

Annual Report

Financial Year July 2015 to June 2016

This Annual Report of the Foundation of Rotary Clubs (Singapore) Ltd has been prepared in accordance with the requirements as set out in the Charities (Accounts and Annual Report) Regulations 2011 and Charities (Accounts and Annual Report) (Amendment) Regulations 2012.

1. Chairman's Message



For much of the reporting year, the main focus of the Foundation of Rotary Clubs (Singapore) Ltd (FRCS) was fundraising for setting up a Rotary House. Under the leadership of Dr Philbert Chin, FRCS successfully raised a total of S\$2 million from generous Rotarians and kind well-wishers. We are grateful to the Singapore Government's Care and Share Programme which was part of celebrating Singapore 50th anniversary of independence. With the SG50 Care and Share matching, we managed to purchase a property for the Rotary House. Rotarians now have a permanent home to accommodate our administration staff, as well as providing a common venue for our many Rotary meetings, activities and events.

The axiom of the Foundation is to serve all the Rotary Clubs in Singapore in their quest to serve our community in Singapore. We will help coordinate the efforts of the clubs in fundraising as well as looking for meaningful projects that will have significant long lasting impact on our community. We strive to manage the Foundation efficiently and effectively. To this end, we are thankful to our audit committee chairman, Mr. Phillip Tan Eng Seong, for putting in place a system of proper governance and accounting controls.

The planned Rotary Run for the year was not to be, as the timing of the event unfortunately clashed with a few unforeseen major events in Singapore. Please refer to paragraph 15 for details.

Our plan to operate a Rotary Nursing Home has met with several challenges. To bid for the Ministry of Health "Buy, Own, Lease" (BOL) Nursing Home scheme requires us to have a track record of nursing home experience. In the past two years, we had approached 2 operators of nursing homes and discussed with them various options of partnership. The outcomes were unsuccessful due to conflicts of interest as both operators would like to bid for the BOL scheme themselves. FRCS will continue to look for other nursing home operators who are able to partner with us. In the meantime, we will encourage Rotarians to serve through their respective vocations at the Rotary Family Service Centre in Clementi.

Moving forward, we will continue to assist our Rotary Clubs in Singapore organise meaningful, long lasting programmes to serve the disadvantaged and needy in our community. Besides effort, time and ideas, most of these programmes need funds. FRCS will continue to direct its efforts to raising funds for such worthy causes. To promote fundraising, the public needs to know of the work carried out by the Rotarians in Singapore. Hence, we will step up our efforts in public relations and enhance our public image. Through our humanitarian work and our continuous commitment to the Rotary Mission of "Service above Self", the Foundation together with the Rotarians in Singapore aspire to make our country a better home for all.

Finally, I like to thank all Rotarians and volunteers who served FRCS during the year. Some directors will be retiring at this Annual General Meeting and I especially want to thank them for their contributions to the Foundation and to our community. I wish them all the best as they continue their Rotary journeys.

Dr Wu Dar Ching
Chairman
Foundation of Rotary Clubs (Singapore) Ltd

2. General Information

The Foundation of Rotary Clubs (Singapore) Ltd is the umbrella body that unites the 22 Rotary Clubs in Singapore. It is the charity arm of Rotary in Singapore and is an Institution of Public Character.

Vision

Impacting every family and individual in need through our ideal of “Service above Self”.

Mission (Objects of the Foundation)

- To support social and humanitarian causes, which are exclusively charitable.
- To work with other organisations, including Rotary Clubs in Singapore, to support social and humanitarian activities.

Date of Incorporation

FRCS was incorporated on 2nd December 1993 as a company without share capital but limited by guarantee.

Registered Address

FRCS’ registered address is 133 New Bridge Road, Social Service Hub @ Chinatown Point #04-03, Singapore 059413. The premises were allocated to FRCS by the National Council of Social Services, rent-free, for an initial period of 5 years. The premises at Block 346 Clement Avenue 5 #01-10, Singapore 120346, are used exclusively by the Rotary Family Service Centre.

Membership

The members of FRCS are all the 22 Rotary Clubs in Singapore:

1. Rotary Club of Bugis Junction
2. Rotary Club of Bukit Timah
3. Rotary Club of Changi
4. Rotary Club of Garden City
5. Rotary Club of Marina City
6. Rotary Club of Raffles City
7. Rotary Club of Jurong Town
8. Rotary Club of Pandan Valley
9. Rotary Club of Queenstown
10. Rotary Club of Shenton
11. Rotary Club of Serangoon Gardens Orchard
12. Rotary Club of Singapore
13. Rotary Club of Singapore East
14. Rotary Club of Singapore Heartlands
15. Rotary Club of Singapore North
16. Rotary Club of Singapore West
17. Rotary Club of Sentosa
18. Rotary Club of Suntec City
19. Rotary Club of Tanglin
20. Rotary Club of Tanjong Pagar
21. Rotary eClub of District 3310
22. Rotary eClub of Singapore

The membership of a Rotary Club duly admitted to the Foundation in accordance with its M&A shall vest in the President of the Rotary Club as the nominee of the Rotary Club.

