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have life
to the full

30 years
of
Caring & Serving



Methodist
Welfare
Services


Methodist Welfare Services Annual Report 2010/11

Methodist Welfare Services
Financial Statements
For the financial year ended 31 March 2011

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On behalf of the Board of Governance, we state that, to the best of our knowledge, the financial statements on pages 4 to 23 are properly drawn up in accordance with the Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Society as at 31 March 2011 and of its results, changes in accumulated fund and specific funds and cash flows of its operations for the financial year then ended.



Albert Lim
Chairman



Chim Howe Lai
Honorary Treasurer

9 July 2011

Report on the Financial Statements

We have audited the accompanying financial statements of Methodist Welfare Services ("Society") as set out on pages 4 to 23, which comprise the balance sheet as at 31 March 2011, the statement of comprehensive income, statement of changes in accumulated fund and specific 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 and fair presentation of these financial statements in accordance with Singapore Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 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 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 Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Society as at 31 March 2011 and the results, changes in accumulated fund and specific funds and cash flows of the Society for the financial year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion,

- a) the accounting and other records required by regulations enacted under the Societies Act to be kept by the Society have been properly kept in accordance with those regulations;
- b) the fundraising appeals held during financial year ended 31 March 2011 has been carried out in accordance with regulation 6 of the Societies Regulations issued under the Societies Act Cap. 311 and proper accounts and other records have been kept of the fundraising appeal;
- c) the Society has complied with the requirements of regulation 15 (Fundraising expenses) of the Charities (Institutions of a Public Character) Regulations 2007; and
- d) the use of donation money is in accordance with the objectives of the Society.

Baker Tilly TFW LLP

Public Accountants and
Certified Public Accountants
Singapore

9 July 2011



STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

	Note	2011 \$	2010 \$
Income			
Donations	4	3,732,810	3,043,402
Fundraising income	4	4,057,032	3,544,955
Government grants		8,892,368	8,920,870
Subsidy - student care/child care fees		258,742	307,508
NCSS grants		666,718	2,253,700
Interest received		56,206	32,574
Dividend income		128,198	109,028
Programme income		2,367,539	2,358,380
Gain on disposal of property, plant and equipment		–	3,300
Gain on disposal of investments		64,157	–
Income from MWS - CSL Trust Endowment Fund		15,525	47,339
Sundry income		50,673	40,702
Amortisation of:			
- Capital grants	13	159,818	144,591
- Building grants	14	389,383	389,411
Total income		20,839,169	21,195,760
Less expenditure			
Expenditure on manpower			
Central Provident Fund		882,148	820,161
Helpers' allowance		32,926	59,356
Manpower contract services		229,963	286,657
Recruitment expenses		5,504	6,018
Salaries and related costs		8,924,292	7,505,948
Staff benefits		131,296	154,441
Staff training	5	69,653	76,519
		10,275,782	8,909,100

	Note	2011 \$	2010 \$
Maintenance			
Depreciation	7	678,267	649,534
Rent of building, equipment and others		865,336	806,187
Repairs and maintenance		610,640	744,738
Upkeep of motor vehicles		7,461	3,447
		2,161,704	2,203,906
General expenditure			
Accommodations		1,863	–
Allowance made for doubtful receivables	10	65,246	31,366
Bad debts recovered		(32)	–
Bad debts written off	10	3,130	1,999
Communications		103,723	132,809
Course fees		4,210	10,821
Food and refreshments		769,338	633,567
General expenses		53,491	50,278
Input GST not recoverable		226,849	209,087
Insurance		25,560	25,552
Medical supplies		714,659	654,603
Professional fees		292,698	325,359
Programme development		1,595	–
Public education expenses		1,620	1,050
Specific assistance to clients		291,572	109,590
Stationery and printing		154,233	115,352
Supplies and materials		481,973	303,793
Transport and traveling		69,611	67,358
Utilities		519,424	482,484
Volunteer training and honorarium		2,771	5,691
		3,783,534	3,160,759
Total expenditure		16,221,020	14,273,765

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

STATEMENT OF COMPREHENSIVE INCOME (cont'd)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

BALANCE SHEET
AT 31 MARCH 2011

	Note	2011 \$	2010 \$
Surplus before donation given to other organisation		4,618,149	6,921,995
Donation to Kampong Kapor Family Service Centre	6	(1,626,460)	–
Surplus transferred to Accumulated Funds		2,991,689	6,921,995
Surplus/(deficit) from funds:			
Asset Capitalisation Reserve		(24,621)	(36,874)
Building Maintenance Fund	2	2	19,385
MWS-CSL Trust Endowment Fund for BMNH			
- Endowment Fund		8,294	–
- Fair value reserve		65,196	322,885
Bursary Fund		(1,331)	(46,166)
Community Outreach Project Fund		428,935	605,409
Other Funds		245,562	(145,271)
		722,037	719,368
Other comprehensive income			
Fair Value Reserve		158,542	918,745
Net surplus and total comprehensive income for the year		3,872,268	8,560,108
Surplus was transferred as follows:			
General Accumulated Fund	16	2,243,739	3,579,435
Service Centres' Accumulated Funds	17	747,950	3,342,560
		2,991,689	6,921,995

	Note	2011 \$	2010 \$
Non-current assets			
Property, plant and equipment	7	7,839,270	8,303,313
Available-for-sale investments	8	5,389,253	4,535,657
Held-to-maturity financial assets	9	751,500	–
		13,980,023	12,838,970
Current assets			
Other receivables	10	1,314,865	2,499,548
Fixed deposits	11	15,430,230	12,726,847
Cash and bank balances	12	3,851,813	2,709,044
		20,596,908	17,935,439
Total assets		34,576,931	30,774,409
Non-current liabilities			
Capital grants	13	463,954	503,502
Building grants	14	6,254,429	6,643,812
		6,718,383	7,147,314
Current liability			
Sundry payables and accruals	15	1,947,848	1,588,663
Total liabilities		8,666,231	8,735,977
Net assets		25,910,700	22,038,432
Funds			
Unrestricted Funds			
General Accumulated Fund	16	14,662,184	11,047,305
Service Centres' Accumulated Funds	17	7,911,350	8,592,644
Fair Value Reserve	18	252,667	94,125
Asset Capitalisation Reserve	19	134,743	159,364
		22,960,944	19,893,438
Restricted Funds			
Building Maintenance Fund	20	169,387	119,385
Bursary Fund	21	17,059	18,390
Community Outreach Project Fund	22	1,034,344	605,409
MWS-CSL Trust Endowment Fund for BMNH	23		
- Endowment fund		1,008,294	1,000,000
- Fair value reserve		29,018	(36,178)
Other Funds	24	691,654	437,988
		25,910,700	22,038,432

