

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

ACCOUNTS - 31 DECEMBER 2013

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

(Incorporated in Singapore)

ACCOUNTS - 31 DECEMBER 2013

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MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED**(Incorporated in Singapore, UEN. No. 200201965D)****DIRECTORS' REPORT**

The directors present their report to the members together with the audited accounts of the Foundation for the year ended 31 December 2013.

DIRECTORS

The directors in office at the date of this report are :

Vincent Wee Heng Lian
 De Cruz Andrea Heidi
 Samantha Seah May Ann
 Townrow Ian Hugh Alan
 Hesh Sean S
 Rosenthal Jason David
 Michael Stephen Puhaindran
 Keith Goh Yu-Ching
 Sukumaran Nair Mohan Kumar
 Yong Siak Hoong Richard (appointed on 26 June 2013)

DIRECTORS' INTEREST

As the Foundation is limited by guarantee and has no share capital, the statutory information required to be disclosed by the directors under Section 201 (6)(g) and Section 201 (12) of the Companies Act, Cap 50 does not apply.

DIRECTORS' CONTRACTUAL BENEFITS

Since the beginning of the financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Foundation or a related corporation with the director or with a firm of which he or she is a member or with a company in which he or she has a substantial financial interest.

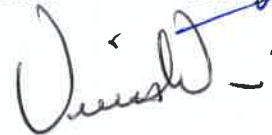
AUDITORS

The auditors, S H Ong LLP, have expressed their willingness to accept re-appointment.

On Behalf of the Directors

.....

 Keith Goh Yu-Ching

.....

 Wee Heng Lian Vincent

T11LL1819B*public accountants and chartered accountants*

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE**MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED**Report on the financial statements

We have audited the accompanying financial statements of Make-A-Wish Foundation (Singapore) Limited, which comprise the statement of financial position as at 31 December 2013, and the statements of financial activities, changes in accumulated fund and 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 these financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Cap. 50 (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 financial statements and to maintain accountability of assets.

Auditors' Responsibility

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE
MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

Opinion

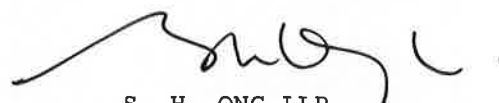
In our opinion the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Foundation as at 31 December 2013 and of the results, changes in accumulated fund and cash flows of the Foundation 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 Act to be kept by the Foundation have been properly kept in accordance with the provisions of the Act.

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

- a. The Foundation has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations which states that the total relevant fund-raising expenses of the Foundation for the financial year shall not exceed 30% of the total relevant receipts from fund-raising and sponsorship for that financial year; and
- b. The use of the donation monies was not in accordance with the objectives of the Foundation as required under Regulation 16 of the Charities (Institutions of a Public Character) Regulations.



S. H. ONG LLP
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS
SINGAPORE

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

STATEMENT OF FINANCIAL POSITION - 31 DECEMBER 2013

	Note	\$	2012 \$
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Properties, plant & equipment	3	<u>4,016,808</u>	<u>4,109,381</u>
CURRENT ASSETS			
Deposits		18,100	18,100
Other debtors & prepayments		71,375	20,909
Fixed deposits	4	750,000	750,000
Cash & bank balances		<u>1,357,241</u>	<u>902,918</u>
		<u>2,196,716</u>	<u>1,691,927</u>
TOTAL ASSETS		<u><u>6,213,524</u></u>	<u><u>5,801,308</u></u>
<u>FUND AND LIABILITIES</u>			
FUND			
Accumulated fund		<u>4,296,508</u>	<u>3,797,186</u>
CURRENT LIABILITIES			
Accruals		52,010	75,459
Deposits received		21,611	28,587
Term loan	5	<u>51,419</u>	<u>58,933</u>
		<u>125,040</u>	<u>162,979</u>
NON-CURRENT LIABILITY			
Term loan	5	<u>1,791,976</u>	<u>1,841,143</u>
TOTAL FUND AND LIABILITIES		<u><u>6,213,524</u></u>	<u><u>5,801,308</u></u>

