

FINANCIAL STATEMENTS

For The Year Ended 30th June 2011

LIONS COMMUNITY SERVICE FOUNDATION (SINGAPORE)

UEN: T03SS0068K

www.ssagroup.com
Helping You Make The Difference



SUHAIMI SALLEH & ASSOCIATES
Certified Public Accountants

LIONS COMMUNITY SERVICE FOUNDATION (SINGAPORE)

(Registered in Singapore)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

Contents	Pages
Statement by Management Committee	1
Auditors' Report to the Members	2 - 3
Statement of Financial Position	4
Statement of Comprehensive Income	5 - 6
Statement of Changes in Accumulated Funds	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 - 21

LIONS COMMUNITY SERVICE FOUNDATION (SINGAPORE)

(Registered in Singapore)

STATEMENT BY MANAGEMENT COMMITTEE

In the opinion of the Management Committee, the accompanying statement of financial position, statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows of Lions Community Service Foundation (Singapore) ("the Society") together with the notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Society as at 30 June 2011, and of the results of the activities, changes in accumulated funds and the cash flows of the Society for the year then ended.

On behalf of the Management Committee,



Eric J P Ng

Chairman 2010/2011



Soh Kam Giap

Treasurer 2010/2011

Singapore

06 DEC 2011



REPORT OF THE AUDITORS TO THE MEMBERS OF

LIONS COMMUNITY SERVICE FOUNDATION (SINGAPORE)
(Registered in Singapore)

Report on the Financial Statements

We have audited the accompanying financial statements of Lions Community Service Foundation (Singapore) ("the Society"), which comprise the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act, Chapter 311 ("the Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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.



Suhaimi Salleh & Associates
Certified Public Accountants
UEN. S88PF0247L

REPORT OF THE AUDITORS TO THE MEMBERS OF

LIONS COMMUNITY SERVICE FOUNDATION (SINGAPORE) (Registered in Singapore)

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Society as at 30 June 2011 and of the results, changes in accumulated funds and cash flows of the Society for the year ended on that date.

Report On Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the regulations enacted under the Act to be kept by the Society have been properly kept in accordance with those regulations.

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

- (i) the donations and other receipts of the Society were not used for approved projects and the purposes intended; and
- (ii) the 30% cap mentioned under Regulation 15 of the Charities Act (Chapter 37), Charities (Institutions Of A Public Character) Regulations 2007 has been exceeded.



SUHAIMI SALLEH & ASSOCIATES
Public Accountants &
Certified Public Accountants
Singapore

06 DEC 2011

LIONS COMMUNITY SERVICE FOUNDATION (SINGAPORE)
(Registered in Singapore)

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	Notes	2011 S\$	2010 S\$
ASSETS			
NON-CURRENT ASSET			
Property, plant and equipment	3	1,033	-
Intangible assets	4	5,437	-
		<u>6,470</u>	<u>-</u>
CURRENT ASSETS			
Other receivables and prepayment	5	13,104	3,000
Cash and cash equivalents	6	702,274	596,894
		<u>715,378</u>	<u>599,894</u>
TOTAL ASSETS		<u><u>721,848</u></u>	<u><u>599,894</u></u>
ACCUMULATED FUNDS AND LIABILITIES			
ACCUMULATED FUNDS			
Accumulated Fund	7(i)	581,380	414,484
LCSF Education Fund	7(ii)	109,835	113,000
Lions Home for Elders Fund	7(iii)	-	47,983
Lions Befrienders Fund	7(iv)	-	1,000
Lions Quest Fund	7(v)	17,564	17,564
		<u>708,779</u>	<u>594,031</u>
NON-CURRENT LIABILITIES			
Deferred capital grants	8	7,515	-
CURRENT LIABILITIES			
Accruals		<u>5,554</u>	<u>5,863</u>
TOTAL LIABILITIES		<u><u>13,069</u></u>	<u><u>5,863</u></u>
TOTAL ACCUMULATED FUNDS AND LIABILITIES		<u><u>721,848</u></u>	<u><u>599,894</u></u>

The accompanying notes form an integral part of these financial statements

LIONS COMMUNITY SERVICE FOUNDATION (SINGAPORE)
(Registered in Singapore)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

