and much of his efforts have focused on translating invaluable knowledge gleaned from bench research into the clinic. He has been recipient of more than S\$5 million in research grants. A/Prof Goh is also Adjunct Associate Professor at Duke-NUS Graduate Medical School and Clinical Senior Lecturer at the National University Hospital. He is the Honorary Secretary since Jan 2016.

Ms Annabel Kang is a Senior Associate in the Corporate Real Estate Practice of WongPartnership LLP. Her main areas of practice include property-related work including sales and purchases, development work, mortgages, mortgagees' sales and tenancy matters. Annabel graduated from the University of Nottingham with a Bachelor of Laws (LLB) Honours and is admitted to the Singapore Bar. Apart from a law degree, she also holds a Bachelor of Arts degree with a Diploma in Education from the Nanyang Technological University of Singapore.

Dr Seong Peck Suet, Lydia is a registered Public Health Specialist doctor. She has worked in the Ministry of Health (MOH) for more than 10 years and was involved in policy and planning in MOH HQ. Lydia has also been involved in the licensing and accreditation of all health care facilities in Singapore that included setting the standards of care for special health services. She has extensive experience in aged care and has worked in several VWOs that focus on care for the elderly. Dr Seong is the salaried CEO of LLF with effect from 1 Oct 2014 and an Ordinary Member on LLF Board.

Details of the profile of all Board members are also available at LLF website at [www.llf.org.sg](http://www.llf.org.sg)

MOH approved External Auditor : Lok Lai Cheng

Auditor : Cypress Singapore Public Accounting Corporation  
1 Scotts Road #21-08  
Shaw Centre  
Singapore 228208

## **OBJECTIVES**

Leukemia and Lymphoma Foundation was registered under the Charities Act in 2003. Its governing document is its Constitution. Its objects are :

- To advance the scientific and clinical knowledge of leukemia, lymphoma and its related fields
- To support and improve the quality of life of patients and their families
- To promote co-operation with like-minded organisations including sponsoring conferences for the exchange of ideas and information
- To support resource centres for promoting public awareness

## **POLICIES**

### **Funding sources**

The Charity is wholly funded by donations from the public, both individuals and corporate organisations. Donations from individuals, supporters and well-wishers form the bulk of the funds needed to support all our needy patients who undergo curative treatment blood cancers in the government restructured hospitals.

### **Reserves Policy and Investment**

The surplus budget of the Foundation is placed in risk-free Fixed Deposits with local Banks of good credit rating. Existing policy provides for the Foundation to retain her reserves up to a maximum limit of 5 times its annual expenses.

### **Declaration of Conflict of Interest**

LLF Policy No.8 states that "The Foundation shall not enter into any contracts for supplies, sponsorship or other contracts where any of the Board members, staff or volunteers have any direct or indirect pecuniary interest."

All Board members and members of the Governing Committee have declared that they do not have any personal or vested financial interest in all the business transactions or contracts that LLF may enter into or have entered into during the year 2016. Annual declaration of Conflict of Interest is required of all Board members and employed staff. Board members and employed staff who may have personal/vested financial interest in any business transactions or contracts related to LLF would be required to make a declaration and to abstain from the procurement and decision processes.

**Remuneration of trustees**

No remuneration has been paid to any trustees or members of the Governing Committee since the inception of LLF.

**Related Entities**

Dr Lydia Seong was employed as CEO, as a full-time employed staff with effect from 1 Oct 2014. She is also concurrently an Ordinary Member on LLF Board. She receives remuneration in relation to her employment as CEO.

## **REVIEW OF YEAR 2016**

### **Staffing**

As at 31 December 2016, there were 2 full-time administrative staff employed by the Foundation.

### **Executive Office**

Dr Seong Peck Suet, Lydia is the Chief Executive Officer employed as a full time staff since 1 Oct 2014. She holds concurrent post as an Ordinary Member of the Governing Committee. Dr Seong received remuneration for her employment as CEO and she does not receive remuneration as member of the Governing Committee.

### **Patient Support**

The Foundation had been working closely with medical social workers of all the government Restructured Hospitals to identify and provide financial assistance to needy patients who undergo expensive curative treatment for blood cancers.

During the year 2016, LLF had approved subsidies amounting to more than S\$970,000 to 35 cases referred by the Government Restructured Hospitals.

### **LLF Walkathon 2016**

LLF Walkathon 2016 was held on Sunday, 26 June 2016. The fundraising cum blood cancer awareness event was attended by more than 700 participants. It would not have been possible to organise such a large scale event with 2 LLF staff, if not for the encouraging and strong support of more than 80 volunteers from all walks of life! It is truly a testament of the generosity of Singaporeans!

The Walkathon was flagged off with a rousing cheer from the Republic Poly Cheerleading team REXAZ on Sentosa Boardwalk (infront of Brewerkz) and ended at Sapphire Pavilion, Siloso Beach Sentosa. At the end of the walk, Ms Kelly Ong and her energetic team led enthusiastic participants in a Zumba workout. There were also carnival and fringe activities helmed by many wonderful volunteers at Sapphire Pavilion that included stage performances, Bollywood dancing, Henna painting, face painting, balloon sculpturing, carnival games and local food fare!

LLF appreciates the support of walkers from all our patients and their families, health professionals from the hospitals, pharmaceutical companies, staff and members of Mediterranean Shipping Company, fellow VVOs like Breast Cancer Foundation and Make-A-Wish Foundation in making this event a success. Our thanks to all donors especially Johnson & Johnson and Toteboard for their generous donations.