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



STATEMENT OF CHANGES IN ACCUMULATED FUND AND SPECIFIC FUNDS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

	← Unrestricted Funds					→ Restricted Funds						Total \$
	General Accumulated Fund \$	Service Centres' Fund \$	Fair Value Reserve \$	Asset Capitalisation Reserve \$	Building Maintenance Fund \$	MWS-CSL Trust Endowment Fund for BMNH		Bursary Fund \$	Community Outreach Project Fund \$	Other Funds \$		
						Endowment Fund \$	Fair Value Reserve \$					
At 1.4.2009	7,567,870	5,300,084	(824,620)	196,238	50,000	1,000,000	(359,063)	64,556	–	483,259	13,478,324	
Surplus/(deficit) for the year	3,579,435	3,342,560	–	(36,874)	19,385	–	322,885	(46,166)	605,409	(145,271)	7,641,363	
Other comprehensive income												
Fair value gains on available-for-sale financial assets	–	–	918,745	–	–	–	–	–	–	–	918,745	
Total comprehensive income for the year	3,579,435	3,342,560	918,745	(36,874)	19,385	–	322,885	(46,166)	605,409	(145,271)	8,560,108	
Transfer of funds	(100,000)	(50,000)	–	–	50,000	–	–	–	–	100,000	–	
At 31.3.2010	11,047,305	8,592,644	94,125	159,364	119,385	1,000,000	(36,178)	18,390	605,409	437,988	22,038,432	
Surplus/(deficit) for the year	2,243,739	747,950	–	(24,621)	2	8,294	65,196	(1,331)	428,935	245,562	3,713,726	
Other comprehensive income												
Fair value gains on available-for-sale financial assets	–	–	158,542	–	–	–	–	–	–	–	158,542	
Total comprehensive income for the year	2,243,739	747,950	158,542	(24,621)	2	8,294	65,196	(1,331)	428,935	245,562	3,872,268	
Transfer of funds	1,371,140	(1,429,244)	–	–	50,000	–	–	–	–	8,104	–	
At 31.3.2011	14,662,184	7,911,350	252,667	134,743	169,387	1,008,294	29,018	17,059	1,034,344	691,654	25,910,700	

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

	Note	2011 \$	2010 \$
Cash flows from operating activities			
Surplus for the financial year		2,991,689	6,921,995
Adjustments for:			
Depreciation	7	678,267	649,534
Interest income		(56,206)	(32,574)
Gain on disposal of property, plant and equipment		–	(3,300)
Donation of property, plant and equipment to KKFSC		64,753	–
Transfer of capital grant to KKFSC		(55,081)	–
Amortisation of:			
- Capital grants	13	(159,818)	(144,591)
- Building grants	14	(389,383)	(389,411)
(Gain)/loss on disposal of investment		(34,682)	13,680
Operating surplus before working capital changes		3,039,539	7,015,333
Receivables		1,184,683	(1,416,962)
Payables		359,185	(435,072)
Cash from operations		4,583,407	5,163,299
Capital grants	13	175,351	559,972
Net cash from operating activities		4,758,758	5,723,271

	Note	2011 \$	2010 \$
Cash flows from investing activities			
Purchase of property, plant and equipment		(303,598)	(677,442)
Interest income		56,206	32,574
Purchase of investment		(1,966,553)	(310,889)
Sale proceeds from disposal of investment		619,877	44,926
Sale proceeds from disposal of property, plant and equipment		–	3,300
Net cash used in investing activities		(1,594,068)	(907,531)
Cash flows from restricted funds			
Net (payments to)/receipts from:			
Building Maintenance Fund	20	2	19,385
Bursary Fund	21	(1,331)	(46,166)
Community Outreach Project Fund	22	428,935	605,409
MWS - CSL Trust Endowment Fund for BMNH			
- Endowment Fund	23	8,294	–
Other Funds	24	245,562	(145,271)
Net cash from restricted funds		681,462	433,357
Net increase in cash and cash equivalents		3,846,152	5,249,097
Cash and cash equivalents at beginning of financial year		15,435,891	10,186,794
Cash and cash equivalents at end of financial year		19,282,043	15,435,891
Cash and cash equivalents comprise:-			
Fixed deposits		15,430,230	12,726,847
Cash and bank balances		3,851,813	2,709,044
		19,282,043	15,435,891

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



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

I General information

Methodist Welfare Services is registered in Singapore under the Societies Act.

The principal activities of the Methodist Welfare Services ("the Society") are to assist in the relief of poverty, physical, psychological and emotional suffering regardless of age, sex, race, nationality, religion or moral character, especially by the provision of nursing care, counselling, rehabilitation services, training or educational services or assistance. The Headquarters is located at 70 Barker Road, Singapore.

The principal activities of the branches of Methodist Welfare Services and their locations are as follows:-

Agape Methodist Hospice

The Hospice homecare service provides palliative homecare, befriending, and loan of equipment to those with life-limiting illnesses. It is located at 70 Barker Road, Singapore.

Bethany Methodist Nursing Home

The Home provides residential quarters and rehabilitation facilities for the sick and needy requiring nursing care. It is located at 9, Choa Chu Kang Avenue 4, Singapore.

Christalite Methodist Home

The Home is one of the four homes for destitute persons that replaced the Woodlands Home. It provides shelter, healthcare, befriending and counselling services for the destitutes. It is located at 51 Marsiling Drive, Singapore.

