

FINANCIAL REPORT 2017

SINGAPORE CANCER SOCIETY

(UEN: S65SS0033F)

Statement by the Council and Financial Statements

Year ended 31 December 2017

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The Annual Report is submitted together with the audited financial statements for FY ended 31 December 2017.

STATEMENT BY THE COUNCIL

In the opinion of the Council,

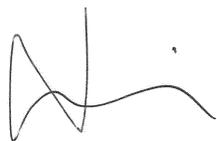
- (a) the accompanying financial statements are drawn up so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2017 and the results, changes in funds and cash flows of the Society for the reporting year ended on that date; and
- (b) at the date of this statement there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

The Council has authorised these financial statements on the date of this statement.

On behalf of the Council



Choo Eng Chuan
Chairman



Ang I-Ming
Honorary Secretary



Lim Pek Suat
Honorary Treasurer

Singapore
28 March 2018

INDEPENDENT AUDITOR'S REPORT

to the members of the Singapore Cancer Society

Report on the financial statements

Opinion

We have audited the financial statements of Singapore Cancer Society (the "Society") which comprise the statement of financial position as at 31 December 2017, and the statement of financial activities, statement of changes in funds and statement of cash flows for the reporting 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 Society as at 31 December 2017 and the results, changes in funds and cash flows of the Society 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 Society 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 information included in the statement by the council and annual report, but does not include the financial statements and our auditor's report thereon.

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 the Singapore Cancer Society

Responsibilities of management and those charged with governance 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's responsibility 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:

- a) 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.
- b) 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 Society's internal control.

INDEPENDENT AUDITOR'S REPORT

to the members of the Singapore Cancer Society

Auditor's responsibility for the audit of the financial statements (cont'd)

- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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 Society'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 Society to cease to continue as a going concern.
- e) 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 those charged with governance 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 audit.

Report on other legal and regulatory requirements

In our opinion:

- (a) The accounting and other records required to be kept by the Society 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 reporting year has been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal.

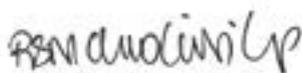
INDEPENDENT AUDITOR'S REPORT

to the members of the Singapore Cancer Society

Report on other legal and regulatory requirements (cont'd)

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

- (a) the Society has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) the Society has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.



RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

28 March 2018

Partner-in-charge of audit: Woo E-Sah
Effective from year ended 31 December 2015

STATEMENT OF FINANCIAL ACTIVITIES

For the reporting year ended 31 December 2017

		2017		2016	
	Note	Unrestricted funds *	Restricted funds *	Total funds	Total funds
		\$	\$	\$	\$
INCOME					
Voluntary income	4	12,437,123	–	12,437,123	15,803,820
Fund generating activities	5	3,166,007	462,288	3,628,295	3,120,965
Investment income	6	991,346	–	991,346	1,059,519
Charitable income	7	7,173	–	7,173	4,944
Sundry income	8	1,985,629	1,002,278	2,987,907	1,660,076
Total income		18,587,278	1,464,566	20,051,844	21,649,324
EXPENSES					
Cost of generating voluntary income:					
- Fundraising	9	165,005	–	165,005	252,833
Cost of charitable activities:	10				
- Cancer screening, public education and research		5,442,743	24,000	5,466,743	5,480,304
- Welfare services		6,434,215	356,829	6,791,044	6,942,312
- Hospice homecare and support group		1,681,732	–	1,681,732	1,924,261
- Cancer Rehab		2,044,666	–	2,044,666	1,841,554
Cost of funds generating activities	11	2,266,596	88,589	2,355,185	1,784,479
Administrative costs	12	475,100	–	475,100	363,081
Total expenses		18,510,057	469,418	18,979,475	18,588,824
Surplus for the reporting year		77,221	995,148	1,072,369	3,060,500
As at 1 January 2017 (Restated)		66,068,884	2,303,496	68,372,380	65,311,880
As at 31 December 2017	25	66,146,105	3,298,644	69,444,749	68,372,380

* Further analysis of funds are presented in Note 25.

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

STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

	Note	2017	2016
	\$	\$	\$
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	17	3,069,865	3,640,806
Other financial assets, non-current	18	22,588,433	24,483,550
Total non-current assets		25,658,298	28,124,356
<u>Current assets</u>			
Inventories	19	14,240	27,048
Other receivables	20	1,143,470	1,691,556
Other financial assets, current	18	2,525,500	–
Other assets	21	465,290	312,891
Cash and cash equivalents	22	44,720,196	42,713,468
Total current assets		48,868,696	44,744,963
<u>Current liabilities</u>			
Trade payables (Restated)	23	3,781,679	2,991,479
Other liabilities	24	1,300,566	1,505,460
Total current liabilities		5,082,245	4,496,939
Net current assets		43,786,451	40,248,024
Net assets		69,444,749	68,372,380
THE FUNDS OF THE SOCIETY			
<u>Unrestricted funds</u>			
General Fund (Restated)		50,180,186	52,038,614
Cancer Treatment Fund		7,215,919	8,030,270
SCS-CST Matching Fund		8,750,000	6,000,000
Total unrestricted funds		66,146,105	66,068,884
<u>Restricted funds</u>			
Run for Hope Fund		113,226	137,226
RGS - Joan Chan Shu Fang Fund		–	23,311
Movember Fund		1,867,972	1,983,130
Terry Fox Run Fund (Restated)		317,446	159,829
Endowment fund		1,000,000	–
Total restricted funds		3,298,644	2,303,496
Total funds	25	69,444,749	68,372,380