Funding

The Foundation is funded by the following:

- FRCS is funded by Rotary Clubs and through fundraising projects of Rotary Clubs and well-wishers. This year the SG50 Care and Share Movement also contributed

- substantially to FRCS' funds.
- RFSC is funded by FRCS, NCSS, MCYS and TOTE Board.

Reserve Policy

By Board resolution, the FRCS' reserve policy is set at 2 years expenses.

Unique Entity Number: UEN 199300813R

Institution of a Public Character Number: IPC 000279

Staffing

As at 30th June 2016, there were 2 full-time employees at FRCS and 22 full-time employees at RFSC.

Auditors

Bestar Assurance PAC Pte. Ltd., was first appointed on 1st September 2014 and approved at the Annual General Meeting of 23rd December 2015 to audit the accounts of the FRCS for FY2016.

Internal Auditors

The last internal audit was conducted by Shared Services for Charities Ltd., with an independent review, submitted to the Board in FY2014.

Company Secretary

Bestar Consulting Pte. Ltd., provided company secretarial services up to 5th November 2015. Gateway 21 Pte. Ltd., was appointed on 6th November 2015.

Investment Sub-Committee

- Ms Low Wei Ling (Chair)
- Mr Vincent Chen
- Mr Teo Pok Zin
- Dr Mark Hon

Bankers

- DBS Bank Ltd, 12 Marina Boulevard, Marina Bay Financial Centre Tower 3, Singapore 018982.
- CIMB Bank Berhad, 50 Raffles Place #09-01, Singapore Land Tower, Singapore 048623.
- Hong Leong Finance, 16 Raffles Quay #01-05, Hong Leong Building Singapore 048581.

Panel of Legal Advisors

- Mr Jeffrey Chan Wah Teck. He is the Deputy Solicitor-General at the Attorney-General's Chambers, Attorney-General's Chambers, Singapore. He is a member of the Rotary Club of Raffles City.
- Mr Brown Pereira. He is a Notary Public and Commissioner of Oaths at Brown Pereira & Co., Advocates and Solicitors. He is a member of the Rotary Club of Singapore East.
- Mr P. Balachandran. He is a Senior Consultant Advocate & Solicitor at Robert Wang & Woo LLP. He is a member of the Rotary Club of Singapore.
- Mr Derrick Wong. He is a Partner at Derrick Wong & Lim BC LLP. He is a member of the Rotary Club of Marina City.

3. Board of Directors as at 30th June 2016

The board members and officers of the Foundation from 1st July 2015 to 30th June 2016 are:



Dr Wu Dar Ching, Chairman

He is a practising Cardiothoracic Surgeon at Mount Elizabeth Medical Centre. He has more than 31 years experience working with charities. He is a former Director and Vice-chairman of the Singapore Heart Foundation. He is a Past District Governor of Rotary International District 3310. He is a member of Rotary Club of Garden City.



Mr Chew Ghim Bok, Vice-chairman 1

He is Director of the SkyVen Group, a venture capital company. He has more than 22 years experience working with charities. He is a Past District Governor of Rotary International District 3310. He is a member of the Rotary Club of Bugis Junction.



Dr Philbert Chin Choon Siang, Vice-chairman 2

He is a retired Doctor. He served on the NCSS Board for 6 years. He founded RSVP (an IPC) and served as its President until his retirement. He has more than 41 years experience working with charities. He is a Past District Governor of Rotary International District 3310. He is a member of the Rotary Club of Singapore.



Mr Tan Kay Hui, Honorary Secretary

He is sole proprietor of Tankayhui Media. He is a former council member and vice chairman of the Singapore Cancer Society. He is a former EXCO member of the Society for the Aged Sick. He has more than 10 years experience working with charities. He is a member of the Rotary eClub of Singapore.



Mr Andrew Tan Beng Hwee, Honorary Treasurer

He is the Managing Partner of HLB Atrede LLP. and has more than 6 years experience in working with charities. He is a member of the Rotary Club of Changi.



Mr Chew Phak Heng, Finance Committee Chair

He is the founder of PH Chew Consultancy Pte Ltd and CEO of PH Chew Group dealing with industrial planning and building of factory facilities for 32 years. He has more than 10 years experience working with volunteer organizations and charities. He is a member of the Rotary Club of Garden City.



Dr Yap Lip Kee, Fundraising Committee Chair

He is a practising Gynaecologist at Mount Elizabeth Medical Centre. He has more than 12 years experience working with charities. He is a member of the Rotary Club of Singapore.



Mr Alex Eow, Programmes & Projects Committee Chair

He is a Marketing Consultant with Global Networkz Pte. Ltd. He has more than 20 years experience working with charities. He is a member of the Rotary Club of Bugis Junction.