D'Joy Children's Centre

The Centre comprises childcare and student care facilities, for children of working parents. It is located at Blk 1, Maude Road, #03-30, Singapore.

iConnect Student Care Centre

The Centre, located within First Toa Payoh Primary School, provides student care services for children of working parents. It is located at 7 Lorong 8, Toa Payoh, Singapore.

Residence @ St. George's

The Centre provides a place of safety and a conducive environment for the physical, social and psychological development for the young female adult probationer. It is located at No. 1 St George's Lane, Singapore. The Centre will commence operations in the following financial year.

Wesley Seniors Activity Centre

The Centre provides support services and activities for senior citizens living in the Jalan Berseh neighbourhood. It is located at Blk 25 Jalan Berseh, #01-142, Singapore.

Family Service Centres

The Centres provide casework and counselling, information and referral services, preventive and developmental programmes and activities for individuals and families in need.

The five family service centres are:

Covenant Family Service Centre located at Blk 613, Hougang Ave 8, #01-432, Singapore.

Daybreak Family Service Centre located at Blk 855 Yishun Ring Road, #01-3539, Singapore.

Kampung Kapor Family Service Centre located at Blk 2 Kitchener Road, #03-89, Singapore. On 1 April 2010, the Society ceased to operate this Centre.

Sembawang Family Service Centre located at Blk 326 Sembawang Crescent #01-52, Singapore.

Tampines Family Service Centre located at Blk 470 Tampines St 44 #01-194, Singapore.

2 Significant accounting policies

a) Basis of preparation

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

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 at the date of the financial statements and the reported amounts of revenues 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgment or complexity, or area when assumptions and estimates are significant to the financial statements are disclosed in note 3.

The carrying amounts of cash and cash equivalents, current receivables and payables and provisions approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

In the current financial year, the Society has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial year. The adoption of these new/revised FRS has no material effect on the financial statements.

At the date of the balance sheet, the following FRSs and Interpretations of FRS ("INT FRS") were issued, revised or amended but not effective:

FRS 24	Related Party Disclosures
INT FRS 115	Agreements for the Construction of Real Estate
INT FRS 119	Extinguishing Financial Liabilities with Equity Instruments
Amendments to FRS 12	Deferred Tax: Recovery of Underlying Assets
Amendments to FRS 101	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to FRS 101	Limited Exemption from Comparative FRS 107 Disclosures for First-time Adopters
Amendments to FRS 107	Disclosures – Transfers of Financial Assets
Amendments to INT FRS 114	Prepayments of a Minimum Funding Requirement
Improvements to FRSs 2010 project	

At the date of the balance sheet, the Society anticipates that the adoption of these FRS and INT FRS that were issued, revised or amended but not effective will have no material impact on the financial statements of the Society in the year of initial application.



2 Significant accounting policies (cont'd)

b) Property, plant and equipment

Property, plant and equipment are shown at cost less accumulated depreciation and any impairment loss. Depreciation is charged by equal annual instalments in accordance with a schedule of rates which are calculated to write off the assets over their estimated useful lives as follows: -

Building at 9 Choa Chu Kang Avenue 4	- 30 years
Equipment	- 10 years
Furniture, fittings and office equipment	- 5 to 10 years
Computers	- 3 years
Renovations	- 5 years
Motor vehicles	- 10 years

On disposal of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

c) Income recognition

Donations	- when received
Fundraising income	- in the period the event occurred
Programme income	- over the period of provision of services to clients
Interest income	- on a time proportion basis
Dividend income	- when the right to receive payment is established

d) Grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Capital grants

Grants received/receivable for the purpose of maintaining, converting, renovating and furnishing a space for the use as a centre are capitalised as capital grants and amortised to profit or loss over a period of five years commencing from the year of undertaking the operations of the centre.

Grants received/receivable for the purpose of upgrading the accounting system, server and database management system are capitalised as capital grants and amortised to profit or loss over a period of three years from the year of upgrade completion.

Capital grants received for the purpose of construction of the building, and purchase of furniture and rehabilitation equipment for the nursing home are capitalised in the Building Grants account and amortised in accordance with the depreciation of the cost of the respective assets acquired using the grants.

Total capital grants received for the centres and building grants received for the nursing home less the amounts amortised to profit or loss at the balance sheet date are included in the balance sheet as capital grants and building grants.

Revenue grants

Grants of a revenue nature are credited to profit or loss in the period to which they relate.

e) **Employee benefits**

Defined contribution plans

The Society contributes to the Central Provident Fund (“CPF”), a defined contribution plan regulated and managed by the Singapore Government. Contributions to CPF are charged to profit or loss in the period in which the related service is performed.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for leave as a result of services rendered by employees up to the balance sheet date.

f) **Asset Capitalisation Account**

Specific donations given for the purchase of motor vehicles or equipment are credited to the Motor Vehicle Fund Account or Fixed Asset Fund Account and on acquiring the motor vehicles or equipment is taken to the Asset Capitalisation Reserve. Depreciation on the motor vehicles or equipment funded by the donation is charged directly to the Asset Capitalisation Reserve.

g) **Financial assets**

i) **Classification**

The Society classifies its financial assets in the following categories: loans and receivables, held-to-maturity and available-for-sale. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the balance sheet date

which are classified as non-current assets. Loans and receivables are classified within “other receivables”, “fixed deposits” and “cash and bank balances” on the balance sheet.

Financial assets held-to-maturity

Financial assets held-to-maturity are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management has the positive intention and ability to hold to maturity.

Financial assets, available-for-sale

Financial assets, available-for-sale are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the assets within 12 months after the balance sheet date.

ii) **Recognition and derecognition**

Regular purchases and sales of financial assets are recognised on trade-date - the date on which the Society commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Society has transferred substantially all risks and rewards of ownership.

On sale of a financial asset, the difference between the net sale proceeds and its carrying amount is recognised in the profit or loss. Any amount in the fair value reserve relating to that asset is also transferred to profit or loss.

iii) **Initial measurement**

Financial assets are initially recognised at fair value plus transaction costs.