	Notes	Accumulated Fund S\$	LCSE Education Fund S\$	Lions Home for Elders Fund S\$	Befrienders Fund S\$	Lions Quest Fund S\$	TOTAL S\$
2011							
INCOME							
Contributions received from members		20,880	-	-	-	-	20,880
Donations received	9	202,880	26,935	-	3,000	-	232,815
Amorisation of deferred capital grant	8	3,074	-	-	-	-	3,074
		226,834	26,935	-	3,000	-	256,769
Less: Donations made during the year	10	(51,450)	(30,100)	(47,983)	(4,000)	-	(133,533)
Interest income		716	-	-	-	-	716
Miscellaneous income		20	-	-	-	-	20
		176,120	(3,165)	(47,983)	(1,000)	-	123,972
EXPENSES							
Amorisation of intangible assets	4	2,718	-	-	-	-	2,718
Annual general meeting expenses		762	-	-	-	-	762
Auditors' honorarium		780	-	-	-	-	780
Award plaques and patches		4,013	-	-	-	-	4,013
Bank charges		30	-	-	-	-	30
Depreciation of property, plant and equipment	3	517	-	-	-	-	517
NCSS subscriptions/ROS filing		-	-	-	-	-	-
Postage, printing and stationery		10	-	-	-	-	10
Training expenses		-	-	-	-	-	-
Website expenses		394	-	-	-	-	394
		9,224	-	-	-	-	9,224
SURPLUS/(DEFICIT) BEFORE TAXATION		166,896	(3,165)	(47,983)	(1,000)	-	114,748
TAXATION		-	-	-	-	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		166,896	(3,165)	(47,983)	(1,000)	-	114,748
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX							
		-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		166,896	(3,165)	(47,983)	(1,000)	-	114,748

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

LIONS COMMUNITY SERVICE FOUNDATION (SINGAPORE)
(Registered in Singapore)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

	Notes	Accumulated Fund	LCSF Education Fund	Lions Home for Elders Fund	Befrienders Fund	Lions Quest Fund	TOTAL
		S\$	S\$	S\$	S\$	S\$	S\$
2010							
INCOME							
Contributions received from members		17,270	-	-	-	-	17,270
Donations received	9	94,689	126,500	22,272	1,000	-	244,461
Amortisation of deferred capital grant	8	-	-	-	-	-	-
Less: Donations made during the year	10	111,959	126,500	22,272	1,000	-	261,731
		(51,938)	(32,500)	-	(10,000)	-	(94,438)
Interest income		619	-	-	-	-	619
Miscellaneous income		450	-	-	-	900	1,350
		61,090	94,000	22,272	(9,000)	900	169,262
EXPENSES							
Amortisation of intangible assets	4	-	-	-	-	-	-
Annual general meeting expenses		883	-	-	-	-	883
Auditors' honorarium		689	-	-	-	-	689
Award plaques and patches		867	-	-	-	-	867
Bank charges		30	-	-	-	-	30
Depreciation of property, plant and equipment	3	-	-	-	-	-	-
NCSS subscriptions/ROS filing		241	-	-	-	-	241
Postage, printing and stationery		4,585	-	-	-	-	4,585
Training expenses		-	-	-	-	8,905	8,905
Website expenses		3,210	-	-	-	-	3,210
		10,505	-	-	-	8,905	19,410
SURPLUS/(DEFICIT) BEFORE TAXATION		50,585	94,000	22,272	(9,000)	(8,005)	149,852
TAXATION		-	-	-	-	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		50,585	94,000	22,272	(9,000)	(8,005)	149,852
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		50,585	94,000	22,272	(9,000)	(8,005)	149,852

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

LIONS COMMUNITY SERVICE FOUNDATION (SINGAPORE)
(Registered in Singapore)

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 30 JUNE 2011**

	Accumulated Fund S\$	LCSF Education Fund S\$	Lions Home for Elders Fund S\$	Lions Befrienders Fund S\$	Lions Quest Fund S\$	Total S\$
Balance as at 1 July 2009	363,899	19,000	25,711	10,000	25,569	444,179
Surplus/(Deficit) for the year	50,585	94,000	22,272	(9,000)	(8,005)	149,852
Other comprehensive income for the year, net of tax	-	-	-	-	-	-
Balance as at 30 June 2010 and 1 July 2010	414,484	113,000	47,983	1,000	17,564	594,031
Surplus/(Deficit) for the year	166,896	(3,165)	(47,983)	(1,000)	-	114,748
Other comprehensive income for the year, net of tax	-	-	-	-	-	-
Balance as at 30 June 2011	581,380	109,835	-	-	17,564	708,779