### **Public education and awareness**

To increase public awareness of leukemia, lymphoma and related blood diseases, about one million publicity mailer inserts were placed together with utility bills mailed to Singapore households through SP Services. This exercise has generated greater

public awareness of the diseases and increased financial support for our patients. Education talks on blood cancers and the work of the Foundation were also shared with partner organisations eg MSC Mediterranean Shipping Company

In partnership with a pharmaceutical company, LLF co-produced a patient information booklet on Hodgkin's Lymphoma which was launched on World Lymphoma Awareness Day WLAD 2016.

#### **Support programmes for patients and their families**

To support patients and their families, regular outings and activities were held to help families bond with their loved ones eg art and craft sessions and tour of Singapore Art Museum conducted by our volunteer.

### **FINANCIAL STATEMENT**

	<b>Total (\$)</b>
A Tax deductible donations	1,149,098
B Income and donations received from other sources	783,708
C Total Income	1,932,806
D Total Expenditure	1,044,924
E Excess (Deficit) of total income over expenditure (C-D)	887,882
Breakdown of total expenditure :	
- Direct charitable expenses	730,660
- Fund raising expenses	131,796
- All other operating expenses	182,468

*Note : Financial information extracted from the audited statement of accounts for period 1 January 2016 to 31 December 2016*

### **REVIEW AND CHANGES IN THE POLICY**

The Constitution of the Foundation was reviewed and amended with pro-bono legal inputs. The revised Constitution was completed and approved by ROS in Apr 2016.

### **FUTURE PLANS AND COMMITMENTS**

The Foundation is committed to continually support patients and their loved ones in their battle against leukemia, lymphoma and related blood diseases. LLF seeks to work collaboratively with all healthcare professionals of the Restructured Hospitals and like-minded organisations to achieve her objectives.

The Foundation plans to produce 3 books in 2017 :

- (1) Information booklet on leukemia – collaborative project with an education institution to produce 2 information booklets for patients and their loved ones. The information booklets on leukemia will empower our readers to understand blood cancers better.
- (2) Scribbles II – following the success of Scribbles, LLF will print the second collection of “scribbles” from patient journals and drawings. While scribbling provides therapeutic support to our patients and their loved ones, we hope that their stories will also inspire and encourage new patients in their battle with blood cancers.
- (3) ‘Birds in my neighbourhood’ – A collaborative project with volunteers to develop a Tablebook on birds found in Singapore parks and in our HDB neighbourhood. This tablebook will serve as a guidebook and conversation piece for families to reconnect and bond as they explore together the greenery and parks in Singapore. This tablebook is also a fundraising project.

In addition, LLF will embark on an ‘internship’ journey with an educational institution to interest our bright students to learn more about blood cancers and appreciate first hand the collaborative work amongst academia, charity and corporate organisations.

Ongoing art and craft sessions will be conducted to provide opportunities for patients and their families to bond over hands-on activities.

Pending volunteer support and availability of corporate organisations, LLF hopes to organise the inaugural ‘Light the Night’ event that started as a fundraising and awareness event our fellow leukemia and lymphoma organisation in USA

**LEUKEMIA AND LYMPHOMA FOUNDATION**  
**(REGISTERED UNDER THE SOCIETIES ACT, CAP.311)**

**UEN No: T02SS0150A**

**STATUTORY REPORTS FOR THE FINANCIAL YEAR ENDED**  
**31 DECEMBER 2016**



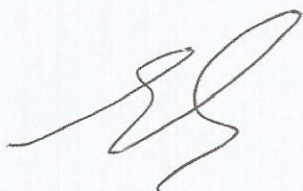
**STATEMENT BY GOVERNING COMMITTEE  
OF LEUKEMIA AND LYMPHOMA FOUNDATION  
(REGISTERED UNDER THE SOCIETIES ACT, CAP.311)  
(UEN No. T02SS0150A)**

In our opinion, the accompanying financial statements and the notes thereon are drawn up so as to present fairly, in all material respects, the financial position of the foundation as at 31 December 2016 and of its financial performance, changes in accumulated funds and cash flows for the year then ended and at the date of this report, there are reasonable grounds to believe that the foundation will be able to pay its debts as and when they fall due.

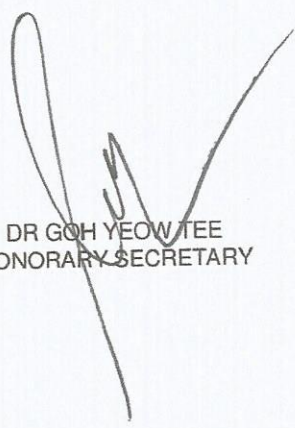
ON BEHALF OF THE GOVERNING COMMITTEE



DR PATRICK TAN HUAT CHYE  
PRESIDENT



DR REN EE CHEE  
HONORARY TREASURER



DR GOH YEOW TEE  
HONORARY SECRETARY

Singapore, 12 APR 2017

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF LEUKEMIA AND LYMPHOMA FOUNDATION  
(REGISTERED UNDER SOCIETIES ACT, CAP.311)  
(UEN No. T02SS0150A)**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Opinion**

We have audited the financial statements of Leukemia and Lymphoma Foundation (the foundation), which comprise the statement of financial position of the foundation as at 31 December 2016, and the statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the Societies Act), the Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, the state of affairs of the foundation as at 31 December 2016 and the results, changes in accumulated funds and cash flows of the foundation for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the foundation in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

Management is responsible for the other information. The other information comprises the Statement by Governing Committee.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF LEUKEMIA AND LYMPHOMA FOUNDATION  
(REGISTERED UNDER SOCIETIES ACT, CAP.311)  
(UEN No. T02SS0150A)**

**(Continued)**

**Responsibilities of Management and Governing Committee for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the foundation or to cease operations, or has no realistic alternative but to do so.