Mr Albert Wong, Rotarian Relations Committee Chair

He is Director of Meishin International Pte Ltd. He has more than 22 years experience working with charities. He is a member of the Rotary Club of Tanjong Pagar.



Mr To Chee Kan co-opted on 31st March 2015, Public Relations Committee Chair

He is an accomplished filmmaker and creative director. He is helping government and major businesses promote their products and public image. Currently, he is also a part-time trainer in film and video productions. He has more than 20 years experience working with charities. He is a member of the Rotary Club of Queenstown.



Mr Phillip Tan Eng Seong, co-opted on 23rd July 2015, Audit Committee Chair

He is a fellow of the Institute of Chartered Accountant (England). He is presently the Group Financial Director of Citystate Capital Asia Pte Ltd. He is the Vice-chairman of the National Council of Social Services and also the Chairman of the Community Chest. He serves as Director or Trustee of various commercial, social and civic organisations.



Mr Henry Tan Kok Hiang, co-opted on 31st March 2015, Rotary Family Service Centre Management Committee Chair

As Chairman of the Management Committee of the RFSC, Henry Tan is co-opted as Director under Article 31(a)(iii) of the FRCS' M&A. He runs a healthcare equipment business. He has more than 36 years experience working with charities.

**Rotary Family Service Centre (A division of FRCS)
Management Committee**

Mr Henry Tan Kok Hiang	Chairman
Mr Yeo Chuen Eng	Vice-chairman
Mr Henry Lim	Honorary Secretary
Mr Li Guang Sheng	Honorary Treasurer
Mr Low Hoon Kee	Committee Member
Ms Lily Lim	Committee Member
Mr Rustom Ghadiali	Committee Member
Dr Monica Walet	Committee Member
Dr Philbert Chin	Principal Advisor
Dr Wu Dar Ching	Chairman, FRCS

4. Organisational Chart

Please refer to Appendix 1.

5. Honorary Treasurer's Report

5.1 Appointment of auditor

Bestar Assurance PAC will be re-appointed as the auditor for the financial year 2016/17. The Board may wish to consider appointing a new auditor to replace Bestar Assurance PAC. for the financial year 2016/2017.

5.2 Policy

The compliance to Charities Accounting Standard was adopted for the financial year 2015/16.

5.3 Reserves

The net asset of FRCS as at 30th June 2016 was \$7.82 million consisting of restricted funds of \$7.15 million and unrestricted funds of \$0.66 million. The cash and bank balance was \$3.73 million, consisting of \$2.03 million in fixed deposits. The net asset increase was due to surplus contribution from Rotary House Fund and RFSC.

The current reserve of FRCS was able to meet 1 year and 1 month of current year operating expense of \$2.35 million, presuming no income for the period and excluding Rotary House Fund of \$4.55 million.

During the year, fixed deposit remained the most appropriate form of investment for the cash as recommended by the Finance Committee.

5.4 Income and Expenditure

The comprehensive income for the current year was a deficit of \$119,941 (2015: \$473,284).

Total grants to the RFSC was \$2.00 million and was higher than last financial year of \$1.66 million. Grant by Singapore Totalisator Board was \$400,638 and was \$148,534 lower than the previous year.

Total staff cost of \$1.82 million was \$0.59 million higher than the previous year. Staff cost at RFSC was \$1.75 million (2015: \$1.18 million) and was \$0.57 million more than the previous year. The activities at RFSC were mainly funded by the government as well as by FRCS.

Governance cost of \$29,677 (2015: \$24,703) was \$4,974 higher than the previous year.

5.5 Investment Sub-committee

The Finance Committee maintained its opinion that fixed deposit remained the most appropriate form of investment for FRCS reserves.

5.6 Representations

All of our funds were in good credit standing. FRCS did not have any related entities apart from those already disclosed in this Report. Our principal sources of funding were as follows:

- FRCS was funded by Rotary Clubs and their well-wishers. In the current year the SG50 Care and Share Movement also contributed substantially to FRCS' funds.
- RFSC was funded by FRCS, NCSS, MCYS and TOTE Board.

5.7 Assets held

FRCS owns the Rotary Hub at 111 North Bridge Road, Singapore 179098 and some office furniture, office equipment and computers for its operations at its Chinatown Point office.

6. Corporate Governance

FRCS complied with the Code of Governance for Charities and Institutions of a Public Character.

The Board of Directors acts in the best interest of FRCS to fulfill its mission to work with organisations, including Rotary Clubs in Singapore, to support charitable social and humanitarian activities. No Board Member is holding staff appointment and staff does not chair the Board. FRCS sets a maximum of 3 terms of 2 or 3 years each for the Chairman and Directors. The Honorary Treasurer is limited to a maximum of 2 terms of 2 years each. The Chairman and Directors can seek re-election after a break of at least 2 years.