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

STATEMENT OF CHANGES IN FUNDS

For the reporting year ended 31 December 2017

	Unrestricted funds	Restricted funds	Total funds
	\$	\$	\$
Balance as at 1 January 2017 (Restated)	66,068,884	2,303,496	68,372,380
Surplus for the year	77,221	995,148	1,072,369
Balance as at 31 December 2017	<u>66,146,105</u>	<u>3,298,644</u>	<u>69,444,749</u>
Balance as at 1 January 2016 (Restated)	63,094,977	2,216,903	65,311,880
Surplus for the year	2,973,907	86,593	3,060,500
Balance as at 31 December 2016 (Restated)	<u>66,068,884</u>	<u>2,303,496</u>	<u>68,372,380</u>

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

STATEMENT OF CASH FLOWS

For the reporting year ended 31 December 2017

	<u>2017</u>	<u>2016</u>
	\$	\$
<u>Cash flows from operating activities</u>		
Net surplus for the reporting year	1,072,369	3,060,500
Depreciation of property, plant and equipment	792,268	669,593
Loss on disposal of property, plant and equipment	1,110	760
Loss/(gain) on sale of bonds	1,635	(65,875)
Interest income	(992,981)	(993,644)
Operating cash flow before changes in working capital	874,401	2,671,334
Inventories	12,808	(17,280)
Other receivables	491,086	(184,147)
Other assets	(152,399)	293,131
Cash restricted under specific funds	(795,105)	2,616,034
Cash restricted in use over 3 months	14,971,644	(7,044,853)
Trade payables	790,200	278,256
Other liabilities	(204,894)	(2,616,034)
Net cash flows from/(used in) operating activities	<u>15,987,741</u>	<u>(4,003,559)</u>
<u>Cash flows from investing activities</u>		
Other financial assets	(632,018)	1,962,250
Purchase of property, plant and equipment	(222,437)	(828,417)
Interest received	1,049,981	923,288
Net cash flows from investing activities	<u>195,526</u>	<u>2,057,121</u>
Net increase/(decrease) in cash and cash equivalents	16,183,267	(1,946,438)
Cash and cash equivalents, cash flow statement, beginning balance	<u>24,147,539</u>	<u>26,093,977</u>
Cash and cash equivalents, cash flow statement, ending balance (Note 22A)	<u>40,330,806</u>	<u>24,147,539</u>

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

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

1. General

The principal objectives of the Singapore Cancer Society (the “Society”) are those of a community-based voluntary health organisation dedicated to minimising the impact of cancer through public education, screening, patient service, financial assistance, research and advocacy.

The Society is established in Singapore under the Societies Act, Chapter 311. It is also subject to the provisions of the Charities Act, Chapter 37. It is an Institution of a Public Character.

The constitution of the Society restricts the use of fund monies to the furtherance of the objects of the Society. It prohibits the payment of dividends to members. The Society has no share capital.

The functional currency of the Society is Singapore dollars and the financial statements are presented in Singapore dollars.

The Society is registered and situated in Singapore. The registered office address is: 15 Enggor Street, #04-01 to 04 Realty Centre, Singapore 079716.

The financial statements were approved and authorised for issue by the Council of the Society on the date indicated in the statement by the Council.

Accounting convention

The financial statements have been prepared in accordance with the Financial Reporting Standards in Singapore (“FRS”) and the related Interpretations to FRS (“INT FRS”) as issued by the Singapore Accounting Standards Council. The financial statements are prepared on a going concern basis under the historical cost convention except where an FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in FRSs may not be applied when the effect of applying them is not material. The disclosures required by FRSs need not be provided if the information resulting from that disclosure is not material. Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in the profit or loss, as required or permitted by FRS.

Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity’s accounting policies. The areas requiring management’s most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Revenue recognition

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the year arising from the course of the ordinary activities of the Society and it is shown net of related tax.

(i) Donations and corporate cash sponsorships

Revenue from donations and corporate cash sponsorships are accounted for when received, except for committed donations and corporate cash sponsorships that are recorded when the commitments are signed.

(ii) Fund raising

Revenue from special event is recognised when the event takes place.

(iii) Other revenue

Interest revenue is recognised on a time-proportion basis using the effective interest rate that takes into account the effective yield on the asset.

Gifts in kind

A gift in kind is recognised based on an estimate of the fair value at the date of the receipt of the gift of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised if the amount of the gift can be measured reliably and there is no uncertainty that it will be received.

Grants

A grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. Grants in recognition of specific expenses are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systematic basis. Grants related to depreciable assets are allocated to income over the period in which such assets are used in the project subsidised by the grant. A government grant related to assets, including non-monetary grants at fair value, is presented in the statement of financial position by setting up the grant as deferred income.

Income tax

As a charity, the Society is exempt from tax on income and gains falling within section 13U(1) of the Income Tax Act to the extent that these are applied to its charitable objects.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Property, plant and equipment

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The estimated useful lives are as follows:

Freehold office premises	50 years
Computers	3 years
Furniture and fittings	5 years
Motor vehicles	10 years

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. For operating leases, lease payments are recognised as an expense in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense.

