

THE NATIONAL ST. JOHN COUNCIL
(Registration No: ROS/194/69/WEL)
(Registered in the Republic of Singapore)

**AUDITED FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION**

December 31, 2007

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THE NATIONAL ST. JOHN COUNCIL
(Registration No: ROS/194/69/WEL)
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STATEMENT BY COUNCIL MEMBERS

In our opinion, the accompanying financial statements set out on pages 4 to 15 are properly drawn up in accordance with the books and vouchers of THE NATIONAL ST. JOHN COUNCIL (the "Council") and Singapore Financial Reporting Standards, and so as to give a true and fair view of the state of affairs of the Council as at December 31, 2007, and of the results, changes in funds, and cash flows of the Council for the financial year ended on that date.

On behalf of the Council Members,



CHIA HOON CHYE
PBM, C.ST.J.
Honorary Treasurer
The National St. John Council



BOBBY LIM CHYE HUAT
PBM, O.ST.J.
Chairman
The National St. John Council

September 21, 2008
Singapore

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
THE NATIONAL ST. JOHN COUNCIL**

We have audited the financial statements of THE NATIONAL ST. JOHN COUNCIL (the "Council") as set out on pages 4 to 15, which comprise the balance sheet as at December 31, 2007 and the income and expenditure statement, statement of changes in funds and statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes.

The management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Charities Act, Cap. 37 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes: devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, and transactions are properly authorized 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; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.


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 as to whether the financial statements are free from material misstatement.

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

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
THE NATIONAL ST. JOHN COUNCIL (cont'd)**

In our opinion,

- (a) the accompanying financial statements are properly drawn up in accordance with Singapore Financial Reporting Standards so as to present fairly, in all material aspects, the state of affairs of the Council as at December 31, 2007 and of the results, changes in funds and cash flows of the Council for the year then ended on that date;
- (b) the accounting and other records, required by the regulations enacted under the Act to be kept by the Council have been properly kept in accordance with those regulations; and
- (c) nothing came to our notice that caused us to believe that the donation moneys were not used in accordance with the objectives of the Council; and the Council did not comply with the requirements of Regulation 15 (fund-raising expenses) in the Charities (Institutions of a Public Character) Regulations 2007.



JH TAN & ASSOCIATES
Public Accountants and
Certified Public Accountants

September 21, 2008
Singapore

**INCOME AND EXPENDITURE ACCOUNT
 FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2007**

	Note	2007 \$	2006 \$
INCOME: -			
Course fee		1,110,117	724,344
Donations – tax exempt		396,005	183,901
Donations – non tax exempt		3,875	74,520
Flag day		222,808	168,218
Government grants		100,368	98,560
Interest income from banks		52,017	44,073
Miscellaneous income		9,616	14,615
Parking fee income		67,114	69,246
Profit from sale of inventories		42,452	48,547
Walkathon		150,263	150,879
		2,154,635	1,576,903
EXPENDITURE			
Advertisement and subscription		3,844	915
Audit fee		8,000	6,850
Bank charges		1,458	1,526
Central Provident Fund contributions		56,124	46,177
Depreciation		174,479	176,533
Fund-raising expenses		20,425	20,687
Insurance		7,413	7,650
Licence fees		1,565	652
Medical fees and welfare		14,671	14,436
Parade and ceremonial accessories		15,112	20,017
Printing, stationery and postages		35,136	35,054
Public duty with ambulance support		55,356	63,352
Rental and upkeep of premises		12,983	7,717
Repairs and maintenance		63,964	75,491
Salaries and bonuses	3	510,342	455,131
Special programme and other events		111,374	50,690
Inventories write-off		421	4,035
		1,092,667	986,913
Balance carried forward		1,061,968	589,990

The accompanying notes on pages 9 to 15 form an integral part of the financial statements.

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**INCOME AND EXPENDITURE ACCOUNT
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2007 (cont'd)**

	<u>2007</u>	<u>2006</u>
	\$	\$
Balance brought forward	1,061,968	589,990
EXPENDITURE (cont'd)		
Teaching materials	75,027	35,228
Telecommunication	12,627	9,852
Training, camping and courses	104,504	115,569
Travelling and transport	167,058	137,309
Uniform, badges and accessories	18,069	10,917
Utilities	40,010	42,364
Zones and divisions expenses	61,890	75,394
	<hr/>	<hr/>
SURPLUS FOR THE YEAR	582,783	163,357
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The accompanying notes on pages 9 to 15 form an integral part of the financial statements.

THE NATIONAL ST. JOHN COUNCIL
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BALANCE SHEET AS AT DECEMBER 31, 2007

	Note	<u>2007</u>	<u>2006</u>
		\$	\$
FIXED ASSETS	4	255,447	314,516
CURRENT ASSETS			
Inventories	5	75,344	82,259
Trade and other receivables	6	199,864	169,969
Fixed deposits	7	3,037,462	2,784,129
Cash at bank and in hand		1,436,933	1,086,315
		<u>4,749,603</u>	<u>4,122,672</u>
CURRENT LIABILITIES			
Fees received in advance		11,031	7,907
Other payables and accruals	8	97,655	92,815
		<u>108,686</u>	<u>100,722</u>
NET CURRENT ASSETS		4,640,917	4,021,950
		<u>4,896,364</u>	<u>4,336,466</u>
<i>Represented by:</i>			
FUNDS			
Accumulated fund		3,801,626	3,218,843
Zone bursary fund	9	269,086	264,949
Designated funds for Corps	10	109,251	136,273
Capital reserve	11	716,401	716,401
		<u>4,896,364</u>	<u>4,336,466</u>

The accompanying notes on pages 9 to 15 form an integral part of the financial statements.

