

**LIONS COMMUNITY SERVICE
FOUNDATION (SINGAPORE)**

[Co. Reg. No. T03SS0068K]

[IPC No. IPC000644]

[Registered under the Registrar of Societies]

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2014**

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SUHAIMI SALLEH & ASSOCIATES

Public Accountants and Chartered Accountants
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STATEMENT BY MANAGEMENT COMMITTEE

In the opinion of the Management Committee, the financial statements as set out on pages 5 to 24 are drawn up so as to give a true and fair view of the state of affairs of the Association as at 30 June 2014, and of the results of the financial activities, changes in funds and cash flows of the Association for the year then ended.

At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

The Management Committee, comprising the following, authorised the issue of these financial statements on 24 July 2014

Honorary Chairman	Ng Jwee Phuan @ Federick (Eric)
Honorary Vice Chairman	Heng Mok Hee, Sylvester
Honorary Secretary	Isabel Kang
Honorary Treasurer	Shen Xiu Zhen, Maggie
1st Vice District Governor	Leslie Yong Boon Chuan
2nd Vice District Governor	Nancy Lim
Director	Lily Tan
Director	Gary Goh
Director	Tan Eng Siong
Director	Chua Choon Yeng
Director	Kiran Goswami
Director	Lo Swee Wen

On behalf of the Management Committee,



Eric J P Ng

Chairman 2013/2014



Shen Xiu Zhen, Maggie

Treasurer 2013/2014

Singapore 24 July 2014

Suhaimi Salleh & Associates

Public Accountants and
Chartered Accountants of Singapore

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Independent auditors' report to the members of:

LIONS COMMUNITY SERVICE FOUNDATION (SINGAPORE)

[Co. Reg. No. T03SS0068K]
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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 2014, 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 information.

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"), the Singapore Charities Act, Chapter 37 ("the Charities 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 about 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.

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act, the Charities Act and Singapore Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Society as at 30 June 2014 and of the results, changes in accumulated funds and cash flows of the Society for the year ended on that date.

Suhaimi Salleh & Associates

Public Accountants and
Chartered Accountants of Singapore

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CONT'D

Independent auditors' report to the members of:

**LIONS COMMUNITY SERVICE FOUNDATION
(SINGAPORE)**

[Co. Reg. No. T03SS0068K]

[IPC No. 000644]

[Registered under the Registrar of Societies]

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 use of the donation moneys was not in accordance with the objectives of the Society as required under Regulation 16 of the Charities (Institutions Of A Public Character) Regulations 2007; and
- (ii) the 30% cap mentioned under Regulation 15 of the Charities (Institutions Of A Public Character) Regulations 2007 has been exceeded.



SUHAIMI SALLEH & ASSOCIATES
Public Accountants and
Chartered Accountants
Singapore

28 DEC 2014

Partner in-charge of audit: Ethan Ong Lien Wan

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Notes	2014 S\$	2013 S\$
ASSETS			
NON-CURRENT ASSET			
Property, plant and equipment	3	1,523	-
Intangible assets	4	<u>2,667</u>	<u>1,164</u>
		<u>4,190</u>	<u>1,164</u>
CURRENT ASSETS			
Other receivables, deposits and prepayment	5	59,040	19,280
Cash and cash equivalents	6	700,280	715,074
Fixed deposits	7	<u>500,751</u>	<u>500,375</u>
		<u>1,260,071</u>	<u>1,234,729</u>
TOTAL ASSETS		<u><u>1,264,261</u></u>	<u><u>1,235,893</u></u>
ACCUMULATED FUNDS AND LIABILITIES			
ACCUMULATED FUNDS			
Accumulated Fund	8(i)	854,895	778,149
LCSF Education Fund	8(ii)	215,977	191,077
Lions Home for Elders Fund	8(iii)	10,283	117,500
Lions Befrienders Fund	8(iv)	-	-
Club / District Project Fund	8(v)	185,170	100,370
Lions Quest Fund	8(vi)	<u>24,512</u>	<u>47,261</u>
		<u>1,262,060</u>	<u>1,234,357</u>
NON-CURRENT LIABILITIES			
Deferred capital grants	9	-	456
CURRENT LIABILITIES			
Accruals		<u>2,201</u>	<u>1,080</u>
TOTAL LIABILITIES		<u>2,201</u>	<u>1,536</u>
TOTAL ACCUMULATED FUNDS AND LIABILITIES		<u><u>1,264,261</u></u>	<u><u>1,235,893</u></u>