Inventories

Inventories are measured at the lower of cost (first in first out method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write down on cost is made for where the cost is not recoverable or where applicable if the selling prices have declined. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Impairment of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the 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. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial assets

Initial recognition, measurement and derecognition:

A financial asset is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the “substance over form” based on the derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control. Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Subsequent measurement:

Subsequent measurement based on the classification of the financial assets in one of the following categories under FRS 39 is as follows:

1. Financial assets at fair value through profit or loss: As at end of the reporting year date there were no financial assets classified in this category.
2. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a ‘loss event’) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically the trade and other receivables are classified in this category.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial assets (cont'd)

3. Held-to-maturity financial assets: These are non-derivative financial assets with fixed or determinable payments and fixed maturity that the entity has positive intention and ability to hold to maturity. Financial assets that upon initial recognition are designated as at fair value through profit or available-for-sale and those that meet the definition of loans and receivables are not classified in this category. These assets are carried at amortised costs using the effective interest method minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process. Impairment losses recognised in profit or loss are subsequently reversed if an increase in the fair value of the instrument can be objectively related to an event occurring after the recognition of the impairment loss. Non-current investments in bonds and debt securities are usually classified in this category.
4. Available-for-sale financial assets: As at end of the reporting year date, there were no financial assets classified in this category.

Cash and cash equivalents

Cash and cash equivalents include bank and cash balances and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

Financial liabilities

Initial recognition, measurement and derecognition:

A financial liability is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument and it is derecognised when the obligation specified in the contract is discharged or cancelled or expires. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial liabilities (cont'd)

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

1. Liabilities at fair value through profit or loss: Liabilities are classified in this category when they are incurred principally for the purpose of selling or repurchasing in the near term (trading liabilities) or are derivatives (except for a derivative that is a designated and effective hedging instrument) or have been classified in this category because the conditions are met to use the "fair value option" and it is used. All changes in fair value relating to liabilities at fair value through profit or loss are charged to profit or loss as incurred.
2. Liabilities at amortised cost: These liabilities are carried at amortised cost using the effective interest method.

Fair value measurement

When measuring fair value, management uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. It is a market-based measurement, not an entity-specific measurement. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value. In making the fair value measurement, management determines the following: (a) the particular asset or liability being measured (these are identified and disclosed in the relevant notes below); (b) for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis; (c) the market in which an orderly transaction would take place for the asset or liability; and (d) the appropriate valuation techniques to use when measuring fair value. The valuation techniques used maximise the use of relevant observable inputs and minimise unobservable inputs. These inputs are consistent with the inputs a market participant may use when pricing the asset or liability.

The fair value measurements categorise the inputs used to measure fair value by using a fair value hierarchy of three levels. These are recurring fair value measurements unless stated otherwise in the relevant notes to the financial statements. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The level is measured on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year. If a financial instrument measured at fair value has a bid price and an ask price, the price within the bid-ask spread or mid-market pricing that is most representative of fair value in the circumstances is used to measure fair value regardless of where the input is categorised within the fair value hierarchy. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Fair value measurement (cont'd)

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes.

An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense unless impractical to do so.

2B. Other explanatory information

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the period they occur.

2C. Critical judgements, assumptions and estimation uncertainties

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

3. Related party relationships and transactions

FRS 24 on related party disclosures requires the reporting entity to disclose:

- (a) transactions with its related parties; and
- (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties.

A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

For the Society, related parties include the Council members and key management of the Society. Key management personnel include the CEO and the direct reporting senior officers.

In accordance with the Code of Governance, the Council members, or people connected with them, have not received remuneration, or other benefits, from the Society or from institutions connected with the Society.

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

All Council members, chairman of sub-committees and staff members of the Society are required to read and understand the conflict of interest policy in place and make full disclosure of interests, relationships and holding that could potentially result in conflict of interests. When a conflict of interest situation arises, the members or staff shall abstain from participating in the discussion, decision making and voting on the matter.

There are no paid staff who are close members of the family of the Council members, and whose remuneration each exceeds \$50,000 during the year.

3A. Key management compensation

	<u>2017</u>	<u>2016</u>
	\$	\$
Salaries and other short term employee benefits	1,351,665	1,328,188

The above amounts are included under employee benefits expense.

Key management personnel comprise the senior managers and above. The council members did not receive any compensation during the year.

There were no transactions with a corporation in which the above key management personnel have an interest.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

3A. Key management compensation (cont'd)

The number of top three executives of the Society in remuneration bands is as follows:

	<u>2017</u>	<u>2016</u>
	Number of executives	Number of executives
Remuneration bands:		
\$200,000 to \$299,999	2	3
\$100,000 to \$199,999	1	–

4. Voluntary income

	<u>2017</u>	<u>2016</u>
	\$	\$
Outright donations	1,492,079	2,134,878
Direct debit donors programme	8,991,261	9,850,964
Subsidy	1,304,895	3,016,034
MOH Subvention	648,888	801,944
	<u>12,437,123</u>	<u>15,803,820</u>

A matching amount of donation of \$2,750,000 (2016: \$1,000,000) was set aside for the Community Silver Trust reflected in SCS-CST Matching Fund.