THE NATIONAL ST. JOHN COUNCIL
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**STATEMENT OF CHANGES IN FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2007**

	Accumulated Fund	Zone Bursary Fund	Designated Funds for Corps	Capital Reserve	Total
	\$	\$	\$	\$	\$
Balance as at 1/1/2006	3,055,486	261,299	171,911	716,401	4,205,097
Surplus for the year	163,357	-	-	-	163,357
Amounts utilised	-	-	(35,638)	-	(35,638)
Interest income from bank	-	4,250	-	-	4,250
Bursary award	-	(600)	-	-	(600)
Balance as at 31/12/2006	3,218,843	264,949	136,273	716,401	4,336,466
Surplus for the year	582,783	-	-	-	582,783
Amounts utilised	-	-	(27,022)	-	(27,022)
Interest income from bank	-	4,377	-	-	4,377
Bursary award	-	(240)	-	-	(240)
Balance as at 31/12/2007	3,801,626	269,086	109,251	716,401	4,896,364

The accompanying notes on pages 9 to 15 form an integral part of the financial statements.

**STATEMENT OF CASH FLOW
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2007**

	2007	2006
	\$	\$
Cash flows from operating activities		
Surplus for the year	582,783	163,357
Add adjustment for:-		
Depreciation for fixed assets	174,479	176,533
Interest income	52,017	44,073
Operating surplus before working capital changes	809,279	383,963
Changes in working capital :-		
Inventories	6,915	6,383
Trade and other receivables	(29,895)	(43,786)
Fees received in advance	3,124	(1,834)
Other payables and accruals	4,840	16,812
	(15,016)	(22,425)
Cash generated from operating activities	794,263	361,538
Interest received	(52,017)	(44,073)
Net cash generated from operating activities	742,246	317,465
Cash flows from financing and investing activities:-		
Receipts for Zone bursary fund, net	4,137	3,650
Utilisation of designated funds for Corps	(27,022)	(35,638)
Purchase of fixed assets	(115,410)	(55,220)
Net cash used in financing and investing activities	(138,295)	(87,208)
Increase in cash and cash equivalents	603,951	230,257
Cash and cash equivalents at beginning of the year	3,870,444	3,640,187
Cash and cash equivalents at end of the year	4,474,395	3,870,444
<i>Comprising:-</i>		
Fixed deposits	3,037,462	2,784,129
Cash at bank	1,428,905	1,085,176
Cash in hand	8,028	1,139
	4,474,395	3,870,444

The accompanying notes on pages 9 to 15 form an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS - DECEMBER 31, 2007

1. GENERAL

The Council is registered in Singapore with the Registrar of Societies and is a member of the National Council of Social Service. The registered office is situated at 420 Beach Road, Singapore 199582.

The principal activities of the Council are those relating to the provision of first-aid courses to cadets, students and the general public, in order to promote and encourage all works of humanity "For the Service of Mankind". The Council is also actively involved in the provision of free public duty with ambulance support.

The Council members authorised these financial statements for issue in accordance with the Council Members' resolution dated on September 21, 2008.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Council comprise the individual financial statements of the Council, Brigade, Association, 10 Zones and Jurong Centre.

These financial statements, expressed in Singapore dollar, which is the functional currency of the Council, have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS"), under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with FRS 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 balance sheet date and disclosures of the amounts of income and expenditure during the financial year. Although these estimates are based on the Council members' best knowledge of current events and actions, the actual results may ultimately differ from these estimates. There were no significant judgments and estimates made during the year.

The Council has not applied new or revised FRS and Interpretation of FRS ("INT FRS") that have been issued but are not yet effective as at the balance sheet date. The Council members are of the opinion that the application of these new or revised FRS and INT FRS is not expected to have any significant impact on the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) Fixed assets

Fixed assets are stated at cost less accumulated depreciation and any impairment loss.

Depreciation is calculated on the straight line method to write off the cost of fixed assets over their estimated useful lives as follows:-

Building	-	20 years
Furniture, fittings and equipments	-	1 to 5 years
Motor vehicles	-	10 years
Renovations	-	5 years

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charges for depreciation are made in respect to these assets.

Residual values and useful lives of fixed assets, if not insignificant, are assessed on an annual basis.

(c) Inventories

Inventories include first-aid manuals, booklets, kits, pouches and uniform accessories, cadet proficiency badges and cardio-pulmonary resuscitation charts. They are stated at the lower of cost or net realisable value. Cost is determined on a first-in first-out basis.