The governing committee is responsible for overseeing the foundation's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the foundation to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF LEUKEMIA AND LYMPHOMA FOUNDATION  
(REGISTERED UNDER SOCIETIES ACT, CAP.311)  
(UEN No. T02SS0150A)**

**(Continued)**

**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the governing committees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

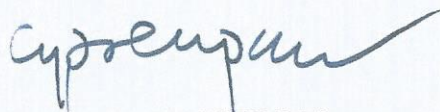
**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In our opinion,

- a) the accounting and other records required to be kept by the foundation have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- b) the fund-raising appeals held during the year ended 31 December 2016 have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records of the fund-raising appeals have been kept.

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

- a) the use of the donation monies is not in accordance with the objectives of the foundation as required under regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- b) the foundation has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

A handwritten signature in blue ink, appearing to read "Cypressan", written over the printed name of the firm.

CYPRESS SINGAPORE PAC  
Public Accountants and  
Chartered Accountants  
Singapore,

Date, 12 APR 2017

**LEUKEMIA AND LYMPHOMA FOUNDATION**  
**(REGISTERED UNDER THE SOCIETIES ACT, CAP.311)**

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016**

	Note	2016 SGD	2015 SGD
HEALTH ENDOWMENT FUND	3	9,992,773	9,104,891
CARE AND SHARE FUND	4	-	-
		<u>9,992,773</u>	<u>9,104,891</u>
Represented by:			
NON CURRENT ASSET			
Property, plant and equipment	5	2,363,684	2,384,528
CURRENT ASSETS			
Grant receivable from Care and Share Fund		179,001	1,370,089
Other receivables, deposits and prepayments	6	10,103	29,760
Fixed deposits	7	6,596,541	5,089,353
Cash at bank and on hand		1,305,887	986,723
		<u>8,091,532</u>	<u>7,475,925</u>
CURRENT LIABILITIES			
Deferred care and share matching grant income	8	344,876	627,540
Other payables and accruals	9	117,567	128,022
		<u>462,443</u>	<u>755,562</u>
NET CURRENT ASSETS		<u>7,629,089</u>	<u>6,720,363</u>
		<u>9,992,773</u>	<u>9,104,891</u>

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

LEUKEMIA AND LYMPHOMA FOUNDATION  
(REGISTERED UNDER THE SOCIETIES ACT, CAP.311)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

Health Endowment Fund						
	Note	Charitable SGD	Fund-raising SGD	Operating and Public education SGD	Administrative/ Governance costs SGD	Care and Share Fund SGD
REVENUE						
Care and share fund grant income	4	-	-	-	-	549,471
Donations						
- Outright (tax exempt)		-	1,149,098	-	-	1,149,098
- Outright (non tax exempt)		-	137,555	-	-	137,555
- Others		-	16,206	-	-	16,206
Bank interest income		-	80,476	-	-	80,476
		-	1,383,335	-	-	1,932,806
						2,233,395
Less:						
EXPENDITURE						
Audit fees		(7,200)	-	(7,200)	(10,647)	(10,647)
Accounting and consultancy fee		-	-	(11,428)	-	(11,428)
Bank charges		(14,990)	(4,496)	(5,996)	(4,497)	(29,979)
Depreciation of property, plant and equipment		-	-	-	(1,512)	(2,186)
Insurance		-	(46,632)	(3,107)	-	(46,632)
Fundraising expenses		(2,663)	(3,107)	-	-	(8,951)
Office supplies		(435)	(2,609)	(870)	(436)	(4,350)
Patients meet expenses		-	-	-	-	-
Postages		(14,696)	(4,409)	(5,879)	(4,409)	(29,393)
Printing and stationery		-	-	-	-	-
Property operating and maintenance		-	-	(47,619)	-	(47,619)
Property tax		-	-	(41,939)	(28,288)	(70,227)
Public awareness matters		(139,793)	(69,894)	(115)	(77)	(209,479)
Employee benefits expense	15	(384)	(191)	-	-	(575)
Staff welfare		-	-	-	(4,884)	(4,884)
Staff training		-	-	-	-	-
Subscriptions		-	-	-	-	-
Subsidies to patients	10	(112)	-	-	(2,463)	(2,575)
Transportation claim		-	-	-	(643)	(643)
Telecommunication		-	-	-	(183)	(183)
Utilities		(916)	(458)	(275)	-	(1,649)
Website expenses		(181,189)	(131,796)	(124,428)	(58,040)	(549,471)
		(181,189)	1,251,539	(124,428)	(58,040)	887,882
NET (DEFICIT)/SURPLUS FOR THE YEAR						805,651
OTHER COMPREHENSIVE INCOME						
Items that may be reclassified subsequently to profit or loss		-	-	-	-	-
Items that will not be reclassified subsequently to profit or loss		-	-	-	-	-
Other comprehensive income, net of tax		-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(181,189)	1,251,539	(124,428)	(58,040)	887,882
						805,651