2 Significant accounting policies (cont'd)

g) Financial assets (cont'd)

iv) *Subsequent measurement*

Financial assets, available-for-sale are subsequently carried at fair value. Loans and receivables and held-to-maturity financial assets are carried at amortised cost using the effective interest method, less impairment.

Changes in fair values of financial assets that are classified as available-for-sale are recognised in the fair value reserve within equity.

When financial assets classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in the fair value reserve within equity are included in profit or loss.

Interest and dividend income on financial assets, available-for-sale are recognised separately in profit or loss. Changes in the fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in profit or loss and the other changes are recognised in other comprehensive income. Changes in fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in other comprehensive income, together with the related currency translation differences.

v) *Impairment*

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

i) *Loans and receivables*

An allowance for impairment of loans and receivables, including trade and other receivables, is recognised when there is objective evidence that the Society will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor; probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance recognised in profit or loss, is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

ii) *Financial assets, held-to-maturity*

If there is objective evidence that an impairment loss on held-to-maturity financial assets has incurred, the carrying amount of the asset is reduced by an allowance for impairment. This allowance, calculated as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate, is recognised in profit or loss in the period in which the impairment occurs.

Impairment loss is reversed through profit or loss. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

iii) *Financial assets, available-for-sale*

In the case of an equity security classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the security is impaired.

When there is objective evidence that an available-for-sale financial asset is impaired, the cumulative loss that has been recognised directly in the fair value reserve is reclassified to profit or loss. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss on that financial asset.

Impairment losses on debt instruments classified as available-for-sale financial assets are reversed through profit or loss. However, impairment losses recognised in profit or loss on equity instruments classified as available-for-sale financial assets are not reversed through profit or loss.

h) Financial liabilities

Financial liabilities comprise sundry payables and accruals which are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest method.

i) Impairment of non-financial assets

Non-financial assets are reviewed for impairment at each balance sheet date or 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 profit or loss.

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.

j) Income tax

MWS is exempt from income tax under the Income Tax Act. As such, no provision for income tax has been made in the financial statements of the Society.

k) Provision for liabilities

Provisions are recognised when the Society 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. Where the Society expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

l) Lease

Operating lease

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.



3 Critical judgment in applying significant accounting policies

In the process of applying the Society's accounting policies, which are described in note 2, the Board of Governance of the Society has made the following assumptions.

The cost of the building at 9, Choa Chu Kang Avenue 4 is depreciated over 30 years from 2001 based on an understanding that the land will be made available by the Government of Singapore ("the landlord") for 30 years although the tenancy agreement with the landlord in respect of the lease of the said land is for 3 years with an option to renew the lease for another 3 years at the discretion of the landlord. The Board of Governance of the Society believes that the landlord will continue to renew the lease up to the conclusion of the 30 years because the building grant received from the Ministry of Health ("MOH") is conditional upon the Society agreeing to operate the Home for 30 years.

Similarly as mentioned in note 2(d), the building grants received for the purpose of construction of building and purchase of furniture and equipment are amortised over the useful lives of the respective assets acquired using the grants, the majority of which relates to the life of the building.

At 31 March 2011, the carrying amount of the building is \$6,985,813 (2010:\$7,334,644) and the building grants balances relating to the building is \$6,254,429 (2010:\$6,643,812).

4 Donations/Fundraising income

Included in donations and fundraising income are tax deductible amounts of \$2,159,707 (2010: \$1,793,951) and \$3,843,235 (2010: \$3,453,682) respectively.

5 Remuneration of key management staff

Included in expenditure on manpower are remuneration paid to key management staff as follows:-

	2011	2010
	\$	\$
Salaries and related costs	1,363,532	947,140
CPF	119,275	97,425

Key management staff comprise Directors of Headquarters and Heads of Centres.

6 Donation to Kampong Kapor Family Service Centre

This relates to the transfer of the accumulated surplus of Kampong Kapor Family Service Centre ("KKFSC") to a new legal entity of the same name set up on 1 April 2010 to take over the operations of KKFSC.

7 Property, plant and equipment

	Building \$	Equipment \$	Computers \$	Furniture, fittings and office equipment \$	Motor vehicles \$	Renovations \$	Total \$
2011							
Cost							
At 1.4.2010	10,462,931	161,988	584,669	1,373,853	294,974	2,703,198	15,581,613
Additions	–	37,521	23,340	17,667	–	225,070	303,598
Disposal	–	(2,940)	–	–	–	–	(2,940)
Donation*	–	–	(23,771)	(99,075)	–	(367,868)	(490,714)
At 31.3.2011	10,462,931	196,569	584,238	1,292,445	294,974	2,560,400	15,391,557
Accumulated depreciation							
At 1.4.2010	3,128,287	133,573	560,987	1,201,843	129,540	2,124,070	7,278,300
Depreciation charge	348,831	22,702	24,491	96,016	29,496	181,352	702,888
Disposal	–	(2,940)	–	–	–	–	(2,940)
Donation*	–	–	(23,760)	(90,413)	–	(311,788)	(425,961)
At 31.3.2011	3,477,118	153,335	561,718	1,207,446	159,036	1,993,634	7,552,287
Net book value							
At 31.3.2011	6,985,813	43,234	22,520	84,999	135,938	566,766	7,839,270
2010							
Cost							
At 1.4.2009	10,462,931	155,524	592,749	1,351,383	356,227	2,075,255	14,994,069
Additions	–	6,464	20,565	22,470	–	627,943	677,442
Disposal	–	–	(28,645)	–	(61,253)	–	(89,898)
At 31.3.2010	10,462,931	161,988	584,669	1,373,853	294,974	2,703,198	15,581,613
Accumulated depreciation							
At 1.4.2009	2,779,456	117,373	572,920	1,102,843	149,045	1,960,153	6,681,790
Depreciation charge	348,831	16,200	16,712	99,000	30,008	163,917	674,668
Disposal	–	–	(28,645)	–	(49,513)	–	(78,158)
At 31.3.2010	3,128,287	133,573	560,987	1,201,843	129,540	2,124,070	7,278,300
Net book value							
At 31.3.2010	7,334,644	28,415	23,682	172,010	165,434	579,128	8,303,313

Depreciation is charged to:-

	2011 \$	2010 \$
Statement of Comprehensive Income	678,267	649,534
Asset Capitalisation Reserve (note 19)	24,621	25,134
	702,888	674,668

* Donation relates to property, plant and equipment donated to a new legal entity of the same name at net book value which carries on the activities of KKFSC on 1 April 2010.