See Accompanying Notes

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2013

	\$	2012 \$
INCOMING RESOURCES FROM		
GENERATED FUNDS		
<u>Voluntary income</u>		
Donations in cash	621,108	529,841
Donations in kind	43,992	10,035
Grant	-	23,231
	<u>665,100</u>	<u>563,107</u>
<u>Income from fund-raising activities</u>		
Art Exhibition	16,000	135,688
Charity Golf	248,433	331,618
Flag Day	109,167	151,485
Others	501,571	401,094
Sale of fund-raising items	310	1,165
Wish Dish	22,855	108,521
YMCA Youth For Causes	6,888	595
	<u>905,224</u>	<u>1,130,166</u>
<u>Investment income</u>		
Interest income	10,143	16,722
	<u>10,143</u>	<u>16,722</u>
<u>Other incoming resources</u>		
Rental income	100,397	14,287
Other income	185	-
	<u>100,582</u>	<u>14,287</u>
TOTAL INCOMING RESOURCES	<u><u>1,681,049</u></u>	<u><u>1,724,282</u></u>
RESOURCES EXPENDED		
<u>Cost of generating voluntary income</u>		
<u>and charitable activities</u>		
Administration fees	3,230	3,889
Credit card charges	5,444	8,071
Conference & meeting	1,755	535
Donation brochure	1,090	8,461
General expenses	466	-
Postage & courier	664	464
Printing & stationery	1,287	1,881
Publication	4,988	8,231
Salaries & CPF	199,404	181,558
Transportation	2,421	2,847
Volunteer development & recognition	24	1,972
Wish granting expenses	332,720	453,847
Wish granters training	171	556
Wish support expenses	8,247	5,309
Wish year end party	71,465	66,686
	<u>633,376</u>	<u>744,307</u>

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2013

	\$	2012 \$
RESOURCES EXPENDED		
<u>Fund-raising expenses</u>		
Bank charges	-	798
Donor appreciation	1,144	7,417
Charity Golf	69,415	48,194
Charity Golf: donations-in-kind	11,598	10,035
Flag Day expenses	13,742	16,490
Printing & stationery	1,287	1,881
Postage & courier	665	464
Salaries & CPF	84,900	95,637
Cost of MAW souvenirs	3,042	-
Telecommunication	4,814	3,745
	<u>190,607</u>	<u>184,661</u>
<u>Governance costs</u>		
Audit fee	4,950	4,500
Affiliate fee	22,000	25,000
Bank charges	212	283
Depreciation	94,505	12,979
Exchange difference	-	674
General expenses	2,969	2,049
Insurance	5,249	7,769
IT support	7,936	-
Management & sinking fund	21,783	2,662
Office supplies	988	1,243
Office & storage rental	67,223	60,000
Postage & courier	1,329	927
Printing & stationery	2,574	3,761
Professional fees	2,526	4,860
Property tax	9,510	1,162
Publication	4,988	8,231
Repair & maintenance	2,890	1,701
Recruitment expenses	1,667	1,324
Staff training & development	2,056	2,958
Staff welfare	6,397	5,934
Stamp duties	-	98,103
Utilities	6,000	7,073
Volunteer development & recognition	25	1,972
Salaries & CPF	47,854	42,804
	<u>315,631</u>	<u>297,969</u>
<u>Other resources expended</u>		
Interest expense	42,113	3,223
	<u>42,113</u>	<u>3,223</u>
TOTAL RESOURCES EXPENDED	<u>1,181,727</u>	<u>1,230,160</u>
Net movement in fund	<u>499,322</u>	<u>494,122</u>