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

**STATEMENT OF COMPREHENSIVE INCOME
 FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

	Notes	Accumulated Fund S\$	LCSF Education Fund S\$	Lions Home for Elders Fund S\$	Lions Befrienders Fund S\$	Lions Quest Fund S\$	Club/District Project Fund S\$	TOTAL S\$
2014								
INCOME								
Contributions received from members		21,240	-	-	-	-	-	21,240
Donations received	10	77,567	55,000	50,560	24,000	-	281,455	488,582
Amortisation of deferred capital grant	9	456	-	-	-	-	-	456
		99,263	55,000	50,560	24,000	-	281,455	510,278
Less: Donations made during the year	11	(13,700)	(30,100)	(157,777)	(52,777)	-	(131,500)	(385,854)
Interest income		1,403	-	-	-	-	-	1,403
Miscellaneous income		-	-	-	-	-	-	-
		86,966	24,900	(107,217)	(28,777)	-	149,955	125,827
EXPENSES								
Amortisation of intangible assets	4	2,497	-	-	-	-	-	2,497
Annual general meeting expenses		1,088	-	-	-	-	-	1,088
Auditors' honorarium		1,500	-	-	-	-	-	1,500
Bank charges		30	-	-	-	-	-	30
Depreciation of property, plant and equipment	3	762	-	-	-	-	-	762
NCSS subscriptions/ROS filing		-	-	-	-	-	-	-
Postage, printing and stationery		-	-	-	-	-	-	-
Secretarial fee		4,000	-	-	-	-	-	4,000
Training expenses		-	-	-	-	22,749	-	22,749
Fund raising expenses		-	-	-	-	-	65,155	65,155
Website expenses		343	-	-	-	-	-	343
		10,220	-	-	-	22,749	65,155	98,124

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	Notes	Accumulated Fund S\$	LCSF Education Fund S\$	Lions Home for Elders Fund S\$	Lions Befrienders Fund S\$	Lions Quest Fund S\$	Club/District Project Fund S\$	TOTAL S\$
2014								
SURPLUS/(DEFICIT) BEFORE TAXATION		76,746	24,900	(107,217)	(28,777)	(22,749)	84,800	27,703
TAXATION	12	-	-	-	-	-	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		76,746	24,900	(107,217)	(28,777)	(22,749)	84,800	27,703
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		-	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		76,746	24,900	(107,217)	(28,777)	(22,749)	84,800	27,703

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

**STATEMENT OF COMPREHENSIVE INCOME
 FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

	Notes	Accumulated Fund S\$	LCSF Education Fund S\$	Lions Home for Elders Fund S\$	Lions Befrienders Fund S\$	Lions Quest Fund S\$	Club/District Project Fund S\$	TOTAL S\$
2013								
INCOME								
Contributions received from members		18,080	-	-	-	-	-	18,080
Donations received	10	124,338	52,790	125,000	-	160	41,815	344,103
Amortisation of deferred capital grant	9	3,529	-	-	-	-	-	3,529
		145,947	52,790	125,000	-	160	41,815	365,712
Less: Donations made during the year	11	-	(68,200)	(107,500)	(12,500)	-	(14,500)	(202,700)
Interest income		1,403	-	-	-	-	-	1,403
Miscellaneous income		55	-	-	-	-	-	55
		147,405	(15,410)	17,500	(12,500)	160	27,315	164,470
EXPENSES								
Amortisation of intangible assets	4	3,884	-	-	-	-	-	3,884
Annual general meeting expenses		959	-	-	-	-	-	959
Auditors' honorarium		1,380	-	-	-	-	-	1,380
Bank charges		30	-	-	-	-	-	30
Depreciation of property, plant and equipment	3	516	-	-	-	-	-	516
NCSS subscriptions/ROS filing		144	-	-	-	-	-	144
Postage, printing and stationery		176	-	-	-	-	-	176
Training expenses		-	-	-	-	-	-	-
Fund raising expenses		-	2,648	-	-	116	-	116
Website expenses		1,791	-	-	-	-	10,378	13,026
		8,880	2,648	-	-	116	10,377	22,022

