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QUEENSTOWN MULTI-SERVICE CENTRE
UEN T03SS0013E
(Registered In the Republic of Singapore)

STATEMENT OF ACCOUNTS
FOR THE YEAR
31 MARCH 2009

EDWARD LEE & CO.
Public Accountants and
Certified Public Accountants
Singapore

QUEENSTOWN MULTI-SERVICE CENTRE
(Registered In the Republic of Singapore)

STATEMENT BY MANAGEMENT COMMITTEE

This Management Committee of Queenstown Multi-Service Centre presents their report and the audited financial statements for the year ended 31 March 2009.

Before the Balance Sheet, Income and Expenditure Statement, Statement of Changes In Accumulated Funds and Cash Flow Statement were made out, the Management Committee took reasonable steps to ensure that:-

- (a) All income of the Centre has been recorded.
- (b) Any current assets which were unlikely to realise their book values in the ordinary course of events have been written down to their estimated realisable values and
- (c) Proper records of fees, donations, grants, payments and other items have been kept.

In the opinion of the Management Committee, the financial statements as set out on page 3 to 11 are properly drawn up in accordance with the Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of Queenstown Multi-Service Centre as at 31 March 2009 and of the results, changes in accumulated surplus and cash flows of the Centre for the financial year ended on that date.

On Behalf of the Management Committee,



x

DR. LIM HWEE SIN BBM
CHAIRMAN



x

MR. TAN VOO MOI
HONORARY TREASURER

Singapore

26 June 2009

QUEENSTOWN MULTI-SERVICE CENTRE
(Registered In the Republic of Singapore)
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MANAGEMENT CONCIL

We have audited the accompanying financial statements of QUEENSTOWN MULTI-SERVICE CENTRE (the "Centre") set out on pages 3 to 11, which comprise the Balance Sheet as at 31 March 2009, the Income and Expenditure Statement, the Statement of Changes In Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management Committee's Responsibility for the Financial Statements

The Management Committee is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Charities Act 1994 ("the Act") and Singapore Financial Reporting Standards ("FRS"). This responsibility includes:

- (a) devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 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 management, 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.

In our opinion,

- (i) the Balance Sheet and Statement of Changes In Equity of the Management Committee are properly drawn up in accordance with the provisions of the Act and FRS so as give a true and fair view of the state of affairs and of the Management Committee as at 31 March 2009 and the results, changes in equity and cash flow of the Management Committee for the year then ended on that date; and
- (ii) the accounting and other records required by the Act to be kept by the Management Committee have been properly kept in accordance with the provisions of the Act.



EDWARD LEE & CO
Public Accountants and
Certified Public Accountants
Singapore
26 June 2009

QUEENSTOWN MULTI-SERVICE CENTRE
 (Registered In the Republic of Singapore)
BALANCE SHEET
 AS AT 31 MARCH 2009

	<u>Note</u>	<u>2009</u> \$	<u>2008</u> \$
NON CURRENT ASSET			
Property, plant and equipment	3	-	8,863
CURRENT ASSETS			
Cash and bank balance		585,851	21,755
Accounts receivable and deposits	4	20,530	22,502
		606,381	44,257
TOTAL ASSETS		<u>606,381</u>	<u>53,120</u>
CURREN LIABILITY			
Other payables and accrual	5	7,356	7,956
Advance income		667	650
		8,023	8,606
ACCUMULATED FUND		598,358	44,514
TOTAL LIABILITY AND EQUITY		<u>606,381</u>	<u>53,120</u>

The accompanying notes form an integral part of the accounts.

QUEENSTOWN MULTI-SERVICE CENTRE
(Registered In the Republic of Singapore)
INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2009

	Note	2009 \$	2008 \$
INCOME			
Acupuncture fees		6,770	12,114
Daycare fees		166,390	202,618
Donations		744,241	9,299
Interest income		905	4,729
Rehabilitation fees		119,330	93,590
Transport fees		110,213	119,120
Others		1,371	320
		<u>1,149,220</u>	<u>441,790</u>
LESS: EXPENDITURE			
Accountancy fees		6,100	7,500
Audit fees/Tax		2,320	2,000
AWS & Bonus		16,098	19,385
Bank charges		241	45
Centre subsidy		28,321	27,825
Cleaning expenses		1,507	2,109
CPF, SDF and FWL		29,840	29,016
Computer / Software maintenance		475	459
Depreciation		8,863	33,525
Flag Day expenses		4,363	-
Food and beverages		31,425	35,423
General expenses		4,074	5,624
Insurance		1,421	1,420
Kitchen expenses		280	195
Part-time / Relief staff		26,701	54,234
Periodicals and subscriptions		400	376
Postages, Printing and stationary		1,461	2,164
Professional / Licence fees		5,973	6,992
Purchases		-	528
Rental of premises		17,283	17,202
Repairs and maintenance		1,896	3,567
Special events		37,444	-
Staff salaries and allowances		254,485	270,081
Staff dental & medical expenses		1,053	1,272
Staff insurance		2,272	3,109
Staff welfare		1,238	1,611
Staff Training		589	735
Telephone and faxes		3,024	2,434
Transport		39,105	38,192
Uncollectible fees		3,429	-
Upkeep of motor vehicles		39,300	37,951
Utilities		24,395	25,096
Utilities – prior year		-	(610)
		<u>(595,376)</u>	<u>(629,460)</u>
SURPLUS / (DEFICIT) FOR THE YEAR		<u>553,844</u>	<u>(187,670)</u>

The accompanying notes form an integral part of the accounts.