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

**LEUKEMIA AND LYMPHOMA FOUNDATION**  
**(REGISTERED UNDER THE SOCIETIES ACT, CAP.311)**

**STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	Health Endowment Fund SGD	Care and Share Fund SGD
BALANCE AS AT 1 JANUARY 2015		8,299,240	-
<u>Revenue received</u>			
Care and share fund grant income		-	895,666
Voluntary contribution received		1,275,145	-
Bank interest income		62,584	-
<u>Amount expended during the year</u>			
Care and share qualifying expenditure		-	(895,666)
Charitable activities		(204,158)	-
Fund raising activities		(138,927)	-
Operating and public education		(129,059)	-
Administrative/governance costs	13	(59,934)	-
Total comprehensive income for the year		805,651	-
BALANCE AS AT 31 DECEMBER 2015		9,104,891	-
<u>Revenue received</u>			
Care and share fund grant income	4	-	549,471
Voluntary contribution received		1,302,859	-
Bank interest income		80,476	-
<u>Amount expended during the year</u>			
Care and share qualifying expenditure	4	-	(549,471)
Charitable activities		(181,189)	-
Fund raising activities		(131,796)	-
Operating and public education		(124,428)	-
Administrative/governance costs	13	(58,040)	-
Total comprehensive income for the year		887,882	-
BALANCE AS AT 31 DECEMBER 2016		9,992,773	-

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

**LEUKEMIA AND LYMPHOMA FOUNDATION**  
**(REGISTERED UNDER THE SOCIETIES ACT, CAP.311)**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 SGD	2015 SGD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net surplus for the year		887,882	805,651
Less:			
Depreciation of property, plant and equipment		29,979	27,531
Bank interest income		(80,476)	(62,584)
Operating cash flow before working capital changes		837,385	770,598
Changes in working capital:			
Other receivables		1,210,745	(1,350,685)
Other payables		(293,119)	665,515
		917,626	(685,170)
<b>NET CASH EFFECT OF OPERATING ACTIVITIES</b>		<u>1,755,011</u>	<u>85,428</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Bank interest received		80,476	62,584
Placement of fixed deposit		(1,507,188)	(2,525,411)
Purchase of plant and equipment		(9,135)	(823)
<b>NET CASH EFFECT OF INVESTING ACTIVITIES</b>		<u>(1,435,847)</u>	<u>(2,463,650)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		319,164	(2,378,222)
<b>CASH AND CASH EQUIVALENTS AS AT 1 JANUARY</b>	14	986,723	3,364,945
<b>CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER</b>	14	<u><u>1,305,887</u></u>	<u><u>986,723</u></u>

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

**LEUKEMIA AND LYMPHOMA FOUNDATION**  
**(REGISTERED UNDER THE SOCIETIES ACT, CAP.311)**  
**(UEN No. T02SS0150A)**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2016**

**1. GENERAL INFORMATION**

The foundation is a society registered under the Societies Act on 13 September 2002. The objectives of the foundation are:

- 1.1 to raise funds for the purposes of running the Foundation's programmes and services;
- 1.2 to advance the scientific and clinical knowledge of leukemia, lymphoma and its related fields;
- 1.3 to support and improve the quality of life of patients and their families;
- 1.4 to promote co-operation with like-minded organisations including sponsoring conferences for the exchange of ideas and information;
- 1.5 to support resource centres for promoting public awareness.

The registered office of the foundation is at 10, Sinaran Drive, #10-20 Square 2, Singapore 307506.

The foundation is a charity registered under the Charities Act on 12 June 2003 and is an Institute of Public Character (IPC) from 26 June 2012 to 25 June 2017. The Code of Governance for Charities and Institutions of a Public Character (IPCs) was launched by the Charity Council on 26 November 2007. The foundation has complied 23 out of 23 applicable guidelines of the Code of Governance Evaluation Checklist for the "enhanced-tiered" – Institutions of a Public Character (IPCs) and large charities for the financial year ended 31 December 2015 (Full checklist is available at [www.charities.gov.sg](http://www.charities.gov.sg))

The committee members and office bearers of the foundation at the date of this report are:

Dr Patrick Tan Huat Chye	(President)
Mr Tan Hee Teck	(Vice President of Fund raising and Events)
Ms Wendy Tang May San	(Vice President of Services and Projects)
Dr Ren Ee Chee	(Honorary Treasurer)
Dr Goh Yeow Tee	(Honorary Secretary)
Ms Annabel Kang Eu Yen	(Ordinary Committee Member)
Dr Lydia Seong Peck Suet	(Ordinary Committee Member)

**2. SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of accounting**

The financial statements are prepared in compliance with Singapore Financial Reporting Standards ("FRS") issued by the Accounting Standards Council.

The financial statements are presented in Singapore Dollars.

The financial statements are prepared in accordance with the historical cost convention except as disclosed in the accounting policies below.

The financial statements for the year ended 31 December 2016 are authorised to be issued on the date of the Statement by Governing Committee.

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.2 Adoption of new and revised Financial Reporting Standards

The accounting policies adopted in the financial year are consistent with those used in the previous financial year except for the adoption of certain new and revised Financial Reporting Standards effective for the financial year beginning 1 January 2016. These new and revised Financial Reporting Standards have no significant effects on the foundation's accounting policies used except for:-

#### Amendment to FRS 16 Property, Plant and Equipment

This amendment simplifies guidance on accounting for revaluation model. When an item of property, plant and equipment is revalued, the carrying amount of that asset is adjusted to the revalued amount. At the date of revaluation, the accumulated depreciation is either adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses or eliminated against the gross carrying amount of the asset.

#### Amendment to FRS 107 Financial Instruments: Disclosures

The amendments clarify that disclosures not specifically required for interim financial report. It also clarify whether servicing contracts constitute continuing involvement. A servicer will have continuing involvement if (i) servicing fee is dependent on the amount or timing of the cash flows collected from the transferred financial asset, or (ii) has an interest in the future performance of the transferred financial asset.

#### Amendment to FRS 19 Employee Benefits

This amendment clarifies that the discount rate used for the post-employment benefit obligations shall be determined at currency level instead of country level.

#### Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments clarify that revenue-based depreciation and amortisation method is inappropriate. This is because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits of the asset. However, there is some exceptions for intangible assets. Revenue-based amortisation method can be used only when (i) intangible asset is expressed as a measure of revenue; or (ii) when revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

### 2.3 Issued but not yet effective Financial Reporting Standards

As at the date of this report, no relevant new or revised Financial Reporting Standards that has been issued but not yet come into effect have been applied. These relevant new or revised standards upon adoption will not have significant impact on the financial statements except for:-

#### Amendments to FRS 7 Statement of Cash Flows

The amendments require that an entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

An entity shall disclose changes in liabilities arising from financing activities such as changes from financing cash flows; changes arising from obtaining or losing control of subsidiaries or other businesses; the effect of changes in foreign exchange rates; changes in fair values; and other changes.

## **2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **2.3 Issued but not yet effective Financial Reporting Standards (continued)**

#### **FRS 109 Financial Instruments**

FRS 109 was introduced to replace FRS 39 in the following three phases:

- (i) Recognition, classification and measurement of financial assets and liabilities,

FRS 109 consists only two broad measurement and classification categories for financial assets i.e. fair value or amortised cost eliminating the existing four categories. Financial assets shall only measured at amortised cost if:-

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On the other hand, the main changes in FRS 109 for financial liabilities relates to the presentation of changes in the fair value. The changes is recognised directly in other comprehensive income and no reclassification to profit or loss unless it would creates or enlarge an accounting mismatch in profit or loss.

- (ii) Impairment methodology, and

FRS 109 requires entity to recognise loss allowance (impairment) for expected credit losses, as opposed to incurred credit losses under FRS 39. The amount of expected credit losses should be reviewed and updated at each reporting date to reflect the changes in credit risk since initial recognition.

- (iii) Hedge accounting.

FRS 109 introduced a general hedge accounting model that aligns more closely with companies' risk management strategies. The effectiveness test has been replaced with the principle of an "economic relationship" and that retrospective assessment is no longer required. There is also additional disclosure requirement introduced.

### **2.4 Significant judgments by the Governing Committee in applying accounting policies**

In the process of applying the foundation's accounting policies, the Governing Committee did not make any significant judgments, apart from those involving estimations, that can significantly affect the amounts recognised in the financial statements.

### **2.5 Key sources of estimation uncertainty**

The preparation of financial statements in conformity with Singapore Financial Reporting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the financial year.

Although these estimates are based on the Governing Committee's best knowledge of current events and actions, actual results may differ from those estimates.

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.5 Key sources of estimation uncertainty (continued)

There were no significant key assumptions concerning the future, nor other key sources of estimation uncertainty at the year end that would have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year except for :-

#### *Depreciation of property, plant and equipment*

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial and production factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The foundation anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

### 2.6 Property, plant and equipment and depreciation

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

Depreciation of an asset commences when the asset is available for use. Depreciation is provided on gross carrying amounts less residual value in equal annual installments over the estimated lives of the assets. The annual rates of depreciation are as follows:

	<u>Per annum</u>
Leasehold properties	Remaining lease period
Renovation	20%
Furniture and fittings	20%
Computer	33.33%

The residual value and the useful life of an asset are reviewed at each year end, and if expectations differ from previous estimates, changes are made to the depreciation charge for the remaining undepreciated amount.

Fully depreciated assets are retained in the financial statements until they are no longer in use or disposed and no further charges for depreciation are made in respect of these assets. Any gain or loss arising from the derecognition of the asset is recognised in the statement of comprehensive income.

When events or changes in circumstances indicate that the carrying amount of an asset is not recoverable, impairment loss is recognised in the statement of comprehensive income.

## **2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **2.7 Financial assets**

Financial assets are classified as 'financial assets at fair value through profit or loss', 'loans and receivables', 'held-to-maturity investments', or 'available-for-sale' financial assets.

Financial assets are recognised in the statement of financial position when the foundation becomes a party to the contractual provisions of the financial assets.

All financial assets are initially recognised at fair value plus any directly attributable transactional costs, except for 'financial assets at fair value through profit or loss' which are measured at fair value only. The classification of financial assets, after initial recognition, is re-evaluated and reclassified where allowed and appropriate.

### **2.8 Cash at bank and on hand and fixed deposit**

Cash at bank and on hand and fixed deposit are classified and accounted for as 'loans and receivable' as they are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are carried at amortised cost using the effective interest method.

Gains or losses are recognised in the statement of comprehensive income when these loans and receivables are derecognised or impaired, as well as through the amortisation process.

### **2.9 Cash and cash equivalents**

Cash and cash equivalents included in the statement of cash flows comprise cash on hand, non restricted bank balances and fixed deposits with original maturity of three months or less, net of bank overdrafts which are repayable on demand.

### **2.10 Other receivables**

Other receivables are classified and accounted for as 'loans and receivable' as they are non-derivatives financial assets with fixed or determinable payments that are not quoted in an active market. These assets are carried at amortised cost using the effective interest method.

The carrying amount of receivables impaired by non recovery is reduced by an allowance account unless on the date the impairment loss is recognised, the foundation ascertains the amount to be uncollectible whereby it would be reduced directly. In subsequent years, when a receivable is ascertained to be uncollectible, it is written off against the allowance account.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. Individual receivable is written off when management deems the amount not to be collectible.

Gains or losses are recognised in the statement of comprehensive income when these loans and receivables are derecognised or impaired, as well as through the amortisation process.

## **2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **2.11 Impairment assets**

As at each year end, assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in the statement of comprehensive income unless it reverses a previous revaluation credited to reserve. The recoverable amount is the higher of an asset's net selling price and value in use.