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	Notes	Accumulated Fund S\$	LCSF Education Fund S\$	Lions Home for Elders Fund S\$	Lions Befrienders Fund S\$	Lions Quest Fund S\$	Club/District Project Fund S\$	TOTAL S\$
2013								
SURPLUS/(DEFICIT) BEFORE TAXATION		138,525	(18,058)	17,500	(12,500)	44	16,937	142,449
TAXATION	12	-	-	-	-	-	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		138,525	(18,058)	17,500	(12,500)	44	16,937	142,448
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		-	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		138,525	(18,058)	17,500	(12,500)	44	16,937	142,448

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

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

	Accumulated Fund S\$	LCSF Education Fund S\$	Lions Home for Elders Fund S\$	Lions Befrienders Fund S\$	Lions Quest Fund S\$	Club/District Project Fund S\$	Total S\$
Balance as at 1 July 2012	652,124	209,135	100,000	-	47,217	83,433	1,091,909
Surplus for the year	138,525	(18,058)	17,500	(12,500)	44	16,937	142,448
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	-
Transfer of funds to/(from)	(12,500)	-	-	12,500	-	-	-
Balance as at 30 June 2013 and 1 July 2013	778,149	191,077	117,500	-	47,261	100,370	1,234,357
Surplus/(Deficit) for the year	76,746	24,900	(107,217)	(28,777)	(22,749)	84,800	27,703
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	-
Transfer of funds to/(from)	(28,777)	-	-	28,777	-	-	-
Balance as at 30 June 2014	826,118	215,977	10,283	-	24,512	185,170	1,262,060

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

	Notes	2014 S\$	2013 S\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus before taxation		27,703	142,448
Adjustments for:			
Amortisation of intangible assets	4	2,497	3,884
Amortisation of deferred capital grant	9	(456)	(3,529)
Depreciation of property, plant and equipment	3	762	516
Interest on fixed deposit		<u>(1,403)</u>	<u>(1,403)</u>
Operating surplus before working capital changes		29,103	141,916
Changes in working capital:			
Increase in receivables, deposits and prepayments		(39,760)	(17,787)
Increase / (decrease) in accruals		<u>1,121</u>	<u>(3,989)</u>
Cash generated from operations		(9,536)	120,140
Interest received		<u>1,403</u>	1,403
Net cash flows generated from operating activities		(8,133)	121,543
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for website development costs	4	(4,000)	-
Purchase of property, plant and equipment	3	<u>(2,285)</u>	-
Net cash flows used in investing activities		(6,285)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Placement of fixed deposits		<u>(376)</u>	<u>(375)</u>
Net cash used in financing activities		(376)	(375)
Net increase/(decrease) in cash and cash equivalents		(14,794)	121,168
Cash and cash equivalents brought forward		<u>715,074</u>	<u>593,906</u>
Cash and cash equivalents carried forward	6	<u>700,280</u>	<u>715,074</u>
Cash and cash equivalents carried forward comprise:			
Cash at bank – current account		297,734	312,680
Short-term deposits		<u>402,546</u>	<u>402,394</u>
	6	<u>700,280</u>	<u>715,074</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

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

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 May 2014 to 31 August 2015.

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

These financial statements are presented in Singapore Dollar, which is the Company's functional currency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

(a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standard ("FRS") and Charities Act (Chapter 37). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2013

On 1 April 2013, the Company adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

Amendment to FRS 107 Disclosure-Offsetting Financial assets and Financial Liabilities

The amendment includes new disclosures to enable users of financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

This amendment does not have any impact on the accounting policies of the Company. The Company has incorporated the additional required disclosures into the financial statements.

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

(a) Basis of preparation (Continued)

Interpretations and amendments to published standards effective in 2013

FRS 113 Fair value Measurement

FRS 113 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across FRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within FRSs.

FRS and INT FRS issued but not yet effective

At the date of authorisation of these financial statements, the following FRS and INT FRS that are relevant to the Company were issued but not yet effective:

Descriptions	Annual periods commencing on
FRS 27 (revised 2011) - Separate Financial Statements	1 January 2014
FRS 28 (revised 2011) - Investment in Associates and Joint Ventures	1 January 2014
Amendments to FRS 19: Defined Benefit Plans: Employee Contributions	1 July 2014
Amendments to FRS 32 - Offsetting Financial Assets And Financial Liabilities	1 January 2014
Amendments to FRS 36 - Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to FRS 39 - Novation of Derivations And Continuation of Hedge Accounting	1 January 2014
FRS 110 - Consolidation Financial Statements	1 January 2014
FRS 111 - Joint Arrangements	1 January 2014
FRS 112 - Disclosure of Interest in Other Entities	1 January 2014
FRS 114 - Regulatory Deferral Accounts	1 January 2016
FRS 110, FRS 112 and FRS 27 - Amendments to FRS 110, FRS 112 and FRS 27: Investment Entities	1 January 2014
INT FRS 121 - Levies	1 January 2014

Consequential amendments were also made to various standards as a result of these new/revised standards.