8 Available-for-sale investments

	2011	2010
	\$	\$
At fair value:		
Investment fund	1,940,086	1,512,403
Quoted equity investments	2,477,135	2,085,025
Quoted equity investment – Chen Su Lan Trust Fund	972,032	938,229
	<u>5,389,253</u>	<u>4,535,657</u>

The investment fund is placed with The Methodist Church in Singapore (“MCS”). The funds of the Society are pooled with those of MCS and other Methodist organisations. The Society contributed \$1,696,190 (2010: \$1,400,000) to the total pooled fund.

9 Held-to-maturity financial assets

	2011	2010
	\$	\$
<i>Quoted debt securities</i>		
- Bonds with fixed interest of 4.30% per annum and maturity date 31 August 2020 – Singapore	250,500	–
- Bonds with fixed interest of 3.55% per annum and maturity date 1 September 2017 – Singapore	501,000	–
	<u>751,500</u>	<u>–</u>

The quoted debt securities have fair values at the balance sheet approximate its carrying amounts. The fair value were based on discounted cash flows using market interest rates for equivalent bonds of 4.10% and 3.55% respectively per annum as at the balance sheet date.

10 Other receivables

	2011	2010
	\$	\$
Staff loans	5,480	11,320
Sundry receivables	1,072,803	1,252,769
Sundry deposits	204,905	197,753
Prepayments	31,677	22,706
Advance	–	1,015,000
	<u>1,314,865</u>	<u>2,499,548</u>

a) Loans to staff are non-interest bearing

b) In year 2010, the advance was paid to a new legal entity of the same name which carries on the activities of KKFSC with effect from 1 April 2010.

c) Sundry receivables comprise:-

	2011	2010
	\$	\$
Not past due and not impaired	514,378	341,446
Past due but not impaired	558,425	911,323
Past due and impaired	94,845	43,009
	<u>1,167,648</u>	<u>1,295,778</u>
Allowance for doubtful receivables	(94,845)	(43,009)
	<u>1,072,803</u>	<u>1,252,769</u>

The age analysis of sundry receivables past due but not impaired was as follows:-

	2011	2010
	\$	\$
Past due 0 – 30 days	214,255	556,760
Past due 31 – 60 days	199,684	169,772
Past due 60 days and over	144,486	184,791
	<u>558,425</u>	<u>911,323</u>

The sundry receivables are stated after making allowance for doubtful receivables as follows:-

	2011	2010
	\$	\$
At 1 April	43,009	13,756
Allowance made	69,673	32,253
Amounts written off against allowance	(13,410)	(2,113)
Allowance written back	(4,427)	(887)
At 31 March	<u>94,845</u>	<u>43,009</u>
Bad debts directly written off to profit or loss	<u>3,130</u>	<u>1,999</u>

Sundry receivables that are individually determined to be impaired at the balance sheet date relate to receivables that are either in significant financial difficulties and have defaulted on payments or disputing the amount due.

Included in sundry deposits is an amount of \$133,836 (2010: \$132,521) due from MCS representing a deposit held as security for a guarantee issued by MCS's banker on behalf of the Society.

11 Fixed deposits

All fixed deposits are placed with banks and matured within 12 months from the year end. At the balance sheet date, the interest rate of these fixed deposit ranges from 0.20% to 0.60% (2010: 0.15% to 1%) per annum. One of the fixed deposits is charged as security deposit for the bankers' guarantee of \$134,682 being 3 months' rental deposit for use of BMNH at 9 Choa Chu Kang Road Avenue 4.

12 Cash and bank balances

	2011	2010
	\$	\$
Cash on hand and at bank	3,628,259	2,410,651
Cash with broker	223,554	298,393
	3,851,813	2,709,044

13 Capital grants

	2011	2010
	\$	\$
At 1 April	704,867	144,895
Grants received/receivable	175,351	559,972
Transfer to KKFSC *	(113,686)	–
	766,532	704,867
Accumulated amortisation	(302,578)	(201,365)
At 31 March	463,954	503,502
Accumulated amortisation comprises:-		
At 1 April	201,365	56,774
Amortisation during the year	159,818	144,591
Transfer to KKFSC *	(58,605)	–
At 31 March	302,578	201,365

Capital grants of \$175,351 received/receivable are from the following:

- National Council of Social Service ("NCSS") for the renovation of Wesley Seniors Activity Centre at Jalan Berseh
- MOH for the ward conversion and database management system of Bethany Methodist Nursing Home ("BMNH").

In year 2010, capital grants of \$559,972 received/receivable were from the following:

- Ministry of Community Development, Youth & Sports for the renovation of Kampong Kapor Family Service Centre new student care at Farrer Lodge
- MOH for the ward conversion of BMNH
- NCSS for the server upgrade at BMNH and accounting system upgrade at Headquarters.

Renovation and ward conversion are amortised over useful life of 5 years while the accounting system, server and database management system are amortised over useful life of 3 years.

* Capital grant transferred to a new legal entity of the same name which carries on the activities of KKFSC on 1 April 2010.

14 Building grants

	2011	2010
	\$	\$
Grants received	10,141,625	10,141,625
Accumulated amortisation	(3,887,196)	(3,497,813)
	6,254,429	6,643,812
Accumulated amortisation comprises:		
At 1 April	3,497,813	3,108,402
Amortisation during the year	389,383	389,411
At 31 March	3,887,196	3,497,813

These are capital grants received from MOH for the construction and furnishing of the Bethany Methodist Nursing Home undertaken by the Society. Under the agreement with MOH, the Society is required to operate the Home for the duration of the land lease or for 30 years from 1 September 2001, whichever is the lesser and to apply the grants received for the purposes as stipulated in the letter of undertaking to MOH dated 1 September 2001.