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

STATEMENT OF CHANGES IN ACCUMULATED FUND FOR THE YEAR ENDED 31 DECEMBER 2013

2013

At beginning of year	\$ 3,797,186
Surplus for the year	499,322
At end of year	<u>4,296,508</u>

2012

At beginning of year	3,303,064
Surplus for the year	494,122
At end of year	<u>3,797,186</u>

See Accompanying Notes

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013

	\$	2012 \$
Cash Flows from Operating Activities:		
Surplus for the year	499,322	494,122
Adjustment for :		
Depreciation	94,505	12,979
Interest income	(10,143)	(16,722)
	<u>583,684</u>	<u>490,379</u>
Operating cash flows before working fund changes	583,684	490,379
Add/(Less) changes in working fund:		
Other debtors & deposits	(43,571)	(2,559)
Accruals & deposits received	(30,425)	1,456
	<u>509,688</u>	<u>489,276</u>
Net cash from Operating Activities	509,688	489,276
Cash Flows from Investing Activities:		
Purchase of properties, plant & equipment	(1,933)	(4,077,973)
Interest income	3,248	12,420
	<u>1,315</u>	<u>(4,065,553)</u>
Net cash from/(used in) Investing Activities	1,315	(4,065,553)
Cash Flows from Financing Activities:		
Term loan	(56,680)	1,900,076
	<u>(56,680)</u>	<u>1,900,076</u>
Net cash (used in)/from Financing Activities	(56,680)	1,900,076
Cash and cash equivalents:		
Net change	454,323	(1,676,201)
At beginning of year	1,652,918	3,329,119
	<u>2,107,241</u>	<u>1,652,918</u>
At end of year (Note 11)	2,107,241	1,652,918

See Accompanying Notes

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED**NOTES TO THE ACCOUNTS - 31 DECEMBER 2013**

These notes form an integral part of the accounts.

1. GENERAL

The Foundation is incorporated in Singapore as a public company limited by guarantee. Its registered office is at 80 Raffles Place, #32-01 UOB Plaza 1 Singapore 048624.

The principal activity of the Foundation is to grant the wishes of children with life threatening illnesses.

Under Article 8 of the Memorandum and Articles of Association of the Foundation, each member undertakes to contribute a sum not exceeding \$100 to the assets of the Foundation in the event of it being wound up.

The financial statements were authorised for issue by the board of directors on the date of the directors' report.

2. SIGNIFICANT ACCOUNTING POLICIES**(a) Basis of preparation**

The financial statements are prepared in accordance with Singapore Financial Reporting Standards (FRS) as required by the Companies Act, Cap. 50 and under the historical cost convention, except as modified by the accounting policies below. The Foundation adopted all the new and revised FRS that are applicable and relevant to its operations and effective for this financial year. The adoption of new/revised FRS has no material impact on the financial statements. The Foundation is of the view that the adoption of FRS which have been issued but not yet effective until future periods will have no material impact on the financial statements.

The financial statements are presented in Singapore dollars, which is the Foundation's functional and presentation currency.

(b) Accounting estimates

The preparation of financial statements is in conformity with FRS and requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, if any, at the date of the financial statements and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 2013

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Properties, plant & equipment

Properties, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation is calculated on the straight-line method to write off the cost of the assets over their estimated useful lives as follows :

Leasehold properties	50 years
Furniture & fittings	5 years
Office equipment	5 years

The carrying amount is reviewed annually to assess whether it needs to be written down to its recoverable amount. Fully depreciated assets are retained in the accounts until they are no longer in use. The useful lives and depreciation method are reviewed annually to ensure that these are consistent with the pattern of economic benefits provided by the assets.

(d) Impairment of financial assets

The Foundation at each reporting date assesses whether there is objective evidence that a financial asset is impaired. Whenever there is an indication that an asset is impaired, as adjudged or estimated by the management based on currently available information, the difference between the carrying amount and the estimated recoverable amount is recognised in the statement of financial activities.