Except as disclosed below, management anticipates that the adoption of the above FRS and INT FRS in future periods will not have a material impact on the financial statements of the Company in the period of their initial adoption.

(b) 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.

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

(b) Property, plant and equipment (Continued)

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

Computers	3 years
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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.

(c) 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.

(d) 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.

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.

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

(e) 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 and measurement

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 measured at fair value plus directly attributable transaction costs. Subsequent to initial measurement, 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, other receivables, deposits and fixed deposits.

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.

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.

(f) 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.

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

(g) 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.

(h) 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.

(i) 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.

(j) 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.

(k) 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.

(l) 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.

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

(l) Recognition of Income and Expenses

(ii) Expenses

Expenses are accounted for on the accrual basis.

(m) Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Society if that person:
 - (i) Has control or joint control over the Society;
 - (ii) Has significant influence over the Society; or
 - (iii) Is a member of the key management personnel of the Society or of a parent of the Society;
- (b) An entity is related to the Society if any of the following conditions applies:
 - (i) The entity and the Society are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Society or an entity related to the Society. If the Society is itself such a plan, the sponsoring employers are also related to the Society;
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(n) 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.

(o) 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.

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

(p) Significant accounting judgments and estimates

(i) Judgments made in applying accounting policies

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

(ii) Key sources of estimation uncertainty

Management did not make any key assumption concerning the future and key estimates 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.

3. PROPERTY, PLANT AND EQUIPMENT

	Computers	Total
	S\$	S\$
Cost		
At 1 July 2012	1,550	1,550
Additions	-	-
Disposals	-	-
At 30 June 2013 and 1 July 2013	1,550	1,550
Additions	2,285	2,285
Disposals	-	-
At 30 June 2014	3,835	3,835
Accumulated depreciation and impairment loss		
At 1 July 2012	1,034	1,034
Charge	516	516
Write back	-	-
At 30 June 2013 and 1 July 2013	1,550	1,550
Charge	762	762
Write back	-	-
At 30 June 2014	2,312	2,312
Net carrying value		
At 30 June 2013	-	-
At 30 June 2014	1,523	1,523

4. INTANGIBLE ASSETS

	Website Development Costs S\$	Total S\$
Cost		
At 1 July 2012	11,650	11,650
Additions	-	-
Disposals	-	-
	11,650	11,650
At 30 June 2013 and 1 July 2013	11,650	11,650
Additions	4,000	4,000
Disposals	-	-
	15,650	15,650
At 30 June 2014	15,650	15,650
Accumulated amortisation and impairment loss		
At 1 July 2012	6,602	6,602
Charge	3,884	3,884
Write back	-	-
	10,486	10,486
At 30 June 2013 and 1 July 2013	10,486	10,486
Charge	2,497	2,497
Write back	-	-
	12,983	12,983
At 30 June 2014	12,983	12,983
Net carrying value		
At 30 June 2013	1,164	1,164
At 30 June 2014	2,667	2,667

5. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENT

	2014 S\$	2013 S\$
Other receivables	59,040	18,080
Deposit	-	1,200
	59,040	19,280

6. CASH AND CASH EQUIVALENTS

	2014	2013
	S\$	S\$
Cash at bank - current account	297,734	312,680
Short-term deposits	402,546	402,394
	700,280	715,074

Short-term deposits are made up of 3 month time deposits bearing interest rate of 0.10% per annum (2013: 0.10%).

7. FIXED DEPOSITS

	2014	2013
	S\$	S\$
Fixed deposits	500,751	500,375

Fixed deposits are made up of 6 to 12 month time deposits bearing interest rate of 0.15% per annum (2013: 0.15% per annum) for 6-month time deposits and 0.25% per annum (2013: 0.25% per annum) for 12-month time deposits.