15 Sundry payables and accruals

	2011	2010
	\$	\$
Sundry payables	1,219,141	856,677
Accrued operating expenses	281,208	338,807
Residents' deposits and monies held for safekeeping	425,883	393,058
Deferred income (net)	21,616	121
	1,947,848	1,588,663

Deferred income represents net donations received for the fund raising event "MWS Golf 2011" (2009: "MWS Soccer 2010") to be held on 12 July 2011 (2010: 22 May 2010) and includes tax deductible receipts of \$27,300 (2010: \$2,500).

16 General Accumulated Fund

	2011	2010
	\$	\$
At 1 April	11,047,305	7,567,870
Surplus for the year	2,243,739	3,579,435
Balance before transfers	13,291,044	11,147,305
Transfers from/(to):		
- Service Centre's Accumulated Funds (note 17)	1,445,060	-
- General Maintenance Fund (note 24)	(100,000)	(100,000)
- School Pocket Money Fund (note 24)	26,080	-
At 31 March	14,662,184	11,047,305

17 Service Centres' Accumulated Funds 2011

	At	Surplus/	Transfer	At
	1.4.2010	(deficit)	of funds	31.3.2011
	\$	\$	\$	\$
Funds held by Centres:-				
Agape Methodist Hospice	(243,054)	300,446	-	57,392
Bethany Methodist Nursing Home (note 20)	866,895	305,571	(50,000)	1,122,466
Christalite Methodist Home	3,215,051	392,956	-	3,608,007
Covenant Family Service Centre	292,804	16,127	-	308,931
Daybreak Family Service Centre	444,003	(69,126)	-	374,877
D'Joy Children's Centre	63,978	(113,097)	92,598	43,479
iConnect Student Care Centre	12,162	(17,463)	9,769	4,468
Kampong Kapor Family Service Centre	1,600,380	-	(1,600,380)	-
Sembawang Family Service Centre	1,134,463	(73,323)	40,728	1,101,868
Tampines Family Service Centre	1,205,962	47,298	-	1,253,260
Residence @St. George's	-	(40,751)	12,225	(28,526)
Wesley Seniors Activity Centre (note 24)	-	(688)	65,816	65,128
	8,592,644	747,950	(1,429,244)	7,911,350

	At	Surplus/	Transfer	At
	1.4.2009	(deficit)	of funds	31.3.2010
	\$	\$	\$	\$
Funds held by Centres:-				
Agape Methodist Hospice	(39,404)	(203,650)	-	(243,054)
Bethany Methodist Nursing Home (note 20)	306,012	610,883	(50,000)	866,895
Christalite Methodist Home	2,560,895	654,156	-	3,215,051
Covenant Family Service Centre	1,636	291,168	-	292,804
Daybreak Family Service Centre	316,448	127,555	-	444,003
D'Joy Children's Centre	45,501	18,477	-	63,978
iConnect Student Care Centre	4,042	8,120	-	12,162
Kampong Kapor Family Service Centre	1,032,229	568,151	-	1,600,380
Sembawang Family Service Centre	574,403	560,060	-	1,134,463
Tampines Family Service Centre	498,322	707,640	-	1,205,962
	5,300,084	3,342,560	(50,000)	8,592,644

18 Fair Value Reserve

The reserve represents changes in the fair value of available-for-sale investments.

19 Asset Capitalisation Reserve

	2011	2010
	\$	\$
At 1 April	159,364	196,238
Less: depreciation charged (note 7)	(24,621)	(25,134)
disposal of motor vehicle	–	(11,740)
At 31 March	<u>134,743</u>	<u>159,364</u>

20 Building Maintenance Fund

	2011	2010
	\$	\$
At 1 April	119,385	50,000
Donations	2	19,385
Transfer from Service Centres' Accumulated Fund (note 17)	50,000	50,000
At 31 March	<u>169,387</u>	<u>119,385</u>

This fund is for the future major repairs and maintenance of Bethany Methodist Nursing Home.

Included in donations are tax-deductible receipts of \$Nil (2010: \$19,385).

21 Bursary Fund

	2011	2010
	\$	\$
At 1 April	18,390	64,556
Donations	64,500	73,949
Bursary programme	(301,100)	(120,115)
Charge to Statement of Comprehensive Income	235,269	–
Net deficit	(1,331)	(46,166)
At 31 March	<u>17,059</u>	<u>18,390</u>

The purpose of this fund is to provide bursary programme for poor and needy students.

Donations received include tax deductible receipts of \$24,000 (2010: \$35,450).

The fund is held in cash.

22 Community Outreach Project Fund

	2011	2010
	\$	\$
At 1 April	605,409	–
Receipts	1,382,330	605,409
Expenditure	(953,395)	–
At 31 March	<u>1,034,344</u>	<u>605,409</u>

The purpose of this fund is to raise awareness of chronically poor in Singapore and for community outreach projects.

Included is an amount of \$888,435 (2010: \$573,169) relating to MCS's 125th anniversary project.

These are tax deductible receipt donations received of \$1,084,228 (2010: \$605,409) for the community outreach projects.

23 MWS – CSL Trust Endowment Fund for BMNH

	2011	2010
	\$	\$
At 1 April	1,000,000	1,000,000
Dividend income received	53,294	61,019
Loss on disposal of quoted equity	(29,475)	(13,680)
	<u>1,023,819</u>	<u>1,047,339</u>
Transferred to Bethany Methodist Nursing Home	(15,525)	(47,339)
At 31 March	<u>1,008,294</u>	<u>1,000,000</u>

Fair value reserve

At 1 April	(36,178)	(359,063)
Fair value adjustments during the year	65,196	322,885
At 31 March	<u>29,018</u>	<u>(36,178)</u>

This is an endowment fund where in accordance with the wishes of Chen Su Lan Trust (the donor), the donation received from the donor of \$1,000,000 should not be expended but should be invested at the full discretion of the Board of Governance of the Society. The surplus of income from the investment less fees and any other payables in relation to the investment shall be used to pay for medical services at Bethany Methodist Nursing Home.