(e) Payables and provisions

Provisions are recognised when the Foundation has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

(f) Income recognition

Rental income is recognised on a straight line basis over the period of the lease.

Interest income is recognised on the accrual basis.

Cash donations and fund raising income are recognised upon receipt of the monies.

Donations in kind are recognised as income when they are of substantial value and can be reliably and reasonably quantified. The donations in kind are included in the Statement of Financial Activities at their estimated gross value which is the current value that the Foundation estimates it would have to pay in the open market for an equivalent item.

(g) Allocation and apportionment of costs

All costs are allocated amongst the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resources.

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 2013

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(h) Operating leases

Rent paid for operating leases is included in the statement of financial activities on a straight line basis over the period of the lease.

(i) Employee benefits

Contributions to defined contribution pension plan (Central Provident Fund) are recognised as an expense in the same period as the employment that gives rise to the contribution. Obligations for future employee benefits, if material, are recognised as current expenses in the accounts.

(j) Cash and cash equivalents

These comprise cash, bank balances and fixed deposits, excluding any bank overdraft and pledged bank deposit used for financing activities.

3. PROPERTIES, PLANT & EQUIPMENT

<u>2013</u>	Leasehold Properties \$	Office equipment \$	Furniture & fittings \$	Total \$
COST				
At 1-1-2013	4,076,673	60,088	19,985	4,156,746
Additions	-	1,933	-	1,933
Disposals	-	(14,898)	-	(14,898)
At 31-12-2013	<u>4,076,673</u>	<u>47,123</u>	<u>19,985</u>	<u>4,143,781</u>
ACCUMULATED DEPRECIATION				
At 1-1-2013	-	35,374	11,992	47,366
Charge for the year	81,534	8,974	3,997	94,505
Disposals	-	(14,898)	-	(14,898)
At 31-12-2013	<u>81,534</u>	<u>29,450</u>	<u>15,989</u>	<u>126,973</u>
NET BOOK VALUE				
At 31-12-2013	<u>3,995,139</u>	<u>17,673</u>	<u>3,996</u>	<u>4,016,808</u>
<u>2012</u>				
COST				
At 1-1-2012	-	58,788	19,985	78,773
Additions	4,076,673	1,300	-	4,077,973
At 31-12-2012	<u>4,076,673</u>	<u>60,088</u>	<u>19,985</u>	<u>4,156,746</u>

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 2013

3. PROPERTIES, PLANT & EQUIPMENT (cont'd)

<u>2012</u>	Leasehold Properties \$	Office equipment \$	Furniture & fittings \$	Total \$
ACCUMULATED				
DEPRECIATION				
At 1-1-2012	-	26,391	7,995	34,386
Charge for the year	-	8,983	3,997	12,979
	<hr/>	<hr/>	<hr/>	<hr/>
At 31-12-2012	-	35,374	11,992	47,365
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31-12-2012	4,076,673	24,714	7,993	4,109,381
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

In 2012, the Foundation acquired 3 units of 999-year leasehold properties costing \$4,076,673 including GST. The units are currently rented out to the existing tenants, with tenancy expiring May 2014. Thereafter renovation work will be done in June 2014 on all the 3 units which will become the office of the Foundation.

4. FIXED DEPOSITS

	\$	2012 \$
Mature within 1 year	750,000	750,000
	<hr/>	<hr/>

All fixed deposits mature within one year and bear interest at 1.10% (2012: 1.18%) per annum.

5. TERM LOAN

In October 2012, the Foundation took up a mortgage loan facility of \$1,905,500 repayable in 300 monthly instalments commencing in December 2012. The interest rate (per annum) is charged on a daily rests basis as follows:

- 1st interest period - The prevailing 3-month SIBOR plus 1.68%,
- 2nd to 4th interest periods - The prevailing 3-month SIBOR plus 1.68%, and
- 5th interest period and thereafter - The prevailing 3-month SIBOR plus 3.00%.