QUEENSTOWN MULTI-SERVICE CENTRE
 (Registered In the Republic of Singapore)
ACCUMULATED FUND
 FOR THE YEAR ENDED 31 MARCH 2009

	<u>Note</u>	<u>Accumulated profit / (loss)</u>	<u>Total</u>
		\$	\$
Balance as at 31 March 2007		232,184	232,184
Net profit / (loss) for the year		(187,670)	(187,670)
Balance as at 31 March 2008		<u>44,514</u>	<u>44,514</u>
Net profit / (loss) for the year		553,844	553,844
Balance as at 31 March 2009		<u>598,358</u>	<u>598,358</u>

The accompanying notes form an integral part of the financial statements

QUEENSTOWN MULTI-SERVICE CENTRE
(Registered In the Republic of Singapore)
CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 March 2009

	<u>2009</u>	<u>2008</u>
	\$	\$
Cash flows from operating activities		
Surplus / (Deficit) for the year	553,844	(187,670)
Adjustments for:		
Depreciation	8,863	33,525
Operating income before working capital changes	<u>562,707</u>	<u>(154,145)</u>
(Increase) / Decrease in accounts receivable	1,972	(18,412)
(Increase) / Decrease in deposit	-	(610)
Increase / (Decrease) in accounts payable and accrual	(600)	253
Increase / (Decrease) in advance income	17	650
Net cash outflow from operating activities	<u>564,096</u>	<u>(172,264)</u>
Net increase / (decrease) in cash and cash equivalents	564,096	(172,264)
Cash and cash equivalents as at beginning of year	21,755	194,019
Cash and cash equivalents at end of year	<u>585,851</u>	<u>21,755</u>

The accompanying notes form an integral part of the accounts.

QUEENSTOWN MULTI-SERVICE CENTRE

(Registered In the Republic of Singapore)

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

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

1. BACKGROUND

The QUEENSTOWN MULTI-SERVICE CENTRE (the "Centre") was registered as a society and as a charity under the Charities Act 1994 on 2 September 2004 bearing registration number 1805.

The centre was established in 1998 through a joint effort by four partners namely Queenstown Citizens' Consultative Committee (CCC), Tanjong Pagar Community Development Council (CDC), Home Nursing Foundation and Thye Hua Kwan Moral Society. The Tanjong Pagar CDC became Central Singapore CDC and is no more a partner. Similarly, the Home Nursing Foundation has also withdrawn from the project. The centre now has two partners, Queenstown CCC and Thye Hua Kwan Moral Society.

The registered address of the Centre is located at BLK 150A Mei Chin Road #01-01, Singapore 140150.

The principle objective of the Centre is to run and operate a day care and rehabilitation centre for the elderly.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The accounts, expressed in Singapore dollars, are prepared in accordance with the historical cost convention, unless otherwise stated.

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS) as required by the Private Hospitals and Medical Clinics Act.

The Home has adopted all of the new or revised FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from accounting periods beginning on or after 1 January 2007.

The adoption of these FRS and INT FRS did not result in any substantial changes to the Home's accounting policies.

Certain new accounting standards have been published that are effective for accounting periods beginning on 1 January 2008. The Board Members anticipate that the adoption of these Standards in future periods will have no material impact on the financial statements of the Home.

(b) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

All items of property, plant and equipment is derecognised upon disposal or when no economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income and expenditure statement in the year the asset is derecognised.

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(Registered In the Republic of Singapore)

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is provided on the straight line method so as to write off the cost of the fixed assets over their estimated useful lives as follows:

	Years
Office equipment	3
Furniture and equipment	3
Building fixtures and renovation	3
Motor vehicles	7

Fully depreciated assets are retained in the financial statement until they are no longer in use and no further charge for depreciation is made in respect of these assets.

(c) Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) of the asset is estimated to determine the amount of impairment loss.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. The carrying amount of an asset other than good will is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognized in the income and expenditure account, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognized in the income and expenditure account, a reversal of that impairment is also recognized in the income and expenditure account.

(d) Cash and Cash Equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash on hand and cash at bank.

(d) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Centre and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Donations

Donations are recognized when received.

Service fee income

Income from provision of services is recognized when the relevant services are provided and invoiced.

CDC grants

Income from Central Singapore CDC matching grant is recognized when received.