There are documented procedures for Board Members and staff to declare actual or potential conflicts of interest.

The Board of Directors approves the vision and mission of FRCS. Periodic strategic planning meetings are conducted to review the strategic plans for FRCS to ensure that programmes and activities are in line with its objects.

The Board of Directors approves the documented human resource policy of FRCS.

The Board of Directors ensures that adequate internal controls for financial matters are in place and reviews its financial policies, procedures, processes to ensure compliance with applicable laws and regulations.

The Finance Committee reviews the financial policies and procedures of FRCS and recommends to the Board for its approval. It also reviews the FRCS' financial performance and annual budget. The Finance Committee ensures that FRCS is in compliance with the Recommended Accounting Practices for Charities and Institution of a Public Character.

Day to day management of FRCS is delegated to the Administration Committee which is assisted by a secretariat headed by an Administrator.

FRCS invests its reserves. The Finance Committee recommends for the Board's approval the investment policy to meet the investment objectives of FRCS.

FRCS has in place processes and practices to ensure that all fundraising activities are honest and ethical. FRCS ensures that funds and donations are used in accordance with donors' intentions and the specified purposes as communicated when soliciting for donations.

FRCS has in place processes to meet the requirements of the Personal Data Protection Act. The Administrator is FRCS' appointed Data Protection Officer.

FRCS is committed to lawful and ethical behaviour in all its activities and requires the Board of Directors and employees to conduct themselves in a manner that complies with all applicable laws, regulations and internal policies.

7. Audit

The Audit Committee was chaired by Mr Phillip Tan Eng Seong from 23rd July 2015. Members of the committee were Mr Max Lum, Dr Gong Ing San, Mr Wee Koon San and Ms See Mee Lee. The tenure of the committee would end on 31st December 2016. The committee had oversight of the financial reporting and disclosure process and monitored the adoption of accounting policies and procedures. It worked closely with FRCS' external auditors to ensure that all financial matters were well managed in accordance with proper governance. The committee also recommended that proper procedures be put in place before large payments were made to suppliers so as not to risk losses. They have recommended that internal auditors be appointed to review areas where there may higher risks. (Post note: Internal auditors were appointed in August 2016 and would be commencing their internal audit work on certain risk areas.)

Report by Mr Phillip Tan Eng Seong

8. Secretariat Report

The Administration Committee was responsible for the day-to-day operations of FRCS' secretariat. It was chaired by Mr Tan Kay Hui with Dr Wu Dar Ching with and Mr Chew Phak Heng as committee members. The committee met weekly.

The Secretariat experienced high staff turnover during the year. With an increase in workload, the secretariat increased its staff strength from 1.5 to 2 full-time employees. In addition, a part-time book-keeper kept a full set of accounts using MYOB accounting software.

Significant tasks accomplished during the year included the successful application for GST registration (effective on 1st January 2016), filing of tax exemptions for donors, supporting the Rotary House fundraising project, filing of government grants and submission of reports in respect of those grants, updating the Charity Portal with audited financial statements and annual reports, maintaining the FRCS website and publishing the FRCS newsletter. The secretariat continued to sell Rummikub sets as part of its partnership with The Singapore Association for Continuing Education (SACE). Other activities during the year included administrative support for the annual Charity Golf, SG50 Flashcard project, Crohn's & Colitis administration and hosting the FRCS/PE's meeting.

Report by Mr Tan Kay Hui

9. The Rotary Hub

At the first meeting of the newly structured Board of Directors of the FRCS, it was decided to retain the Rotary House Committee as a standing committee. I was assigned as its Chair which I accepted as a challenge, tongue-in-cheek. With the astronomical real estate prices and the lukewarm support of Rotarians in general, it would appear to be a lost cause. But it was good to keep the fire burning. Never give up on hope. However, there was no hurry at that time to form a committee immediately. Then came SG50; the Singapore government launched SG50 Care & Share Movement, which was to support and help VWO's with IPC status to expand their activities. On June 2015, NCSS was invited to make a presentation on the SG50 Care & Share Movement to the FRCS Board. At the meeting, I asked whether the grant could be used to buy property for the Foundation to do good better. I was pleasantly surprised when the answer given was yes. If FRCS raised \$2 million by 31st March 2016, the SG50 Care & Share Movement would match it with a grant of \$2.25 million. With this assurance, a committee of 9 very dedicated Rotarians was formed to work on this elusive project. The committee members were:

- Dr Philbert Chin Rotary Club of Singapore
- Mr David Tong, Rotary Club of Singapore East
- Mr Chew Ghim Bok, Rotary Club of Bugis Junction
- Mr K.C. Tong, Rotary Club of Tanglin
- Mr Chew Phak Heng, Rotary Club of Garden City
- Mr Johnson Tan, Rotary Club of Raffles City
- Ms Edna Ko, Rotary Club of Jurong Town
- Ms Jenni Lau, Rotary Club of Marina City
- Dr Yap Lip Kee, Rotary Club of Singapore

The first meeting of the Rotary House Fundraising committee was held on 18th June 2015. To my pleasant surprise, which strengthened my resolve, a sum of \$440,000 was pledged by committee members. The committee decided the way forward was to persuade individuals rather than clubs to donate. All committee members pledged to do their best to persuade individuals from their clubs and other Rotarians to contribute.