The endowment fund is represented by quoted equity investment at cost of \$943,015 (2010: \$974,420) (note 8) and the remainder in cash.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011**

**24 Other Funds
2011**

	At 1.4.2010 \$	Receipts \$	Expenditure \$	Surplus/ (deficit) \$	Transfer of funds \$	At 31.3.2011 \$
General Maintenance Fund (note 16)	100,000	–	–	–	100,000	200,000
Medifund	118,050	174,810	191,193	(16,383)	–	101,667
Medifund Silver	47,549	620,000	489,309	130,691	–	178,240
Motor Vehicle Fund	11,011	–	11,011	(11,011)	–	–
Financial Assistance Fund	1,801	4,994	4,021	973	–	2,774
Fixed Asset Fund	2,157	–	–	–	–	2,157
North East Essentials Relief Fund	2,875	116	1,086	(970)	–	1,905
I.T Project Fund	8,500	–	5,500	(5,500)	–	3,000
School Pocket Money Fund (note 16)	131,574	294,569	290,710	3,859	(26,080)	109,353
Staff Crisis Fund	11,648	–	–	–	–	11,648
Tuition Scheme	–	78,000	6,790	71,210	–	71,210
Wesley Seniors Activity Centre Fund (note 17)	2,823	67,859	4,866	62,993	(65,816)	–
Economic Downtown Fund	–	10,000	300	9,700	–	9,700
	437,988	1,250,348	1,004,786	245,562	8,104	691,654

	At 1.4.2009 \$	Receipts \$	Expenditure \$	Surplus/ (deficit) \$	Transfer of funds \$	At 31.3.2010 \$
General Maintenance Fund (note 16)	–	–	–	–	100,000	100,000
Medifund	139,576	119,267	(140,793)	(21,526)	–	118,050
Medifund Silver	71,952	392,289	(416,692)	(24,403)	–	47,549
Motor Vehicle Fund	45,331	–	(34,320)	(34,320)	–	11,011
Financial Assistance Fund	6,887	5,100	(10,186)	(5,086)	–	1,801
Fixed Asset Fund	2,157	–	–	–	–	2,157
North East Essentials Relief Fund	3,480	5,625	(6,230)	(605)	–	2,875
I.T Project Fund	–	8,500	–	8,500	–	8,500
School Pocket Money Fund	201,595	409,289	(479,310)	(70,021)	–	131,574
Staff Crisis Fund	12,281	–	(633)	(633)	–	11,648
Wesley Seniors Activity Centre Fund	–	13,000	(10,177)	2,823	–	2,823
	483,259	953,070	(1,098,341)	(145,271)	100,000	437,988

General Maintenance Fund

This fund is set up for repairs and maintenance requirement of MWS.

Medifund

These are monies from the government to support any resident who has difficulties in paying their medical fees.

Medifund Silver

These are monies from the government to support any resident above 65 years old who has difficulties in paying their medical fees.

Motor Vehicle Fund

This fund is for the purchase and operating expenses of motor vehicles for Christalite Methodist Home.

Fixed Asset Fund

This fund is for the purchase of equipment for Christalite Methodist Home.

North East Essentials Relief Fund

These are funds received from the North East Community Development Council to provide immediate provisional and transport assistance to needy residents in the North East district.

I.T Project Fund

This fund is for the purpose of setting up an on-line I.T portal. These are tax deductible receipt donations received \$Nil (2010:\$8,500) during the year.

School Pocket Money Fund

These are funds received from NCSS to finance needy students. It is disbursed to students as school pocket money.

Tuition Scheme

This fund is set up for the tuition programme at the student care centres. Tax deductible receipts of \$78,000 (2010:\$Nil) were received during the year.

Staff Crisis Fund

This fund was set up to assist foreign staff in need of urgent loans for problems back home.

Financial Assistance Fund

This fund is set up to provide financial assistance to needy families and children. Tax deductible receipts of \$Nil (2010: \$3,800) were received during the year.

Wesley Seniors Activity Centre Fund

Funds are received from a Methodist church for the start up of Wesley Seniors Activity Centre.

Economic Downturn Fund

These are funds received from NCSS to provide financial assistance to needy families and individuals affected by the economic downturn.

25 Commitments

At the balance sheet date, commitments authorised but not provided for in the financial statements are as follows:

	2011 \$	2010 \$
Capital commitment expenditure for property, plant and equipment contracted for	—	15,440

26 Operating lease commitment

At balance sheet date, minimum lease payments for non-cancellable operating lease not provided for in the financial statements are as follows:

	2011 \$	2010 \$
Within 1 year	538,728	362,100
Within 2 to 5 years	920,327	—

There is an option to renew the lease for another 3 years subject to agreement by the landlord.

27 Management of reserves

The reserves are not expected to exceed the equivalent of two years' expenditure of the Society and its Centres, and are maintained so as to provide working capital, and to enable the Society and its Centres to develop over the longer term. No changes are made in the objectives, policies or processes during the financial years ended 31 March 2011 and 31 March 2010.



28 Financial instruments

a) Categories of financial instruments

Financial instruments as at balance sheet date are as follows:-

	2011 \$	2010 \$
<i>Financial assets</i>		
Other receivables	1,283,188	1,461,842
Fixed deposits	15,430,230	12,726,847
Cash and bank balances	3,851,813	2,709,044
Loans and receivables	<u>20,565,231</u>	<u>16,897,733</u>
Available-for-sale investments	<u>5,389,253</u>	4,535,657
Held-to-maturity financial assets	<u>751,500</u>	—
<i>Financial liability</i>		
Sundry payables and accruals at amortised cost	<u>1,867,745</u>	1,538,431

b) Financial risk management

Overall risk management is determined and carried out by the Board of Governance. Due to the nature of the Society's activities, it has minimal financial risks exposure.

Foreign exchange risk

The Society's exposure to foreign exchange risk is minimal as nearly all of its transactions are in Singapore dollars.