8. FUNDS**(i) Accumulated Fund**

This is a general purpose fund to be used for non-specific purposes at the discretion of the board of directors 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 primary, secondary, post secondary (such as junior colleges and specialist institutes) to tertiary level of the education system in Singapore.

(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.

8. FUNDS (CONTINUED)

(v) Club/District Project Fund

The Club/District Project Fund is set up for fund raising projects that are one off in nature (e.g. tree planting project) or too small in terms of fund raised.

(vi) 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.

9. DEFERRED CAPITAL GRANTS

	2014	2013
	S\$	S\$
Opening balance	456	3,985
Amortisation of deferred capital grant	(456)	(3,529)
Closing balance	-	456

10. DONATIONS RECEIVED DURING THE YEAR

	2014	2013
	S\$	S\$
Donations with tax exempt receipts	433,410	292,668
Donations without tax exempt receipts	55,172	51,435
	488,582	344,103

11. DONATIONS MADE DURING THE YEAR

	2014	2013
	S\$	S\$
ITE Bursary Fund	12,000	-
SMU Bursary Fund	10,000	10,000
NUS Bursary Fund	10,000	30,000
Junior College Bursary Fund	3,100	12,000
Leadership Training Bursary Fund	5,000	16,200
Lions Befrienders	52,777	12,500
Lions Home for the Elders	157,777	107,500
Lions District Humanitarian Project	135,200	14,500
	385,854	202,700

12. 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.

13. EMPLOYEE'S REMUNERATION

No employee remuneration was paid during the financial years ended 30 June 2014 and 2013.

14. RELATED PARTY TRANSACTIONS

REMUNERATION PAID TO BOARD OF DIRECTORS

During the current and previous year, none of the directors were paid any remuneration.

RELATED PARTY TRANSACTIONS

There were no related party transactions during the years ended 30 June 2014 and 2013.

15. LOANS

During the year, no loans were given to any employee, directors, related parties or any other third parties.

16. CAPITAL COMMITMENTS

The Society has formally committed to make the following donations to a tertiary institution:

	2014	2013
	S\$	S\$
Payable within 1 year	15,000	15,000
After 1 year but within 5 years	15,000	30,000
	<u>30,000</u>	<u>45,000</u>

The above committed amounts have not been recognised in the financial statements.

17. FINANCIAL INSTRUMENTS

The financial assets and liabilities of the Society as at the financial reporting date are as follows:

	2014	2013
	S\$	S\$
<u>Financial Assets</u>		
Loans and receivables		
Cash and cash equivalents	700,280	715,074
Other receivables and deposits	59,040	19,280
Fixed deposits	500,751	500,375
	<u>1,260,071</u>	<u>1,234,729</u>
<u>Financial Liabilities</u>		
Accruals	<u>2,201</u>	<u>1,080</u>

18. FINANCIAL RISK MANAGEMENT

The Society's activities expose it to minimal financial risks and overall risk management is determined and carried out by the Management Committee on an informal basis.

Credit risk

The Society has no significant concentrations of credit risk.

Liquidity risk

The Society adopts prudent liquidity risk management by maintaining sufficient cash and marketable securities, and available funding through an adequate amount of committed credit facilities.

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations due to shortage of funds. The Company exposure to liquidity risk arises primarily from mis-matches of the maturities of financial assets or liabilities.

Management monitors and ensures that the Company maintains a level of cash and cash equivalents deemed adequate to finance the Company's operations.

The table below summarizes the maturity profile of the Company's financial assets and liabilities at the end of the reporting period based on the contractual undiscounted repayment obligations:

	Within one year	Later than one year but not later than five years	Total
	S\$	S\$	S\$
2014			
Financial liabilities			
Trade and other payables	<u>2,201</u>	<u>0</u>	<u>2,201</u>
2013			
Financial liabilities			
Trade and other payables	<u>1,080</u>	<u>0</u>	<u>1,080</u>

Capital risk

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the return of capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes in 2014 and 2013.

Interest rate risk

The Company's income and operating cash flows are not substantially affected by changes in market interest rates, as they do not have significant interest-bearing assets or liabilities as at the statement of financial position date.

19. 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.

20. CAPITAL MANAGEMENT

The Society reviews its capital structure at least annually to ensure that it will be able to continue as a going concern. The capital structure of the Society consists of its fund balances.

21. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 30 June 2014 were authorised for issue by the Committee Members on

28 Dec 2014