The Chair was assigned the task of producing a paper on the history of the FRCS, and another on the proposed usage of the Rotary House as well as a pamphlet seeking donation. The Chair also took on the task of getting every club to invite him to speak on the project. In all the Chair spoke to 18 Rotary clubs.

By the end December 2015, the committee had raised \$1,110,850.

At the 4th Committee meeting held on 28th October 2015, Mr Chew Ghim Bok informed the committee of the availability of a space of about 3,000 sq. ft. on the 6th floor of the Peninsula Plaza at the asking price of \$1,500 psf. Mr Chew later confirmed that the seller was asking for \$4,455,000. After several members had viewed the property, it was decided to recommend to the Board to proceed with the purchase on the condition that the Board obtained the approval of the general membership through an EGM. The committee also requested the Board to get the general membership to standby a sum of \$600,000 maximum for the purchase, in case the \$2 million could not be collected in time. At the EGM held on 28th December 2015 both resolutions were approved.

However, the committee faced 2 major problems in the purchase:

- As the EGM had not been held, to save the situation, Mr Chew Ghim Bok decided to pay the 1% option fees and promised to buy the property if approval was not given.
- At the time of completion, there was insufficient money to complete the purchase as the SG50 Care & Share grant had not yet come in. Four committee members came to the rescue. Mr Chew Ghim Bok, Mr K.C. Tong and Ms Jenni Lau promptly lent FRCS \$300,000 each without interest, while Dr Yap Lip Kee lent another \$100,000.

With this financial assistance the purchase was completed. For details of the purchase, please refer to Mr. Chew Phak Heng's report below:

- Total floor area of the property is 2,970 sq. ft.
- Cost of purchase, excluding GST: S\$4,579,142
- This was funded by:
 - Donations : \$1,870,531
 - SG50 Care & Share Grant : \$2,250,000 (received \$2.025m to date)
 - Rotary House Fund : \$ 431,000
- Rental income from seller's existing tenancy for #06-26/27/34/35 is \$6,460 per month
- Monthly maintenance charges: \$3,757
- Property tax payable monthly : \$1,593
- Net income per month : \$1,110
- Vacant units #06-28/29/30/31/32/33 with an area of 1,680 sq. ft. was being marketed for rental income of another \$7,000 to \$8,000 per month.

As of 31st March 2016, the donation received was \$1,748,903.

With donations received for other activities, we have now qualified for government grant of \$2.25 million. The committee, however, felt that they should continue seeking donations until the \$2 million target is achieved.

The Rotary House Fund Raising Committee met for the last time on 13 September 2016. At the time of writing, in October 2016, donation received was \$1,969,191. With a pledge of over \$30,000, the committee had achieved its target, and its work, completed.

The committee has now been replaced by a new committee called The Rotary Service Hub Management Committee. As Chairman, I wish to record my grateful thanks to all members of my committee, without whose untiring efforts and commitment, this project would not have been successful.

On behalf of my committee, I wish to sincerely thank all 278 Rotarians, 1 Rotarian from Sarawak, 1 Rotarian from Kuala Lumpur, 2 Rotarians from sister clubs and 6 friends of Rotary who have contributed generously towards the purchase of this property. In addition, I wish to acknowledge the contributions of some special people as follows:

- Dato Dr Tan Hian Tsin, Rotary Club of Garden City
- Mr Toh Lam Huat, Rotary Club of Garden City
- Mr Chew Ghim Bok, Rotary Club of Bugis Junction
- Mr K.C. Tong, Rotary Club of Tanglin
- Ms Jennie Lau, Rotary Club of Marina City
- Mr Ng Kok Cheng, Raffles Club of Raffles City
- Mr Erich Erber, Rotary Club of Singapore East
- Mr Mohan Vaswani, Rotary Club of Singapore
- Mr Johnson Tan, Rotary Club of Raffles City
- Mr Alan Chan, Rotary Club of Queenstown

To these special Rotarians, thank you very much for your special gifts.

So, after 20 years, Rotary in Singapore now has a home, dedicated to Rotarians to do "**Service Above Self**", with emphasis on "**Above Self**".

Report by Dr Philbert Chin

10. Fundraising Committee

10.1 FRCS Charity Golf 2016

The FRCS Charity Golf was held on the 29th March 2016 at Tanah Merah Country Club, Tampines Course. The event was to raise funds for the Rotary House as well as to thank donors for their generous contributions to the purchase of the Rotary House. Some 94 golfers participated and circa \$4,000 net was raised.