5. Fund generating activities

	<u>2017</u>	<u>2016</u>
	\$	\$
Unrestricted fund		
Race against Cancer *	1,169,520	1,040,239
Relay for Life ^	573,530	–
Projects/events	1,286,944	1,468,949
Direct mail appeals	136,013	95,275
	<u>3,166,007</u>	<u>2,604,463</u>
Restricted fund		
Projects/events	462,288	516,502
	<u>3,628,295</u>	<u>3,120,965</u>

* Amount includes donation-in-kind of \$104,799 (2016: \$122,263) for Race against Cancer (previously disclosed as Charity Run).

^ Amount includes donation-in-kind of \$149,715 (2016: Nil) for Relay for Life.

In accordance with the Charities (Institutions of a Public Character) Regulations, the Society is required to disclose fund-raising appeals with gross receipts of more than \$1 million.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

5. Fund generating activities (cont'd)

	Income for general fund	Fund generating expenses for general fund	Net fund generating income for general fund
	\$	\$	\$
2017			
Race against Cancer	1,169,520	323,454	846,066
2016			
Race against Cancer	1,040,239	360,983	679,256

6. Interest and investment income

	2017	2016
	\$	\$
Interest income	992,981	993,644
(Loss)/gain on sale of bonds	(1,635)	65,875
	991,346	1,059,519

7. Charitable income

	2017	2016
	\$	\$
Membership subscription	631	598
Registration fee	6,542	4,346
	7,173	4,944

8. Sundry income

	2017	2016
	\$	\$
Unrestricted Fund		
Sales of merchandise	4,213	5,931
Grants	1,730,888	1,560,296
Other income	250,528	44,717
	1,985,629	1,610,944
Restricted Fund		
Other income	1,002,278	49,132
	2,987,907	1,660,076

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

9. Cost of generating voluntary income - fundraising

	<u>2017</u>	<u>2016</u>
	\$	\$
Branding and publicity	27,661	19,197
Newsletter	17,483	18,508
Advertisements	6,586	18,587
Corporate premium	150	753
Third party fund raiser costs	–	126,848
Support costs (Note 13)	113,125	68,940
	<u>165,005</u>	<u>252,833</u>

10. Cost of charitable activities

10A. Cancer screening, public education and research

	<u>2017</u>	<u>2016</u>
	\$	\$
<u>Unrestricted fund</u>		
Cancer screening (Mammogram, Papsmear, FIT)	2,438,845	2,378,938
Public education	485,326	513,518
Research	253,562	453,049
Admin and general costs	371,512	239,591
Staff costs	1,285,293	1,236,876
Support costs (Note 13)	608,205	420,532
	<u>5,442,743</u>	<u>5,242,504</u>
<u>Restricted Fund</u>		
Research *	24,000	237,800
	<u>5,466,743</u>	<u>5,480,304</u>

* Utilisation of Run for Hope Fund of \$24,000 (2016: Nil). Refer to Note 25.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

10. Cost of charitable activities (cont'd)

10B. Welfare services

	<u>2017</u>	<u>2016</u>
	\$	\$
Unrestricted fund		
Financial and medical aid *	3,981,372	4,261,383
Support group	27,755	24,407
Support group activities	86,061	68,457
Admin and general costs	114,109	151,575
Staff costs	1,623,386	1,506,846
Support costs (Note 13)	601,532	700,886
	<u>6,434,215</u>	<u>6,713,554</u>
Restricted fund		
Financial and medical aid #	23,311	–
Support group activities ^	333,518	228,758
	<u>6,791,044</u>	<u>6,942,312</u>

* Includes utilisation of Cancer Treatment Fund of \$814,351 (2016: \$1,062,878).

Utilisation of RGS-Joan Chan Shu Fang Fund of \$23,311 (2016: Nil).

^ Utilisation of Movember Funds of \$333,518 (2016: \$228,758).

Refer to Note 25.

10C. Hospice homecare services

	<u>2017</u>	<u>2016</u>
	\$	\$
Hospice homecare	40,809	69,496
Admin and general costs	104,254	115,519
Staff costs	1,107,684	1,355,482
Support costs (Note 13)	428,985	383,764
	<u>1,681,732</u>	<u>1,924,261</u>

10D. Cancer rehab services

	<u>2017</u>	<u>2016</u>
	\$	\$
Cancer rehab	82,223	86,990
Admin and general costs	913,299	872,169
Staff costs	691,021	675,576
Support costs (Note 13)	358,123	206,819
	<u>2,044,666</u>	<u>1,841,554</u>

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

11. Cost of fund generating activities

	<u>2017</u>	<u>2016</u>
	\$	\$
<u>Unrestricted fund</u>		
Events #	661,471	532,206
Direct debit donors programme	350,207	494,635
Volunteers programme	46,459	40,835
Donation expense	66,361	21,390
Other expense	418	941
Admin and general costs	14,166	11,313
Staff costs	534,879	486,837
Support costs (Note 13)	592,635	183,839
	<u>2,266,596</u>	<u>1,771,996</u>
<u>Restricted fund</u>		
Events *	88,589	12,483
	<u>2,355,185</u>	<u>1,784,479</u>

Includes Race Against Cancer of \$323,454 (2016: 360,983)

* Utilisation of Movember Funds of \$75,521 (2016: \$12,483). Refer to Note 25.