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

LIONS COMMUNITY SERVICE FOUNDATION (SINGAPORE)
(Registered in Singapore)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011 S\$	2010 S\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus before taxation		114,748	149,852
Adjustments for:			
Amortisation of intangible assets	4	2,718	-
Amortisation of deferred capital grant	8	(3,074)	-
Depreciation of property, plant and equipment	3	517	-
Interest on fixed deposit		(716)	(619)
Operating surplus before working capital changes		<u>114,193</u>	<u>149,233</u>
Changes in working capital:			
(Increase) in receivables and prepayment		(584)	(2,904)
(Decrease)/Increase in accruals		(309)	4,504
Cash generated from operations		<u>113,300</u>	<u>150,833</u>
Interest received		716	619
Net cash flows generated from operating activities		<u>114,016</u>	<u>151,452</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for website development costs	4	(8,155)	-
Purchase of property, plant and equipment	3	(1,550)	-
Deferred capital grant received		1,069	-
Net cash flows used in investing activities		<u>(8,636)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
		-	-
Net increase in cash and cash equivalents		105,380	151,452
Cash and cash equivalents brought forward		596,894	445,442
Cash and cash equivalents carried forward	6	<u><u>702,274</u></u>	<u><u>596,894</u></u>
Cash and cash equivalents carried forward comprise:			
Cash at bank		225,361	120,697
Short-term deposits		476,913	476,197
	6	<u><u>702,274</u></u>	<u><u>596,894</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

1. GENERAL INFORMATION

Lions Community Service Foundation (Singapore) ("the Society") is registered in the Republic of Singapore under the Societies Act, Chapter 311. It is also a charity (Registration No. 001690) under the Charities Act, Chapter 37. Its Unique Entity Number is (UEN) is T03SS0068K.

The principal objectives of the Society are the harnessing of the fiscal resources generated by Lions fund raising activities through a central organisation that would unite Lions in their community service efforts and maximising the value of the funds application.

The Society has been conferred the Institution of Public Character (IPC) status for the period 20 November 2010 to 19 November 2011.

The Society is domiciled in the Republic of Singapore and its registered address is 487 Bedok South Avenue 2, Singapore 469316.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

(a) Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS), as well as all related interpretations to FRS ("INT FRS") issued by the Singapore Accounting Standards Council. The Society is also subject to the provisions of the Charities Act Cap. 37 and the Societies Act, Cap 311.

(b) Basis of preparation

(i) Functional and presentation currency

The financial statements are expressed in Singapore dollars which is the Society's functional and presentation currency.

(ii) Basis of measurement

The financial statements have been prepared under the historical cost convention except as described in the accounting policies below.

(c) Interpretations and amendments to FRS

In the current financial year, the Society has adopted all the new and revised FRS and INT FRS that are relevant to its operations and effective on 1 July 2010. The adoption of the standard did not have any material effect on the financial statements.

Standards issued but not yet effective

The Society did not early adopt the new/revised FRS, INT FRS and amendments to FRSs that were issued at the date of authorisation of these financial statements but not yet effective until future periods. The Management Committee believes that the adoption of the revised standards and interpretations will have no material impact on the financial statements in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES (CONTINUED)

(d) Property, plant and equipment

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

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Any trade discounts and rebates are deducted in arriving at purchase price. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the statement of comprehensive income in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of property, plant and equipment.

Depreciation is computed on a straight-line basis over the estimated useful life of the assets as follows:

Computers	3 years
-----------	---------

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in the statement of comprehensive income.

Fully depreciated assets still in use are retained in the financial statements.

(e) Intangible assets

Intangible assets which comprise website development costs, are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation of intangibles is calculated on a straight-line basis to write-off the costs over their estimated useful lives of 3 years. The amortisation expense on intangible assets is recognised in the comprehensive income statement through the "amortisation of intangible assets" line item.