(d) Trade and other receivables

Trade and other receivables are recognised and carried at original invoice amount less impairment losses on any uncollectible amounts. Allowance for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are charged to the income and expenditure statement.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and at bank, and fixed deposits with local financial institutions.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(f) Assets impairment

The carrying amounts of the Council's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of the net selling price or value in use. All impairment losses are recognised in the income and expenditure statement whenever the carrying amount of an asset exceeds its recoverable amount.

An impairment loss is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised. All reversals of impairment are charged to the income and expenditure statement.

(g) Other payables

Other creditors are initially carried at the fair value of the consideration to be paid in the future for goods and services rendered whether or not billed to the Council, and subsequently at amortised cost, if applicable.

(h) Income recognition

The Council recognises income on an accrual basis, except for donations and grants which are recognised on cash basis.

(i) Government grants

The Council receives yearly grants from the Ministry of Health and the Ministry of Education. These are income-related grants, and are recognised upon receipt.

(j) Employee benefits

The Council makes contributions to the Central Provident Fund scheme. These contributions are recognised as an expense in the period in which the related service is performed.

3. SALARIES AND BONUSES

There is no key management personnel compensation during the year.

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4. FIXED ASSETS

	Building	Furniture, fittings & equipment	Motor vehicles	Renovations	Total
	\$	\$	\$	\$	\$
Cost:-					
As at 1/1/2006	172,471	688,206	762,603	633,081	2,256,361
Additions	-	40,271	13,489	1,460	55,220
As at 31/12/2006	172,471	728,477	776,092	634,541	2,311,581
Additions	-	57,417	-	57,993	115,410
As at 31/12/2007	172,471	785,894	776,092	692,534	2,426,991
Accumulated depreciation:-					
As at 1/1/2006	146,603	593,279	638,830	441,820	1,820,532
Charge for the year	8,623	44,860	28,732	94,318	176,533
As at 31/12/2006	155,226	638,139	667,562	536,138	1,997,065
Charge for the year	8,624	50,899	28,733	86,223	174,479
As at 31/12/2007	163,850	689,038	696,295	622,361	2,171,544
Net book value:-					
As at 31/12/2007	8,621	96,856	79,797	70,173	255,447
As at 31/12/2006	17,245	90,338	108,530	98,403	314,516

5. INVENTORIES

Inventories stated at cost are as follows:

	<u>2007</u>	<u>2006</u>
	\$	\$
Cadet proficiency badges	9,389	12,125
Cardio-pulmonary resuscitation chart	2,279	4,555
First-aid booklets and manual	14,182	11,801
First-aid pouch	6,673	5,985
Uniform accessories	42,591	46,212
Others	230	1,581
	<u>75,344</u>	<u>82,259</u>

6. TRADE AND OTHER RECEIVABLES

	<u>2007</u>	<u>2006</u>
	\$	\$
Trade receivable	165,012	126,979
Interest receivable	25,059	32,422
Deposits	3,045	3,045
Prepayments	6,748	7,523
	<u>199,864</u>	<u>169,969</u>

7. FIXED DEPOSITS

Fixed deposits have maturity dates of not more than twelve months from the balance sheet date, except for \$295,170 which would mature in 2009 and 2010, and attract weighted average annual interest ranging from 1.33% to 2.13% (2006: 0.8% to 1.7%).

8 OTHER PAYABLES AND ACCRUALS

	<u>2007</u>	<u>2006</u>
	\$	\$
Other payables	21,191	20,364
Accruals	76,464	72,451
	<u>97,655</u>	<u>92,815</u>

9. ZONE BURSARY FUND

The purpose of the fund, set up by Zone 9, is to provide bursaries and scholarship awards to deserving cadet members of the Zone. Interest arising from the fund is credited directly to the fund and disbursements are deducted accordingly.

10. DESIGNATED FUNDS FOR CORPS

These designated funds represent allocations by certain Zones of the Brigade to their respective Corps in prior years. The allocation was made out of proceeds from fund-raising events. These funds are meant for Corps' expenses only.

11. CAPITAL RESERVE

The capital reserve represents compensation received for relinquishing part of the land comprised in a 99-year lease on which the Council's building stands.

12. INCOME TAX

The Council is registered as a society under the Societies Act, Cap. 311 and is exempted from tax, in accordance with the provisions of the Income Tax Act.

13. FINANCIAL RISK MANAGEMENT

The Council members review and agree on management policies for the following financial risks which arise in the normal course of operation: -

(a) Credit risk

The Council has no significant concentration of credit risk. Cash is placed with reputable financial institutions.

The carrying amounts of trade and other receivables, cash and bank balances represent the Council's maximum exposure to credit risk. Credit evaluation on each debtor is performed on a regular basis.

(b) Liquidity risk

The Council adopts a prudent approach in managing its liquidity risk by maintaining sufficient cash and cash equivalents for its operational requirement and to mitigate the effect of cash flow fluctuation.

(c) Interest rate risk

Interest bearing assets comprise mainly fixed deposits and cash at bank. Interest income derived from these deposits is subject to changes in market interest rates. This is managed by placing deposits on short term basis.

(d) Fair values

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