The net selling price is the amount realisable from the sale of the asset in an arm's length transaction. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

Recoverable amounts are estimated for individual assets or, if impossible to be estimated individually, for the cash-generating unit in which the asset is deployed.

Reversal of an impairment loss previously recognised is recorded to the extent the impairment loss had previously been recognised. A reversal of an impairment loss on a revalued asset is credited directly to reserve, unless the impairment loss on the same revalued asset was previously expensed in the statement of comprehensive income, in which case it is recognised as income.

### **2.12 Other payables**

These liabilities, which are normally settled on 30 – 90 day terms, are financial liabilities. Financial liabilities are recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured amortised cost using the effective interest method.

Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the amortisation process. The liabilities are derecognised when the obligation under the liability is discharged or cancelled or expired.

### **2.13 Provisions**

Provisions are recognised when the foundation has a present obligation as a result of a past event which is probable and will result in an outflow of economic benefits that can be reliably estimated.

### **2.14 Employee benefits expense**

Employee benefits, which include base pay, cash bonuses, contribution to defined contribution plans such as the Central Provident Fund and other staff-related allowances, are recognised in the statement of comprehensive income when incurred. For defined contribution plans, contributions are made to publicly or privately administered funds on a mandatory, contractual or voluntary basis. Once the contributions have been paid, there will be no further payment obligations.

Employees' entitlements to annual and other leave are recognised when they accrue to employees. A provision is made for the estimated liability for leave as a result of services rendered by the employees up to the year end.

## **2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **2.15 Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services, net of goods and services tax, rebates and discounts.

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow in and specific criteria have been met for each of the activities as described below. The amount of revenue is not considered to be reliably measured until all contingencies relating to the transaction have been resolved. In recognising revenue, estimates based on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement are considered.

- i) Donation is recognised as and when it is received or pledged.
- ii) Interest income is recognised on time apportioned basis using the effective interest method.
- iii) Grants related to income are recognised in statement of comprehensive income over the periods necessary to match them with the related costs that they are intended to compensate. The timing of such recognition in statement of comprehensive income will depend on the fulfilment of any conditions or obligations attached to the grants.
- iv) Grants related to assets are presented as deferred income (liability) in the statement of financial position. Profit or loss will be affected by recognising deferred income systematically over the useful lives of the related asset.

### **2.16 Grants**

Grants are recognised when there is reasonable assurance that the foundation will comply with conditions related to them and that the grants will be received.

### **2.17 Functional currency**

Functional currency is the currency of the primary economic environment in which the foundation operates. The financial statements are prepared using Singapore dollar as the functional currency.

### **2.18 Foreign currency transactions**

Foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount to the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. All transactions in currencies other than the functional currency are treated as transactions in foreign currencies.

At each year end, foreign currency monetary assets and liabilities are converted into the functional currency at the spot rate at year end. Exchange differences are taken to the statement of comprehensive income.

### **2.19 Offsetting financial instruments**

Certain financial assets and liabilities offset each other and the net amount is reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle them on a net basis, or realise the asset and settle the liability simultaneously.

### 3. HEALTH ENDOWMENT FUND

The Health Endowment Fund is an unrestricted fund that was set up in 2003 to meet the expenditure in accordance with the objectives of the Leukemia and Lymphoma Foundation as stated in Note 1 to the financial statements.

### 4. CARE AND SHARE FUND

Care and Share Fund represents donations received that is matched dollar-for-dollar by the government. The matched amount will go towards building the capabilities and capacities of the social service sector and supporting social services to meet rising needs.

The matching grant can be used in the following areas:

- a. Capability building
- b. Capacity building
- c. New initiatives or expansion of existing services
- d. Critical existing needs (up to 20% of grant disbursed)

### 5. PROPERTY, PLANT AND EQUIPMENT

	Leasehold properties SGD	Renovation SGD	Fitting and furnitures SGD	Computer SGD	Total SGD
<u>Cost</u>					
As at 1 January 2015	2,615,424	118,171	-	-	2,733,595
Additions	-	-	823	-	823
As at 31 December 2015	2,615,424	118,171	823	-	2,734,418
Additions	-	-	-	9,135	9,135
As at 31 December 2016	2,615,424	118,171	823	9,135	2,743,553
<u>Accumulated depreciation</u>					
As at 1 January 2015	204,188	118,171	-	-	322,359
Depreciation for the year	27,531	-	-	-	27,531
As at 31 December 2015	231,719	118,171	-	-	349,890
Depreciation for the year	27,531	-	164	2,284	29,979
As at 31 December 2016	259,250	118,171	164	2,284	379,869
<u>Carrying amount</u>					
As at 31 December 2016	2,356,174	-	659	6,851	2,363,684
As at 31 December 2015	2,383,705	-	823	-	2,384,528

The leasehold properties are designated as medical treatment centres which are used to provide treatment and care to needy patients affected by leukemia and lymphoma.

<u>Location</u>	<u>Tenure</u>	<u>Floor area</u>
No. 10 Sinaran Drive #10-19/20 Square 2 Singapore 307506	99 years leasehold expiry 2101	138 sq metres

6. **OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS**

	2016 SGD	2015 SGD
Other receivable	541	-
Deposit for mail insertion services	-	19,579
Other deposits	460	750
Prepaid operating expenses	9,102	9,431
	<u>10,103</u>	<u>29,760</u>

7. **FIXED DEPOSITS**

Fixed deposits bear interest at interest rate ranging from 1.39% to 1.90% (2015: 0.75% to 1.4% per annum and with maturity period of 12 months (2015: 12 months).