The carrying value of intangibles is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

(f) Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES (CONTINUED)

(f) Impairment of non-financial assets (Continued)

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recorded in income.

However, the increased carrying amount of an asset due to a reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for that asset in prior years.

(g) Financial instruments

Financial instruments carried on the statement of financial position include cash and cash equivalents, other receivables and accruals. The recognition methods adopted are disclosed in the respective accounting policy statements.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangements. Interests, dividends, gains and losses relating to financial instruments classified as liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Society has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(h) Financial assets

Financial assets are recognised on the statement of financial position when, and only when, the Society becomes a party to the contractual provisions of the financial instrument.

Classification

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Such assets are initially recorded at fair value plus directly attributable transaction costs. Subsequent to initial recognition, such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in the statement of comprehensive income when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

The Society's financial assets under loans and receivables are cash and cash equivalents and other receivables.

The Society does not have any other type of financial asset other than those classified under loans and receivables.

Impairment

The Society assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES (CONTINUED)

(h) Financial assets (Continued)

Impairment (Continued)

If there is objective evidence that an impairment loss on loans and receivables carried at amortised costs has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account. The amount of the loss is recognised in the statement of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the statement of comprehensive income, to the extent that the carrying value of the assets does not exceed its amortised cost at the reversal date.

(i) Financial liabilities

Financial liabilities consist of accruals. Financial liabilities are recognised on the statement of financial position when, and only when, the Society 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 at 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.

(j) Derecognition of financial assets and financial liabilities

A financial asset is derecognised where the contractual rights to receive cash flows from the asset have expired. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received is recognised in the statement of comprehensive income.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and short-term, highly liquid investments that are readily convertible to known amount of cash which are subject to insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES (CONTINUED)

(l) Deferred capital grant

Grants obtained for the purchase of property, plant and equipment and payment for website development costs are retained in Deferred Capital Grants and amortised on a straight line basis over the useful life of the assets purchased.

(m) Provisions

Provisions are recognised when the Society has a present obligation (legal or constructive) where as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

(n) Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

(o) Recognition of Income and Expenses

(i) Income

Contributions and donations are recognised in the statement of comprehensive income on accrual basis when the contributions and donations are committed to the Society.

Grants are recognised as income when there is reasonable assurance that the grant will be received and all conditions attached to it have been complied with. Grants for capital expenditures are recognised as deferred capital grant in the Statement of Financial Position. Income is recognised on a systematic basis over the useful life of the assets purchased.

Interest Income is recognised as the interest accrues taking into account the effective yield of the asset.

(ii) Expenses

Expenses are accounted for on the accrual basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES (CONTINUED)

(p) Related parties

A party is considered to be related to the Society if:

- (a) The party, directly or indirectly through one or more intermediaries,
 - (i) controls, is controlled by, or is under common control with, the Society;
 - (ii) has an interest in the Society that gives it significant influence over the Society; or
 - (iii) has joint control over the Society;
- (b) The party is an associate;
- (c) The party is a jointly-controlled entity;
- (d) The party is a member of the key management personnel of the Society;
- (e) The party is a close member of the family of any individual referred to in (a) or (d); or
- (f) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) The party is a post-employment benefit plan for the benefit of the employees of the Centre, or of any entity that is a related party of the Centre.

(q) Events after the reporting date

Post year-end events that provide additional information about the Society's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

(r) Significant accounting judgments and estimates

The preparation of financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and 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 income and expenditures during the financial year.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Society makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results and may have a significant risk of resulting in a material adjustment to the amounts of assets and liabilities within the next financial year.

(i) Judgments made in applying accounting policies

In the process of applying the Society's accounting policies, there was no major judgement which management made which may have a significant effect on the amounts recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES (CONTINUED)

(r) Significant accounting judgments and estimates (Continued)

(ii) Key sources of estimation uncertainty

The key assumption concerning the future and key sources of estimation involving uncertainty at the statement of financial position date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Estimated Allowance for Debt Impairment

The Society assesses whether objective evidence of impairment exists for receivables that are individually significant, and collectively for receivables that are not individually significant. Allowance for debt impairment is maintained at a level considered adequate to provide for potentially uncollectible receivables.