The interest rate for the year was between 2.064% to 3.3741%. (2012: 2.064%)

	\$	2012 \$
Amount due up to 1 year	51,419	58,933
Amount due more than 1 year	1,791,976	1,841,143

This loan is secured by a first legal mortgage over the properties financed by this loan.

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 2013

6. INCOMING RESOURCES

This represents income received from external fundraising, gifts and donations and internal fundraising.

7. FUND-RAISING ACTIVITIES

The fund-raising efficiency ratio (total fund-raising expenses/total fund-raising income) for the year was 21% (2012: 16%). The Foundation met the 30/70 fund-raising rule under the Charities (Registration of Charities) Regulations 2007 issued by the Commissioner of Charities in both financial years.

8. REMUNERATION OF EMPLOYEES

	2013	2012
	\$	\$
Staff salaries	271,770	268,063
Bonus	25,632	10,209
CPF	34,757	41,728
	<u>332,159</u>	<u>320,000</u>

The average number of staff employed by the Foundation was 7 (2012:7).

9. RELATED PARTY TRANSACTIONS

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Foundation if that person:
- (i) has control or joint control over the Foundation;
 - (ii) has significant influence over the Foundation; or
 - (iii) is a member of the key management personnel of the Foundation.
- (b) An entity is related to the Foundation if any of the following conditions applies:
- (i) the entity and the Foundation 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.

MAKE-A-WISH FOUNDATION (SINGAPORE) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 2013

9. RELATED PARTY TRANSACTIONS (cont'd)

- (v) the entity is a post-employment benefit plan for the benefit of the employees of either the Foundation or an entity related to the Foundation. If the Foundation is itself such a plan, the sponsoring employers are also related to the Foundation.
- (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).

The Foundation is governed by the Board of Directors. All Directors are volunteers and received no monetary remuneration for their contributions and services rendered during the year.

Key management compensation:

	2012
	\$
Salaries and other short-term	
employee benefits	193,485
	<u>194,084</u>

The above amounts are included under remuneration of employees.

Number of key management in remuneration bands:

	2012
\$50,001 to \$100,000	2
	<u>1</u>

10. OPERATING LEASE COMMITMENTS

Lease commitments under non-cancellable operating leases where the Foundation is the lessee:

	2012
	\$
Payable within one year	60,000
	<u>30,000</u>

Lease commitments under non-cancellable operating leases where the Foundation is the lessor:

	2012
	\$
Receivable within one year	85,543
Receivable between two and five years	15,663
	<u>30,431</u>

NOTES TO THE ACCOUNTS - 31 DECEMBER 2013

11. CASH AND CASH EQUIVALENTS	\$	2012 \$
Cash and cash equivalents comprise of :		
Fixed deposits	750,000	750,000
Bank balances	1,356,741	902,418
Petty Cash	500	500
	<u>2,107,241</u>	<u>1,652,918</u>

12. TAXATION

The Foundation is registered under the Charities Act Cap 37 (Registration No. 01582) and its income is exempt from income tax.

13. TAX EXEMPT RECEIPTS

During the financial year, the Foundation issued tax-exempt receipts for donations collected from voluntary income and income from fund-raising activities amounting to \$1,150,226 (2012: \$1,291,132).

14. FINANCIAL RISK MANAGEMENT

The Foundation's activities expose it to minimal financial risks. The Directors have oversight to the overall risk management of the Foundation. The policies for managing these risks are briefly as follows:

(a) Liquidity Risk

In the management of liquidity risk, the Foundation monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance its operations and mitigate the effects of fluctuations in cash flows.

The Foundation has no significant liquidity risk.

(b) Interest Rate Risk

The Foundation has fixed deposits which are interest bearing and placed with a financial institution in Singapore.

The Foundation has no significant exposure to market risk for changes in interest rates.

(c) Credit Risk

The Foundation's credit risk arises mainly from other receivables. The Foundation has no concentration of credit risk.