The committee members, comprising Dr. Jeffrey Seow, Mr Nelson Yeo, Ms Lee Lye Wah, Dr. Yap Lip Kee, and Dr. KK Tan worked hard to stage the event.

A great day of golfing and fellowship was had by all, with perfect weather to match.

Mr Clinton Ang, a former Rotarian, emerged the champion golfer. He was sponsor of Cornerstone wines for the event.

Report by Dr KK Tan
Photos by Mr Chris Chen

10.2 Flag Day 2016

FRCS did not conduct a Flag Day in 2016 because the allocated date was deemed unfavourable. It was during the school holidays and it would have been difficult to mobilise Interactors and Rotaractors whose help was needed to collect donations.

Report by Dr Yap Lip Kee

11. Programmes and Projects Committee

RY2015/16 commenced with great enthusiasm for the P&P Committee. It was going to help Rotary clubs in Singapore to do bigger, better and more impactful projects. All the application forms were streamlined for better administration. The committee heavily promoted the FRCS matching programme to Rotary clubs. However, the response was only lukewarm for various reasons. The announcement, in early 2016, of an administration service fee of 5% for all funds managed by FRCS dampened interest. Coupled with unfamiliarity with the application process and lack of explanation, response from Rotary clubs was weak. Only 9 clubs submitted Form A, 11 clubs submitted Form B and 8 clubs submitted Form C.

The image building project of SG50 flashcards was a good public relations exercise with Mayor of Singapore Central CDC, Ms. Denise Phua, as the Guest-of-Honour. 4,000 SG50 flashcards were distributed to Rotarians, Rotaractors, Interactors and needy organizations.

The P&P Committee was enthusiastic to push for the Phase 2 of the FRCS grant programme, but was held back by what the committee thought was uncertainty with the FRCS financial situation. Without clear direction from the Board, the P&P committee felt that it was better not to promote the programme further.

Report by Mr Alex Eow

12. Public Relations Committee

Public Relations Committee has done some visible work this past year. We completed a face-lift of the FRCS website. The committee appointed PP Erich Schneider of Rotary Club of Queenstown as the editor of the FRCS Newsletter. We continued to maintain the FRCS photo/video archive at Shutterfly. The committee supported FRCS functions such as FRCS FlashCard project by managing media releases and contacting the media.

We initiated the Game for Mental Fitness Project in collaboration with the Rotary Club of Bukit Timah and SACE. The committee was involved in the SACE SG50 courses and National Silver Academy courses. Through these courses conducted at FRCS premises many people came to know Rotary. The committee would continue to support all FRCS functions and activities in the coming year.

Report by Mr To Chee Kan

13. Community Service Projects

- 13.1 The Rummikub Project – Game for Mental Fitness
- 13.2 SG50 Lifelong Learning Courses for Seniors
- 13.3 Crohn's & Colitis Society of Singapore
- 13.4 Check-in for Charity
- 13.5 Rotary Cotton On Youth Fund
 - 13.5.1 Memories and Dreams
 - 13.5.2 Interact Leadership Training Camp
 - 13.5.3 Stop Hunger Now
- 13.6 Bishan Home Project
- 13.7 Milk & Diaper Project
- 13.8 Home Makeover Project
- 13.9 Rotary Happiness Fund
- 13.10 Rotary My Wish Fund
- 13.11 Hand Pedaling Fund Raising Event
- 13.12 SG50 Jubilee Family Health and Wellness
- 13.13 SG50 Hong Bao Giveaway
- 13.14 Chinese New Year with Aged Poor and Needy in Redhill

13.1 The Rummikub Project - Game for Mental Fitness

In 2015, Rotary Club of Bukit Timah launched The Rummikub Project - Game for Mental Fitness, using Rummikub as a game to connect and engage people. FRCS supported this project with a grant of \$10,600.



Renewal of MOU between FRCS and SACE



Launch of Project Mental Fitness

The Rummikub game is easy to play. It is a tile game developed in 1940. It helps to develop problem-solving abilities. While it does not require mathematical skills, it does require focused attention. It boosts memory and responsiveness as well as uses a part of the brain that may normally be inactive. The game is an effective tool to attract and encourage people to come together. It helps the young to develop their social skills and strengthens their relationship with family and friends. Research has shown that such games promote mental fitness and reduce the risk of contracting old age sicknesses such as Dementia and Alzheimer's.

Since 2015 RCBT, together with Dignity Kitchen, introduced Rummikub to at various homes for the elderly. The response from the elderly and their caregivers was very positive.



Rummikub sessions at Dignity Kitchen



RCBT also introduced Rummikub to its Friendship Club, RC Golden Eagles of Taiwan, during a 2016 visit, when two sets Rummikub were presented. RCBT and its members contributed towards the purchase of some 70 Rummikub sets.