Other receivables amounted to S\$9,520 and S\$3,000 as of 30 June 2011 and 2010, respectively. Based on Management's assessment, no allowance for debt impairment is required as of 30 June 2011 and 2010.

LIONS COMMUNITY SERVICE FOUNDATION (SINGAPORE)
(Registered in Singapore)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

3. PROPERTY, PLANT AND EQUIPMENT

	Computer S\$	Total S\$
Cost		
At 1 July 2009	-	-
Additions	-	-
Disposals	-	-
	<hr/>	<hr/>
At 30 June 2010 and 1 July 2010	-	-
Additions	1,550	1,550
Disposals	-	-
	<hr/>	<hr/>
At 30 June 2011	1,550	1,550
	<hr/> <hr/>	<hr/> <hr/>
Accumulated depreciation and impairment loss		
At 1 July 2009	-	-
Charge	-	-
Write back	-	-
	<hr/>	<hr/>
At 30 June 2010 and 1 July 2010	-	-
Charge	517	517
Write back	-	-
	<hr/>	<hr/>
At 30 June 2011	517	517
	<hr/> <hr/>	<hr/> <hr/>
Net carrying value		
At 30 June 2010	-	-
	<hr/> <hr/>	<hr/> <hr/>
At 30 June 2011	1,033	1,033
	<hr/> <hr/>	<hr/> <hr/>

LIONS COMMUNITY SERVICE FOUNDATION (SINGAPORE)
(Registered in Singapore)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

4. INTANGIBLE ASSETS

	Website Development Costs S\$	Total S\$
Cost		
At 1 July 2009	-	-
Additions	-	-
Disposals	-	-
At 30 June 2010 and 1 July 2010	-	-
Additions	8,155	8,155
Disposals	-	-
At 30 June 2011	8,155	8,155
Accumulated amortisation and impairment loss		
At 1 July 2009	-	-
Charge	-	-
Write back	-	-
At 30 June 2010 and 1 July 2010	-	-
Charge	2,718	2,718
Write back	-	-
At 30 June 2011	2,718	2,718
Net carrying value		
At 30 June 2010	-	-
At 30 June 2011	5,437	5,437

The Society obtained a grant of S\$9,520 from the National Council of Social Services (NCSS) for website development.

5. OTHER RECEIVABLES AND PREPAYMENT

	2011 S\$	2010 S\$
Other receivables	9,520	3,000
Prepayment	3,584	-
	13,104	3,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

6. CASH AND CASH EQUIVALENTS

	2011	2010
	S\$	S\$
Cash at bank - current account	225,361	120,697
Short-term deposits	476,913	476,197
	<u>702,274</u>	<u>596,894</u>

Short-term deposits are made up of 3 months time deposits bearing an effective interest rate of 0.15% per annum (2010: 0.15%).

7. FUNDS

(i) Accumulated Fund

This is a general purpose fund to be used for non-specific purposes at the discretion of the management committee in furtherance of the Society's objects.

(ii) LCSF Education Fund

The LCSF Education Fund was set up for the purpose of establishing scholarships, bursaries or other schemes with institutions of learning in Singapore to provide financial assistance to deserving students. It is administered by the Society in collaboration with the educational institutions. Currently, the Society is funding students from Singapore Management University (SMU) and National University of Singapore (NUS).

(iii) Lions Home for Elders Fund

The Lions Home for Elders Fund is the fund allotted or specified by donors for the Lions Home for the Elders. The Lions Home for the Elders operates two homes, one in Bedok and another in Toa Payoh. The homes were established to provide long-term skilled nursing care and/or assistance with activities of daily living for elderly persons. These older persons either do not have families or caregivers to look after them at home, or the caregiver is unable to provide the level of nursing care required.

(iv) Lions Befrienders Fund

The Lions Befrienders Fund is the fund allotted or specified by donors for the Lions Befrienders Service Association. The Lions Befrienders Service Association was established to reach out to lonely elderly persons aged 60 and above through visitation by volunteers and organised social/recreational activities in the HDB flats.

(v) Lions Quest Fund

The Lions Quest Fund was established to support the training programmes of the Society. Lions Quest is a school based, comprehensive, positive youth development and preventive programme that unites the home, school and community through life skills, character education, civic values, drug prevention and service learning education.