Interest income

Interest income is recognized as interest accrues (using the effective interest method) unless collectibility is in doubt.

QUEENSTOWN MULTI-SERVICE CENTRE

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

(e) Employee benefits

Defined Contribution Plan

As required by law, the Centre makes contributions to the state pension scheme, the Central Provident Fund ("CPF"). CPF contributions are recognized as compensation expenses in the same year as the employment that gives rises to the contribution.

(f) Employee leave entitlement

Employee entitlements to annual leave are recognized as a liability when they accrue to employees. The estimated liability for leave is recognized for services rendered by employees up to balance sheet date.

(g) Operating lease

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Operating lease payments are charged to the income statements on a straight-line basis over the year of the lease. When an operating lease is terminated before the lease year has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the year in which termination takes place.

(h) Income tax

With effect from the Year of Assessment 2008, all registered charities will enjoy automatic income tax exemption.

(i) Significant accounting estimates and judgments

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Centre's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. PROPERTY, PLANT AND EQUIPMENT

COSTS	FURNITURE & EQUIPMENT	BUILDING FIXTURES & RENOVATION	OFFICE EQUIPMENT	MOTOR VEHICLE	TOTAL
	\$	\$	\$	\$	\$
As at 31/03/07	102,171	177,487	33,840	202,000	515,498
Additions	-	-	-	-	-
As at 31/03/08	102,171	177,487	33,840	202,000	515,498
Additions	-	-	-	-	-
As at 31/03/09	102,171	177,487	33,840	202,000	515,498
ACCUMULATED DEPRECIATION					
As at 31/03/07	99,155	177,487	31,325	165,143	473,110
Charges for the year	2,670	-	1,998	28,857	33,525
As at 31/03/08	101,825	177,487	33,323	194,000	506,635
Charges for the year	346	-	517	8,000	8,863
As at 31/03/09	102,171	177,487	33,840	202,000	515,498
NET BOOK VALUE					
As at 31/03/09	-	-	-	-	-
As at 31/03/08	346	-	517	8,000	8,863

QUEENSTOWN MULTI-SERVICE CENTRE

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

4. ACCOUNT RECEIVABLE AND DEPOSIT

	<u>2009</u>	<u>2008</u>
	\$	\$
Accounts receivable	18,180	20,152
Deposits	2,350	2,350
	<u>20,530</u>	<u>22,502</u>

5. OTHER PAYABLES AND ACCRUAL

	<u>2009</u>	<u>2008</u>
	\$	\$
Other payables	4,856	6,171
Accrual	2,500	1,785
	<u>7,356</u>	<u>7,956</u>

6. INCOME TAX

With effect from the Year of Assessment 2008, all registered charities will enjoy automatic income tax exemption.

7. COMMITMENTS

Commitments in relation to non-cancellable operating leases for BLK 150A Mei Chin Road, #01-01, Singapore 140150 contracted for at the reporting date but not recognized as liabilities, are payable as follows:

	<u>2009</u>	<u>2008</u>
	\$	\$
Not later than one financial year	17,283	16,152
Later than one financial year but not later than five financial year	86,413	80,760
	<u>103,696</u>	<u>96,912</u>

The rental expense for the year is \$17,283. (2008: \$17,202)

8. EMPLOYEE BENEFIT

	<u>2009</u>	<u>2008</u>
	\$	\$
Salaries and allowance	254,485	270,081
Bonus	-	2,000
CPF & SDF Contribution	29,840	29,016
Other benefit	4,563	5,992
	<u>288,888</u>	<u>307,089</u>

The top 3 executives' remuneration for the year was in the following categories: -

	2009	2008
Less than \$100,000	3	3
\$100,001 to \$150,000	-	-
\$150,001 to \$200,000	-	-
More than \$200,001	-	-
	<u>3</u>	<u>3</u>

The Board Members did not receive any remuneration during the year.

QUEENSTOWN MULTI-SERVICE CENTRE

(Registered In the Republic of Singapore)

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

9. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The main risks arising from the Centre's financial instruments are interest rate risk, credit risk and liquidity risk. The Centre reviews and agrees policies for managing each of these risks and they are summarized below:

Interest rate risk

Where necessary, the Centre obtains additional financing through bank borrowings. The Centre's policy is to obtain the most favourable interest rates available. As at balance sheet date, the Centre has no significant interest rate risks.

Credit risk

The carrying amount of cash and cash equivalents and trade debtors represent the Centre maximum exposure to credit risk in relation to financial assets. No other financial assets carry a significant exposure to credit risk.

Liquidity risk

The Centre ensures availability of funds through an adequate amount of cash and where necessary, fund raising exercise will be considered via equity-related exercise.

Fair value

The fair values of the financial assets and liabilities approximate their carrying value and are disclosed in the balance sheet and in the notes to the financial statements.

The carrying amounts of receivables, cash, and other payables approximate their fair values due to their short-term nature.