Credit risk

The Society's exposure to credit risk arises primarily from sundry receivables, fixed deposits and cash and bank balances. The Society has no significant concentration of credit risk exposure. The maximum exposure to credit risk is represented by the carrying value of each class of financial assets recognised in the balance sheet.

Financial assets that are neither past due nor impaired

Sundry receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Society. Fixed deposits and cash and bank balances that are neither past due nor impaired are placed with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in note 10.

Interest rate risk

The Society's income and operating cash flows are substantially independent of changes in market interest rates although it has significant interest-bearing deposits with financial institutions. The Society has no interest-bearing liabilities.

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

Liquidity risk

The Board of Governance exercises prudent liquidity and cash flow risk management policies and aims to maintain sufficient level of liquidity and cash flows at all times.

The financial liabilities of the Society as presented in the balance sheet are due within twelve months from the balance sheet and approximate the contractual undiscounted payments.

Market price risk

Market price risk is the risk that the fair value or future cash flows of the Society's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Society is exposed to changes in market price arising from its investment in quoted instruments. These instruments are quoted on SGX-ST in Singapore and are classified as available-for-sale financial assets. The Society does not have exposure to commodity price risk.

Sensitivity analysis for equity price risk

As at 31 March 2011, the Society's investment in available-for-sale is \$5,389,253 (2010: \$4,535,657). A 10% increase/(decrease) in the underlying market prices at the reporting date would increase/(decrease) the fair value reserve by \$538,925 (2010: \$453,566).

This analysis assumes that all other variables remain constant.

29 Fair values of financial instruments

a) *Fair value of financial instruments that are carried at fair value*

The following table presents the level of fair value hierarchy for each class of financial instruments at fair value on the balance sheet date:-

	Level I \$
2011	
Assets	
Available-for-sale financial assets	
- investment fund	1,940,086
- equity investments	2,477,135
- equity investment - Chen Su Lan Trust Fund	<u>972,032</u>

Level I
\$

2010

Assets

Available-for-sale financial assets

- investment fund

- equity investments

- equity investment - Chen Su Lan Trust Fund

1,512,403

2,085,025

938,229

The fair value hierarchy level I is defined as quoted price (unadjusted) in active markets for identical assets and liabilities.

The fair value of financial instruments traded in active markets (such as available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Society is the current bid price. These instruments are included in level I.

b) *Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value.*

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values.

30 Authorisation of financial statements

The financial statements of the Society for the financial year ended 31 March 2011 were authorised for issue in accordance with a resolution of the Board of Governance dated 9 July 2011.



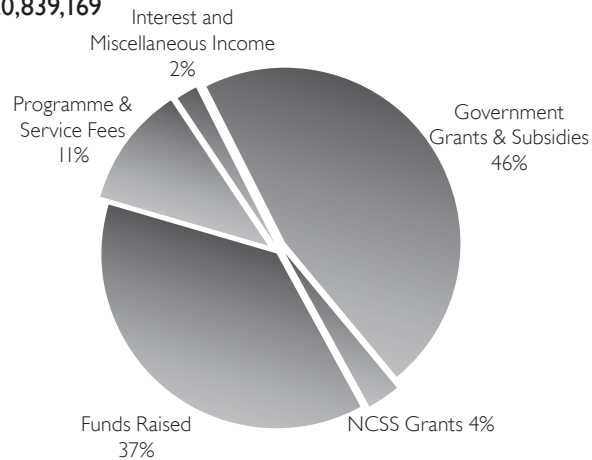
Financial Highlights

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

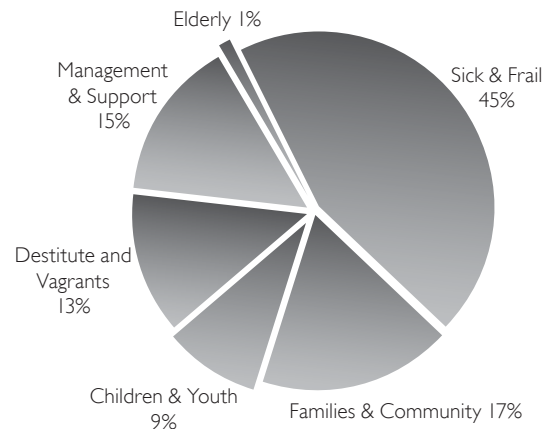
Distribution of Income & Expenditure

费用筹款比率

Source of Income
Total: \$20,839,169



Operating Expenditure
Total: \$16,221,020



Gross Annual Salary Bands with Corresponding Number of Employees as at 31 March 2011

2011年3月31日与员工人数相等的总年薪段

Gross Annual Salary Range (S\$)	Number of Employees	
	2010/11	2009/10
< 50,000	296	310
50,001 - 100,000	45	31
100,001 - 150,000	5	2
Total	346	343

Fundraising Efficiency Ratio

费用筹款比率

Donations
Sponsorships

Total donations and sponsorships

Direct fundraising expenses
Sponsorships
Indirect / Allocated Costs

Total fundraising expenditure

Surplus

Fundraising Efficiency Ratio before sponsorship
Fundraising Efficiency Ratio with sponsorship

	2011 \$	2010 \$
Donations	4,057,032	3,544,955
Sponsorships	70,593	18,289
Total donations and sponsorships	4,127,625	3,563,244
Direct fundraising expenses	337,069	172,673
Sponsorships	70,593	18,289
Indirect / Allocated Costs	1,689	1,466
Total fundraising expenditure	409,351	192,428
Surplus	3,718,274	3,370,816
Fundraising Efficiency Ratio before sponsorship	0.08	0.05
Fundraising Efficiency Ratio with sponsorship	0.10	0.05

Remuneration and Benefits received by Board Members for the financial year ended 31 March 2011

2011年3月31日与员工人数相等的总年薪段

	Remuneration	Benefits
Board Members	0	0

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Methodist
Welfare
Services

MWS is a Member of NCSS Central Fund
IPC Status has been renewed until 30 September 2011
Charity Regn No: 00166
UEN: S81SS 0088H

MWS Headquarters

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