Report by Mr Henry Lim with contributions from Mr Ajitchandra Sule and RCBT members

13.2 SG50 Lifelong Learning Courses for Seniors

From April 2015, SACE partnered with FRCS to conduct 12 SG50 lifelong learning courses for seniors free of charge. FRCS provided the venue for these courses.

1. Qi Gong Meditation Techniques
2. Applied Psychology for Third Agers
3. Mindfulness for Well-Being
4. Video Stories
5. Art Appreciation Journey
6. Starting a Small Business
7. Brain Gym for Mental Fitness
8. Rewriting Life Scripts
9. Creativity by Mature Minds
10. Relations Management for Third Agers
11. Emotional and Psychological Realities of Ageing
12. Introduction to Playwriting

These courses vary in length, mostly from four to eight half-day weekly sessions and were mostly held at FRCS Chinatown Point premises. The courses were immensely popular and several repeat runs were conducted to meet the demand. Altogether, over the 7-month period, 39 runs were conducted and these benefited over 800 seniors.



Brain Gym



Emotional Reality



Playwriting



Smallbiz



Panel Discussion

Report by Mr Goh Kim Seng, President SACE

13.3 Crohn's & Colitis Society of Singapore (CCSS)

During the year 2015/16 membership increased from 83 to 96 for whom we organised three support group meetings where anywhere from 15-30 patients benefitted by learning ways to manage IBD.



Talks ranged from financial assistance schemes provided by CCSS to diet suitable for IBD patients. Owing to close working relationship between medical social workers of various hospitals, we are thankful for their active participation in our meetings. Moreover, they recommended patients to participate in the gatherings.

During the year we saw an increase from 55 to 71 patients in the WhatsApp group. For patients without a smart phone we stay connected via telephone, email or at our monthly meetings.

Rotary Club of Raffles City, in partnership with FRCS, organised a charity film show on 24th November 2015 to raise funds for CCSS and another charity. The 500 strong audience was given brochures on CCSS and RCRC President Ms Sigrid Zialcita shared information on the work of CCSS with the audience.

As part of our plan to organise annual IBD public awareness seminars, we facilitated a gathering of various stakeholders for a half-day seminar on 14th May 2016 at York Hotel. District Governor Mr Michael Yee was the Guest-of-Honour. With prominent doctors from hospitals like TTSH, NUH, SGH, NUS and Mt Elizabeth Hospital, a total of 111 participants benefitted from the sharing of patient experiences as well as medical knowledge by Dr Lim Wee Chian, Prof Quak Seng Hock, Dr David Ong, Dr Ling Khoon Lin, Ms Cherry Li Xiao Ying and Mr Benjamin Png. Thanks to sponsorship of the seminar venue and lunch by AbbVie, participants had ample opportunity to meet other IBD patients, CCSS EXCO members as well as doctors.

CCSS signed an MOU with Quintiles where Ms Nidhi Swarup will be one of the key opinion leaders on the IBD Advisory Board which is normally made up of doctors.

DUKE-NUS has proposed to partner CCSS for a two-year research study entitled “Optimising Quality of Endoscopy in Inflammatory Bowel Disease.” CCSS intends to seek Rotary’s help to help raise the \$160,000 needed for the study. It would fund the training of Gastroenterologists, education of IBD patients and a research study on the impact of quality endoscopy for early diagnosis and reduction in risk of colorectal cancer.

Educational grants from pharmaceutical companies have helped many of our patients to better understand their conditions. We thank our corporate partners AbbVie and LF Asia for their generous support. Voluntary contribution by our speakers and subsidised rental of FRCS premises for patient support group meetings have helped to make things easier for CCSS.

Report by Ms Nidhi Swarup

13.4 Check-in for Charity

Check-in for Charity is an on-going project. A mobile app has been created (available on both iOS and Android) in September 2014. The app facilitates corporate donations to charities of their choice through "check-ins" by users. Corporations such as restaurants, retail outlets and malls would commit to donate a small amount to a charity for each "check-in" by a user through the app. In return, the corporation benefits by getting publicity for its donations since the "check-in" will appear on the users' Facebook page. The app is still at pilot stage and we are looking for corporations to participate.

Report by Mr Patrick Sim

13.5 Rotary Cotton On Youth Fund (RCOYF)

The trustees for RCOYF comprised 3 representatives from FRCS and 2 representatives from the Cotton On Foundation. RCOYF continues to support youth projects that create positive and measurable change in the lives of young men and women in Singapore or an ASEAN country. In 2015/16, three projects were approved and supported by RCOYF:

13.5.1 SG Creations “Memories and Dreams”

A project engaging 75 marginalised and at-risk youth, working together collectively to create an original theatre production, entitled “Memories and Dreams”. Approved funding was \$15,000.





13.5.2 Rotary Club of Singapore “Interact Leadership Training Camp”

This is a youth leadership training programme called Interact Leadership Training Camp for new leaders of Interact Clubs under the mentorship and sponsorship of Rotary Clubs. Collaborating also with the National Youth Council, the annual 3-day/2-night residential programme at the National Community Leadership Institute continues to support 100 new youth leaders where they lead their own club members to carry out effective and meaningful community service projects that benefit thousands of beneficiaries. Approved funding was \$10,000.