LIONS COMMUNITY SERVICE FOUNDATION (SINGAPORE)
(Registered in Singapore)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

8. DEFERRED CAPITAL GRANTS

	2011	2010
	S\$	S\$
Opening balance	-	-
Deferred capital grant obtained	10,589	-
Amortisation of deferred capital grant	(3,074)	-
Closing balance	<u>7,515</u>	<u>-</u>

9. DONATIONS RECEIVED DURING THE YEAR

	2011	2010
	S\$	S\$
Donations with tax exempt receipts	189,708	187,002
Donations without tax exempt receipts	43,107	57,459
	<u>232,815</u>	<u>244,461</u>

10. DONATIONS MADE DURING THE YEAR

	2011	2010
	S\$	S\$
SMU Bursary Fund	10,000	10,000
NUS Bursary Fund	15,000	22,500
Lions Befrienders	4,000	10,000
Lions Home for the Elders	47,983	-
Secondary School Bursary Fund	5,100	-
Lions Skill Development Fund	41,450	-
Lions District Humanitary Project	10,000	-
Chingay Parade	-	46,908
Eye Sight Project	-	2,200
Vijay Shastha Fund	-	2,000
Indonesia Disaster Fund	-	830
	<u>133,533</u>	<u>94,438</u>

11. INCOME TAX

The Society is an approved charity under the Charities Act, Chapter 37. No provision for taxation has been made in the financial statements as the Society is exempt from income tax in accordance with the provisions of the Income Tax Act, Chapter 134.

12. EMPLOYEE'S REMUNERATION

No employee remuneration was paid during the financial years ended 30 June 2011 and 2010.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

13. RELATED PARTY TRANSACTIONS

REMUNERATION PAID TO MANAGEMENT COMMITTEE

During the current and previous year, none of the members of the Management Committee was paid any remuneration.

RELATED PARTY TRANSACTIONS

There were no related party transactions during the years ended 30 June 2011 and 2010.

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Funding risk

The Society depends largely on contributions and donations from members, individuals, companies and other organisations to fund and carry out its activities during the year. It does not have any credit facilities from banks or other financial institutions. It is in this area of its operations that the Society continuously faces challenges and risks. Its ability to raise funds is affected by economic conditions, government policies and other factors.

The Society recognises that the management of funding risk is central to its financial management practices and its ability to carry out activities and projects in accordance with its objects. As a result, it places its available funds in current accounts in Singapore dollars with creditworthy and reputable financial institutions, namely banks and manages the funds prudently. This practice protects its cash resources and enhances its financial resilience.

Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting financial obligations due to shortage of funds. The Society's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Management Committee monitors the Society's liquidity risk and maintains a level of cash and cash equivalents deemed adequate by the Management Committee to finance the Society's operations and to mitigate the effects of fluctuation in cash flows.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Society. The Society's exposure to credit risk arises primarily from other receivables. Other financial assets (including bank deposits) presents insignificant risks as the Society exclusively deals with high credit rating counterparties.

As at financial reporting date, there were no significant concentrations of credit risk. Cash is placed with financial institution of good standing. The maximum exposure to credit risk is represented by the carrying amount of each financial asset as indicated in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Interest rate risk

This is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Society's income and operating cash flows are substantially independent of changes in market rates as it has no significant interest bearing assets and liabilities except for short-term deposits where interest earned is not significant.

The sensitivity analysis for interest rate is not disclosed as the effect on the financial statements is not expected to be significant.

Other than funding, liquidity, credit and interest rate risks, there are no other major financial risks that could adversely impact the activities and performance of the Society.

Net fair values

The carrying amounts of the current financial assets and liabilities approximate to their fair values due to their short-term nature.

The Society does not anticipate that the carrying amounts recorded at the statement of financial position date would be significantly different from the values that would eventually be received or settled.

15. FUND RAISING AND SPONSORSHIP EXPENSES

During the year the Society did not carry out any activities to raise funds or obtain sponsorships. No fund-raising and sponsorship expenses were incurred.

16. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 30 June 2011 were authorised for issue by the Management Committee on

0 6 DEC 2011