12. Administrative costs

	<u>2017</u>	<u>2016</u>
	\$	\$
Depreciation of property, plant and equipment	60,626	45,402
Upkeep costs	26,170	30,704
Other operating expenses	52,057	38,256
Staff costs	336,247	248,719
	<u>475,100</u>	<u>363,081</u>

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

13. Support costs

	Cost of generating voluntary income	Cost of charitable activities	Cost of funds generating activities	Admin- istrative costs	Total	Basis of apportionment
	\$	\$	\$	\$	\$	
2017						
Corporate services *	105,071	1,854,687	550,444	441,277	2,951,479	Allocation per headcount
Corporate affairs	8,054	142,158	42,191	33,823	226,226	Allocation per headcount
	<u>113,125</u>	<u>1,996,845</u>	<u>592,635</u>	<u>475,100</u>	<u>3,177,705</u>	
2016						
Corporate services *	62,651	1,555,831	167,069	329,961	2,115,512	Allocation per headcount
Corporate affairs	6,289	156,170	16,770	33,120	212,349	Allocation per headcount
	<u>68,940</u>	<u>1,712,001</u>	<u>183,839</u>	<u>363,081</u>	<u>2,327,861</u>	

* Corporate services consists of finance, human resource, information technology, administration, facilities and call management.

14. Employee benefits expense

	2017	2016
	\$	\$
Short term employee benefits expense	6,698,916	6,076,965
Contributions to defined contribution plan	792,494	702,254
Total employee benefits expense	<u>7,491,410</u>	<u>6,779,219</u>

15. Items in the statement of financial activities

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, the statement of financial activities includes the following credits/(charges):

	2017	2016
	\$	\$
Sponsorship income	250,000	250,000
Audit fees to the independent auditor	(33,170)	(29,960)
Other attestation fees to the independent auditor	<u>(17,682)</u>	<u>(9,737)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

16. Tax-exempt receipts

The Society enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times (2016: 2.5 times) tax deduction for the donations made to the Society.

	<u>2017</u>	<u>2016</u>
	\$	\$
The Society issued tax-exempt receipts for donations collected	11,317,603	11,836,846

17. Property, plant and equipment

	<u>Freehold office premises</u>	<u>Computers</u>	<u>Furniture and fittings</u>	<u>Motor vehicles</u>	<u>Total</u>
	\$	\$	\$	\$	\$
Cost					
At 1 January 2016	2,973,988	409,201	2,157,994	191,020	5,732,203
Additions	–	594,454	233,963	–	828,417
Disposals	–	–	(115,233)	–	(115,233)
At 1 January 2017	2,973,988	1,003,655	2,276,724	191,020	6,445,387
Additions	–	112,787	109,650	–	222,437
Disposals	–	(38,132)	(28,949)	–	(67,081)
At 31 December 2017	2,973,988	1,078,310	2,357,425	191,020	6,600,743
Accumulated depreciation					
At 1 January 2016	1,393,903	260,557	535,385	59,616	2,249,461
Depreciation for the year	59,455	176,346	411,151	22,641	669,593
Disposals	–	–	(114,473)	–	(114,473)
At 1 January 2017	1,453,358	436,903	832,063	82,257	2,804,581
Depreciation for the year	59,455	267,393	442,779	22,641	792,268
Disposals	–	(38,132)	(27,839)	–	(65,971)
At 31 December 2017	1,512,813	666,164	1,247,003	104,898	3,530,878
Carrying value					
At 1 January 2016	1,580,085	148,644	1,622,609	131,404	3,482,742
At 1 January 2017	1,520,630	566,752	1,444,661	108,763	3,640,806
At 31 December 2017	1,461,175	412,146	1,110,422	86,122	3,069,865

Fully depreciated plant and equipment still in use had a cost of \$399,795 (2016: \$425,545).

It is impractical to separately allocate the cost of the freehold property (strata title issued on 29 September 1972) to the portion relating to the freehold land.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

17. Property, plant and equipment (cont'd)

Allocation of depreciation expense:

	<u>2017</u>	<u>2016</u>
	\$	\$
Cost of generating voluntary income	14,437	8,621
Cost of charitable activities – Cancer screening, public education and research	135,773	112,002
Cost of charitable activities – Welfare services	86,239	104,145
Cost of charitable activities – Hospice homecare services	85,200	82,230
Cost of charitable activities – Cancer rehab services	333,790	294,205
Cost of fund generating activities	76,203	22,988
Administrative expenses	60,626	45,402
Total	<u>792,268</u>	<u>669,593</u>

18. Other financial assets

	<u>2017</u>	<u>2016</u>
	\$	\$
<u>Current</u>		
Held-to-maturity investments, at amortised cost		
- Quoted bonds - within 1 year	2,525,500	–
<u>Non-current</u>		
Held-to-maturity investments, at amortised cost		
- Quoted bonds - within 2-5 years	11,015,825	15,026,150
- Quoted bonds - more than 5 years	11,572,608	9,457,400
	<u>22,588,433</u>	<u>24,483,550</u>
	25,113,933	24,483,550
Movements during the year – at amortised cost:		
Amortised cost at beginning of the year	24,483,550	22,379,925
Additions at cost	12,983,012	3,357,125
Disposals	(12,352,629)	(5,253,500)
Amortised cost at end of the year	<u>25,113,933</u>	<u>24,483,550</u>

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

18. Other financial assets (cont'd)

	<u>2017</u>	<u>2016</u>
	\$	\$
Fair value at end of the year:		
<u>Current</u>		
Held-to-maturity investments, at amortised cost		
- Quoted bonds - within 1 year	2,506,660	–
<u>Non-current</u>		
Held-to-maturity investments, at amortised cost		
- Quoted bonds - within 2-5 years	11,016,521	14,595,685
- Quoted bonds - more than 5 years	11,733,678	9,415,465
	<u>22,750,199</u>	<u>24,011,150</u>
	<u>25,256,859</u>	<u>24,011,150</u>

The fair values of held-to-maturity investments are based on prices in an active market (Level 1) at the end of the reporting year. All held-to-maturity investments are denominated in Singapore dollars.