8. **DEFERRED CARE AND SHARE MATCHING GRANT INCOME**

This represents grant from Care and Share programme to be applied for approved programmes over the period in which the foundation recognises related costs for which the grant intends to compensate.

9. **OTHER PAYABLES AND ACCRUALS**

	2016 SGD	2015 SGD
Patients' medical subsidies payable	64,735	70,439
Accrued operating expenses	44,811	51,341
Provision on unutilised leave	8,021	6,242
	<u>117,567</u>	<u>128,022</u>

10. **SUBSIDIES TO PATIENTS**

As at the year end, there are remaining subsidies of SGD574,893 (2015: SGD353,915) which had been approved by the Governing Committee but yet to be disbursed to the respective hospitals. The fore mentioned amount will be payable upon invoicing by the hospitals after the completion of the patients' treatment cycle.

11. **TAXATION**

The foundation is a registered charity and no provision for income tax is required for the foundation.

12. **BASIS OF ALLOCATION OF EXPENSES**

The basis for apportioning cost for charitable, fund raising, operating and public education and administrative/governance costs and the estimation techniques are as follows:

Cost	Charitable	Fund-raising	Operating and Public education	Administrative/ Governance costs	Care and share	Basis of apportionment
Audit fees	-	-	-	100%	-	Primarily administrative in nature and used to evaluate control system which are regulatory.

## 12. BASIS OF ALLOCATION OF EXPENSES (CONTINUED)

Cost	Charitable	Fund-raising	Operating and Public education	Administrative/ Governance costs	Care and share	Basis of apportionment
Accounting and consultancy fee	50%	-	50%	-	-	Divide equally between charitable and operating and public education.
Bank charges	-	-	99%	-	1%	99% considered operating 1% considered care and share
Depreciation of property, plant and equipment	50%	15%	20%	15%	-	50% used primarily for patients counselling, doctor and nurse meetings for the benefit of patients. 20% distributed to operating and public education, 15% distributed to fund-raising and the balance considered administrative.
Insurance	-	-	-	70%	30%	100% considered administrative.
Fundraising expenses	-	100%	-	-	-	100% considered fundraising.
Office supplies	29%	35%	35%	-	1%	Includes cost of computers, furniture and supplies. 29% is allocated to charitable, 35% is allocated to fund-raising and operating and public education and 1% is allocated to care and share.
Patients meet expenses	100%	-	-	-	-	100% considered charitable
Postage	10%	60%	20%	10%	-	60% of mailers pertaining to fund raising and 20% to operating and public education. Balance is allocated equally to charitable and administrative.
Printing and stationery	10%	60%	20%	10%	-	Stationery is used primarily for donors and supporters. 60% is allocated to fund-raising, 20% is allocated to operating and public education and balance distributed equally to charitable and care and share administrative
Property operating and maintenance	50%	15%	20%	15%	-	50% used primarily for patients counselling, doctor and nurse meetings for the benefit of patients. 20% distributed to operating and public education, 15% distributed to fund-raising and the balance considered administrative.
Property tax	50%	15%	20%	15%	-	50% used primarily for patients counselling, doctor and nurse meetings for the benefit of patients. 20% distributed to operating and public education, 15% distributed to fund-raising and the balance considered administrative.
Public awareness matters	-	-	75%	-	25%	Comprises education of public and patients. 75% considered operating and public education and 25% considered care and share.

## 12. BASIS OF ALLOCATION OF EXPENSES (CONTINUED)

Cost	Charitable	Fund-raising	Operating and Public education	Administrative/ Governance costs	Care and share	Basis of apportionment
Employee benefits expense	50%	25%	15%	10%	-	50% time spent on patients counselling, doctor and nurse meetings for the benefit of patients. 25% distributed to fund-raising, 15% distributed to operating and public education. And the balance considered administrative.
Staff welfare	50%	25%	15%	10%	-	50% to charitable, 25% on fund-raising, 15% on operating and public education and 10% on administrative.
Staff training	-	-	-	-	100%	100% considered care and share.
Subscription	-	-	-	100%	-	100% considered administrative.
Subsidies to patients	-	-	-	-	100%	100% considered care and share.
Telecommunication	-	-	-	100%	-	100% spent on administrative (patients and hospital communication)
Transportation	100%	-	-	-	-	100% considered charitable.
Utilities	-	-	-	100%	-	100% considered administrative.
Website expenses	33%	16%	10%	7%	34%	33% considered charitable, 16% considered fund-raising, 10% considered operating and public education, 7% considered administrative and 34% considered care and share.

## 13. ADMINISTRATIVE/GOVERNANCE COST BREAKDOWN

	2016 SGD	2015 SGD
Management	29,751	28,410
Human resources	28,289	31,524
	<u>58,040</u>	<u>59,934</u>

## 14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of cash flows comprised cash at bank and on hand only.

## 15. EMPLOYEE BENEFITS EXPENSE

	2016 SGD	2015 SGD
Salaries, bonuses and allowances	253,696	279,771
CPF and other contributions	24,439	29,238
Provision for unutilised leave	1,780	6,242
	<u>279,915</u>	<u>315,251</u>

## 15. EMPLOYEE BENEFITS EXPENSE (CONTINUED)

Included in the above is key management personnel compensation as follows:

	2016 SGD	2015 SGD
Salaries, bonuses and allowances	195,254	174,967
CPF and other contributions	14,185	10,200
Provision for unutilised leave	6,047	5,059
	<u>215,486</u>	<u>190,226</u>

Remuneration bands of key management personnel:

	2016 SGD	2015 SGD
Less than SGD100,000	-	-
SGD100,001 to SGD150,000	1	1
SGD150,001 to SGD200,000	-	-
More than SGD200,001	-	-
	<u>1</u>	<u>1</u>

The foundation employs 2 (2015: 2) staffs as at 31 December 2016.

## 16. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purpose of these financial statements, parties are considered to be related to the foundation if the foundation has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the foundation and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The foundation is governed by the Governing Committee which is the final authority and is overall responsible for the policy making and determination of all activities. The members of the Governing Committee are volunteers and receive no monetary remuneration for their contribution. All volunteers of the foundation received no monetary remuneration.

In 2014, the foundation recruited a new employee who was appointed as Chief Executive Officer ("CEO"). The CEO is also an ordinary committee member of the foundation's Governing Committee from the time of recruitment till now. The remuneration of the CEO is in her capacity as the foundation's employee and this is disclosed as key management personnel in note 15 to the financial statements.

## 17. FINANCIAL RISK MANAGEMENT

The foundation's operations carry certain financial risk, including the effects of interest rates. The foundation's overall risk management approach is to moderate the effects of such volatility on its financial results. There are no changes on the foundation's objectives, policies or processes relating to the management of the foundation's financial risk during the year.

### a) Market risk

#### i) Foreign exchange risk

The foundation has no exposure in foreign exchange risk as all of its transactions are carried out in local currency.

## 17. FINANCIAL RISK MANAGEMENT (CONTINUED)

### a) Market risk (continued)

#### ii) Interest rate risk (continued)

Interest rate risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market interest rates.

The foundation is exposed to interest rate risk mainly due to the impact of rate changes on its interest bearing fixed deposit.

Changes in market interest rates of 1% (2015: 1%) on interest bearing financial assets and financial liabilities as at the year end will have the effect on the financial statements as follows:

	2016 SGD	2015 SGD
Surplus for the year	65,965	50,894
Accumulated funds	<u>-</u>	<u>-</u>

The above analysis assumes all other variables are held constant.

### b) Credit risk

Credit risk is the risk that other parties to financial instruments will fail to discharge their obligations to the foundation.

There is no significant concentration of credit risk except for bank deposits.

The maximum exposure to credit risk is represented by the carry amount of financial assets.

*Financial assets that are neither past due nor impaired*

Bank deposits are mainly transacted with banks of high credit ratings assigned by international credit rating agencies.

*Financial assets that are past due and/or impaired*

There is no other class of financial assets that is past due and/or impaired.

### c) Liquidity risk

The foundation manages its liquidity risk by monitoring and maintaining a level of cash and bank balances deemed adequate by the Governing Committee to finance the foundation's operations and mitigate the effects of fluctuations in cash flows.

The financial liabilities comprise only other payables which have maturity of less than 1 year.

### d) Fair value risk

The fair value of the foundation's financial assets and financial liabilities reported in the statement of financial position approximate their carrying value.

### e) Derivative instruments

The foundation does not utilise any derivative instruments.

The responsibility for managing the above risks is vested in the governing committee.

## 18. FINANCIAL INSTRUMENTS

### Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The significant accounting policies in Note 2 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statement of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis:

	Loans and receivables SGD	Financial liabilities at amortised cost SGD	Total SGD
As at 31 December 2016			
<u>Assets</u>			
Grant receivables from care and share fund	179,001	-	179,001
Other receivables, deposits and prepayments	1,001	-	1,001
Fixed deposits	6,596,541	-	6,596,541
Cash at bank and on hand	1,305,887	-	1,305,887
Total financial assets	8,082,430		8,082,430
Total non-financial assets			2,372,786
Total assets			10,455,216
<u>Liabilities</u>			
Other payables and accruals	-	(64,735)	(64,735)
Total financial liabilities	-	(64,735)	(64,735)
Total non-financial liabilities			(397,708)
Total liabilities			(462,443)
As at 31 December 2015			
<u>Assets</u>			
Grant receivables from care and share fund	1,370,089	-	1,370,089
Other receivables, deposits and prepayments	750	-	750
Fixed deposits	5,089,353	-	5,089,353
Cash at bank and on hand	986,723	-	986,723
Total financial assets	7,446,915	-	7,446,915
Total non-financial assets			2,413,538
Total assets			9,860,453
<u>Liabilities</u>			
Other payables and accruals	-	(70,439)	(70,439)
Total financial liabilities	-	(70,439)	(70,439)
Total non-financial liabilities			(685,123)
Total liabilities			(755,562)

## 19. FUNDS RISK MANAGEMENT

The foundation's objective when managing funds is to safeguard the foundation's ability to continue as a going concern in order to accomplish the foundation's objectives. The Governing Committee regularly reviews and monitors its funds position to ensure that the foundation activities and growth are prudently funded. The foundation seeks to maintain a positive net current asset position and fund surplus position.

	2016 SGD	2015 SGD
Current assets	8,091,532	7,475,925
Current liabilities	<u>(462,443)</u>	<u>(755,562)</u>
Net current assets	<u>7,629,089</u>	<u>6,720,363</u>
Total assets	10,455,216	9,860,453
Total liabilities	<u>(462,443)</u>	<u>(755,562)</u>
Fund surplus	<u>9,992,773</u>	<u>9,104,891</u>

In order to maintain or adjust the fund structure, the foundation may adjust the amount of subsidies paid to patients, raise funds or sell assets to reduce debt.

There are no changes on the foundation's objectives, policies or processes relating to the management of the foundation's fund structure during the year.

The foundation is not subject to any externally imposed fund management requirement and is not in breach of any debts covenant made with its lenders.