The quoted bonds have fixed coupon rates ranging from 1.23% to 4.67% (2016: 1.23% to 4.30%) per annum. The maturity dates range from January 2018 to January 2028 (2016: January 2018 to August 2024).

During the financial year, fund managers were appointed to manage the bonds. The performance of the bonds is actively monitored and managed on a fair value basis.

19. Inventories

	<u>2017</u>	<u>2016</u>
	\$	\$
Accessories and consumables	14,240	27,048

20. Other receivables

	<u>2017</u>	<u>2016</u>
	\$	\$
Interest receivable	267,374	324,374
Ministry of Health	194,380	176,831
Singtel	250,000	250,000
TOTE Board	–	50,000
Other receivables (a)	431,716	890,351
	<u>1,143,470</u>	<u>1,691,556</u>

(a) Included in other receivables is a nil amount (2016: \$390,084) receivable from Movember Group Pty Ltd in relation to funds generating activities. This amount was held by Movember Group Pty Ltd, and was released to the Society upon utilisation of the funds received in previous reporting years.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

21. Other assets

	2017	2016
	\$	\$
Deposits to secure services	149,722	149,279
Prepayments	315,568	163,612
	<u>465,290</u>	<u>312,891</u>

22. Cash and cash equivalents

	2017	2016
	\$	\$
Not restricted in use	40,330,806	24,147,539
Cash restricted under Community Silver Trust Grant (Note 24)	1,300,566	1,505,460
Cash restricted under Endowment Fund (Note 25)	1,000,000	–
Restricted in use (Note 22A)	2,088,824	17,060,469
	<u>44,720,196</u>	<u>42,713,468</u>
Interest earning balances	<u>39,436,629</u>	<u>41,547,042</u>

The interest rates for the cash on interest earning accounts are between 0.11% and 1.18% (2016: 0.11% and 1.60%).

22A. Cash and cash equivalents in the statement of cash flows:

	2017	2016
	\$	\$
Amount as shown above	44,720,196	42,713,468
Cash restricted under specific funds	(2,300,566)	(1,505,460)
Fixed deposits with maturities more than 3 months after year end	(2,088,824)	(17,060,469)
Cash and cash equivalents for statement of cash flows purposes at end of the year	<u>40,330,806</u>	<u>24,147,539</u>

23. Trade payables

	2017	2016
	\$	\$
Outside parties and accrued liabilities (Restated)	<u>3,781,679</u>	<u>2,991,479</u>

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

24. Other liabilities

	<u>2017</u>	<u>2016</u>
	\$	\$
Deferred grants:		
Community Silver Trust Grant	1,300,566	1,505,460
Community Silver Trust Grant		
<u>Incoming resources</u>		
Balance at beginning of the year	1,505,460	4,121,494
Grant received during the year	1,100,000	400,000
Utilised during the year	(1,304,894)	(3,016,034)
Balance at end of year	<u>1,300,566</u>	<u>1,505,460</u>
<u>Expenditure</u>		
Psychosocial team	–	488,801
Hospice homecare and support group expenses	1,100,000	1,018,932
Cancer Rehabilitation Centre expenses	204,894	1,508,301
	<u>1,304,894</u>	<u>3,016,034</u>

The SCS-CST Matching Fund (“CST”) is a dollar-to-dollar donation matching grant provided by the government to enhance the services of voluntary welfare organisations in the intermediate and long-term care sector. One key objective of the CST is to encourage public donations from individuals, foundations and corporate establishments. With additional CST funds matched by the government, the Societies will be able to enhance capabilities and expand their capacities to improve quality of care and provide affordable step down care.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

25. Fund account balances

	Unrestricted funds					Restricted funds				
	General Fund	Cancer Treatment Fund (i)	SCS-CST Matching Fund (ii)	Sub-Total	Run For Hope Fund (iii)	Joan Chan Shu Fang Fund (iv)	Movember Fund (v)	Terry Fox Run Fund (vi)	Endowment Fund (vii)	Total
Balance as at 1 January 2016 ^(Restated)	49,001,829	9,093,148	5,000,000	63,094,977	88,094	23,311	1,862,122	243,376	-	65,311,880
Voluntary income	15,803,820	-	-	15,803,820	-	-	-	-	-	15,803,820
Fund generating activities	2,604,463	-	-	2,604,463	-	-	362,249	154,253	-	3,120,965
Investment income	1,059,519	-	-	1,059,519	-	-	-	-	-	1,059,519
Charitable income	4,944	-	-	4,944	-	-	-	-	-	4,944
Sundry income	1,610,944	-	-	1,610,944	49,132	-	-	-	-	1,660,076
Income generated	21,083,690	-	-	21,083,690	49,132	-	362,249	154,253	-	21,649,324
Cost of generating voluntary income – fundraising	(252,833)	-	-	(252,833)	-	-	-	-	-	(252,833)
Cost of charitable activities	(14,658,995)	(1,062,878)	-	(15,721,873)	-	-	(228,758)	(237,800)	-	(16,188,431)
Cost of fund generating activities	(1,771,996)	-	-	(1,771,996)	-	-	(12,483)	-	-	(1,784,479)
Administrative costs	(363,081)	-	-	(363,081)	-	-	-	-	-	(363,081)
Utilisation of funds	(17,046,905)	(1,062,878)	-	(18,109,783)	-	-	(241,241)	(237,800)	-	(18,588,824)
Transfer to/(from) funds	(1,000,000)	-	1,000,000	-	-	-	-	-	-	-
Balance as at 31 December 2016 ^(Restated)	52,038,614	8,030,270	6,000,000	66,068,884	137,226	23,311	1,983,130	159,829	-	68,372,380
Voluntary income	12,437,123	-	-	12,437,123	-	-	-	-	-	12,437,123
Fund generating activities	3,166,007	-	-	3,166,007	-	-	293,881	168,407	-	3,628,295
Investment income	991,346	-	-	991,346	-	-	-	-	-	991,346
Charitable income	7,173	-	-	7,173	-	-	-	-	-	7,173
Sundry income	1,985,629	-	-	1,985,629	-	-	-	2,278	1,000,000	2,987,907
Income generated	18,587,278	-	-	18,587,278	-	-	293,881	170,685	1,000,000	20,051,844
Cost of generating voluntary income – fundraising	(165,005)	-	-	(165,005)	-	-	-	-	-	(165,005)
Cost of charitable activities	(14,789,005)	(837,662)	-	(15,626,667)	(24,000)	-	(333,518)	-	-	(15,984,185)
Cost of fund generating activities	(2,266,596)	-	-	(2,266,596)	-	-	(75,521)	(13,068)	-	(2,355,185)
Administrative costs	(475,100)	-	-	(475,100)	-	-	-	-	-	(475,100)
Utilisation of funds	(17,695,706)	(837,662)	-	(18,533,368)	(24,000)	-	(409,039)	(13,068)	-	(18,979,475)
Transfer to/(from) funds	(2,750,000)	23,311	2,750,000	23,311	-	(23,311)	-	-	-	(23,311)
Balance as at 31 December 2017	50,180,186	7,215,919	8,750,000	66,146,105	113,226	-	1,867,972	317,446	1,000,000	69,444,749

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

25. Fund account balances (cont'd)

- (i) The Cancer Treatment Fund was established in 2005, with the objective to assist cancer patients that have financial difficulties.
- (ii) The SCS-CST Matching Fund is for monies set aside by the Society for additional resources to enhance capabilities and provide value-added services to achieve affordable and higher quality care. These resources are further supplemented by the grant from the government (see Note 24).
- (iii) Run for Hope Fund was established in 2006 to fund institutions in cancer research.
- (iv) The RGS-Joan Chan Shu Fang Fund was established in 2006 to fund young cancer patients.
- (v) The Movember Fund consists of grants received from Movember Group Pty Ltd. These are granted to the Society for the purpose of raising awareness on male health issues.
- (vi) The Terry Fox Run Fund consists of donations received from the Canadian Association of Singapore. These are granted to the Society for cancer research projects.
- (vii) The Endowment Fund was established in 2017 and will be held for 10 years. These are granted to the Society for the purpose of assisting with the mission of the Society to minimise the impact of cancer through public education, screening, patient services, financial assistance, research and advocacy.

Interest income has not been allocated to the respective funds as it is impracticable to do so.

26. Columnar presentation of statement of financial position

A large majority of the assets and liabilities are attributable to the General Fund. All the assets of the other funds are represented by cash balances. Accordingly the Society did not adopt a columnar presentation of its assets, liabilities and funds in the Statement of Financial Position as it was not meaningful.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

27. Operating lease payment commitments – as lessee

At the end of the reporting year the total of future minimum lease payment commitments under non-cancellable operating leases are as follows:

	<u>2017</u>	<u>2016</u>
	\$	\$
Not later than one year	584,913	584,913
Later than one year and not later than five years	987,790	1,572,703
	<u>584,913</u>	<u>584,857</u>

Operating lease payments are for rentals payable by the Society for certain office premises. The leases are negotiated for an average term of 2 years and are subject to an escalation clause but the amount of the rent increase is not to exceed a certain percentage.

28. Financial instruments: information on financial risks

28A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	<u>2017</u>	<u>2016</u>
	\$	\$
<u>Financial assets:</u>		
Cash and bank balances	44,720,196	42,713,468
Held-to-maturity investments	25,113,933	24,483,550
Loans and receivables	1,143,470	1,691,556
	<u>70,977,599</u>	<u>68,888,574</u>
<u>Financial liabilities:</u>		
Trade and other payables at amortised cost	3,781,679	2,991,479
	<u>3,781,679</u>	<u>2,991,479</u>

Further quantitative disclosures are included throughout these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

28. Financial instruments: information on financial risks

28B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks. The guidelines set up the short and long term objectives and action to be taken in order to manage the financial risks. The guidelines include the following:

1. All financial risk management activities are carried out and monitored by senior management staff.
2. All financial risk management activities are carried out following good market practices.
3. When appropriate may consider investing in shares or similar instruments.
4. When appropriate enter into derivatives or any other similar instruments solely for hedging purposes.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

28C. Fair value of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

28. Financial instruments: information on financial risks

28D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents, receivables and certain other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial assets; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any payable commitments at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings. For credit risk on receivables an ongoing credit evaluation is performed on the financial condition of the debtors and a loss from impairment is recognised in profit or loss. There is no significant concentration of credit risk on receivables, as the exposure is spread over a large number of counter-parties and debtors unless otherwise disclosed in the notes to the financial statements below.

Note 22 discloses the maturity of the cash and cash equivalents balances.

Other receivables are normally with no fixed terms and therefore there is no maturity (Note 20).

Concentration of other receivables: These are identified in Note 20.

28E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. All financial liabilities of the Society are due within one year. The average credit period taken to settle trade payables is about 30 days (2016: 30 days). The Society has sufficient cash balances to support the commitments for the existing liabilities. The Society does not have any borrowings.

28F. Interest rate risk

The following table analyses the breakdown by type of interest rate:

	2017	2016
	\$	\$
<u>Financial assets:</u>		
Fixed rate	64,550,562	66,030,592
Non-interest bearing	6,427,037	2,857,982
At end of year	<u>70,977,599</u>	<u>68,888,574</u>

The interest rates where applicable are disclosed in the respective notes.

Sensitivity analysis: The effect on statement of financial activities is not significant.

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

29. Changes and adoption of financial reporting standards

For the current reporting year new or revised Financial Reporting Standards in Singapore and the related Interpretations to FRS ("INT FRS") were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. These applicable new or revised standards did not require any modification of the measurement methods or the presentation in the financial statements.

<u>FRS No.</u>	<u>Title</u>
FRS 7	Amendments to FRS 7: Disclosure Initiative

30. New or amended standards in issue but not yet effective

For the future reporting years new or revised Financial Reporting Standards in Singapore and the related Interpretations to FRS ("INT FRS") were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below.

<u>FRS No.</u>	<u>Title</u>	<u>Effective date for periods beginning on or after</u>
FRS 109	Financial Instruments	1 Jan 2018
FRS 115	Revenue from Contracts with Customers. Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	1 Jan 2018
FRS 116	Leases and Leases - Illustrative Examples & Amendments to Guidance on Other Standards	1 Jan 2019

NOTES TO THE FINANCIAL STATEMENTS

For the reporting year ended 31 December 2017

31. Reclassifications and comparative figures

The financial statements of the Society for the financial year ended 31 December 2016 have been reclassified due to the requirement of the funding agency to ring-fence and classify funded programme as restricted fund.

The modifications to financial statements presentations are summarised below:

Year ended 31 December 2016

	2016 financial statements after reclassification	2016 financial statements before reclassification	Difference
	\$	\$	\$
<u>Statement of Financial Position':</u>			
Trade payables	2,991,479	3,151,208	(159,729)
Unrestricted funds - General fund	52,038,614	52,038,714	(100)
Restricted funds - Terry Fox Run Fund	159,829	-	159,829

In addition, Disclosure Initiative (Amendments to FRS1) effective from 1 January 2016 requires that an entity shall not reduce the understandability of its financial statements by obscuring material information with immaterial information. There were certain regroupings made to the balances in the financial statements for reporting year 2016. These reclassifications have no significant impact to the financial performance or the financial position of the Society. Therefore, the opening balance of the earliest comparative period is not presented in the statement of financial position.

LOCATE US

Singapore Cancer Society (SCS) Main Office

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Realty Centre, #04-01,
Singapore 079716
Tel: 1800-727-3333
Fax: 6221 9575
Opening hours: Mondays to Fridays, 8.30am to 6.00pm

- Corporate services
- Hospice care services
- Public education
- Welfare services

SCS Multi-Service Centre & Clinic

9 Bishan Place,
Junction 8 Office Tower, #06-05,
Singapore 579837
Tel: 1800-727-3333
Fax: 6499 9140
Opening hours: Mondays to Fridays, 8.30am to 6.00pm

- Cancer screening services
- Cancer support services

SCS Rehabilitation Centre

52 Jurong Gateway Road,
JEM Office Tower, #08-04,
Singapore 608550
Tel: 1800-727-3333
Fax: 6570 2746
Opening hours: Mondays to Fridays, 9.00am to 6.00pm;
Saturdays 9.00am to 1.00pm

- Cancer rehabilitation services
- Cancer support services

SCS Satellite Centres

National Cancer Centre Singapore

11 Hospital Drive,
Singapore 169610
Tel: 6436 8420
Fax: 6224 6441

Opening hours:
Mondays to Fridays,
8.30am to 5.00pm

National University Cancer Institute, Singapore

National University Hospital, Medical Centre 1,
Level 9, Unit D2,
5 Lower Kent Ridge Road,
Singapore 119074
Tel: 6772 5463
Fax: 6268 5917

Opening hours: Mondays to Fridays, 9.00am to 5.00pm



**SINGAPORE
CANCER
SOCIETY**

SINGAPORE CANCER SOCIETY

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