13.5.3 Stop Hunger Now

A national youth committee of Interact Clubs which gathers all the 28 Interact Clubs in Singapore for a food packaging project called Stop Hunger Now gathered in April 2016, packing 70,000 meal packs to feed over 400,000 needy people. Collaborating with NGO Stop Hunger Now and Singapore Food Bank, the meal packs, by more than over 500 youth volunteers working in shifts, were distributed locally and overseas. Approved funding was \$10,000.



Mr Philip Chong, Mr Chew Ghim Bok together with South West CDC Mayor
Ms. Low Yen Ling, youth volunteers and Rotarians

I wish to thank trustees Mr Rodger Kimpton and Dr Mark Hon representing FRCS and Mr Tim Diamond, Chairman of Cotton On Foundation for their continual participation in administrating the Rotary Cotton On Youth Fund.

Report by Mr Jimmy Ooi, Chairman

13.6 Bishan Home Project

Bishan Home for the Intellectually Disabled operates at almost full capacity with 128 residents. It also has a Day Activity Centre with 25 clients. Many of the residents have been with the home since it started in 1998. Over the years these residents have grown older and as more and more become reliant on wheelchairs, there was a need to upgrade their existing ambulance with a wheelchair lift.

Five Rotary clubs came together to raise a total of S\$79,500 for this community service project. Lead club, Rotary Club of Garden City, would like to thank all participating clubs for their generous contributions and efforts. Together we have made a difference in the lives of the Bishan Home residents and created an impact on the services rendered at the Day Activity Centre.



Bishan Home Residents' Performance



Distribute Christmas Gifts



Van Handover Ceremony



Token of Appreciation

Report by Ms Florence Lim, Community Service Chair, Rotary Club Garden City

13.7 Milk & Diaper Project

This is Rotary Club of Garden City's signature community service. On 12th February 2016 RCGC presented \$16,500, including a FRCS grant of \$4,000, for 4 months supply of milk and diapers to the Metta Home for the Disabled. Club members and guests who came to support the event were entertained to performances by the residents. It was clear that the residents had put in much effort in preparing the performances. As it was still the Lunar New Year season, RCGS members presented goodie bags to the residents. To round off the event, all the residents of the home, RCGC members and guests enjoyed a buffet dinner together.



Entertainment by Residents



I want to be your friend



Joyful and cheerful



Cheque Presentation

Report by Ms Florence Lim, Community Service Chair, Rotary Club Garden City

13.8 Home Makeover Project

On 22nd May 2016, almost 100 volunteers comprising Kaki Bukit grassroots leaders, Rotarians, Rotaractors, spouses and friends spent a meaningful day cleaning, washing and painting the homes of 6 needy families.

The Kaki Bukit Befriender Team, together with Rotary Club of Bugis Junction had selected these 6 houses from a long list of 20 for spring-cleaning, repainting and minor repairs. These 6 houses were occupied by elderly individuals and under-privileged families.




Kaki Bukit Befriender Team Presents:

Home Makeover Project for the Residents



We hope to receive your volunteering hands, join us for this project!

Date: Sunday, 22 May 2016 | Time: 8:00am – 3:00pm | Registration: Kaki Bukit CC



In partnership with :




A few potential Rotary members participated in this project. These potentials showed interest in Rotary and 1 was inducted into RCBJ in July 2016. Every volunteer enjoyed the project. It was touching to see the owners' appreciative and thankful expressions. RCBJ once again made a difference and touched lives.

RCBJ raised \$18,000, inclusive of a FRCS grant of \$6,000 for this project. RCBJ also fielded a total of 41 volunteers for this project.



Preparation work; sorting tool



Publicity truck



One of six teams, ready to go



SIT Rotaractors painting



Patching door



Adviser of KB GROs, Dr Kee Wei Heong, JP, paying a visit to one of the houses



New refrigerator



1,000 likes before and after

Report by Mr Ralph Ang

13.9 Rotary Happiness Fund

Although the application numbers were down this year, the Rotary Happiness Fund supported several high quality inter-generational projects. One was initiated by the Interact Club of Tampines Junior College in conjunction with Rotary Club of Raffles City. Beneficiaries included residents of Blue Cross, Thong Keng Home, Moral Home for the Aged Sick, Underprivileged Elderly, St. Luke Eldercare and Evergreen Circle. The activities included bowling, arts and craft, games, sing-along, social networking courses, CNY oranges, health discussion, afternoon tea, concerts, food distribution, a visit to the Natural History Museum, clean up of elderly homes. In all, 7 inter-generational projects were funded and 331 youth volunteers and 685 elderly benefited from the RHF. The joint venture between SW CDC and RHF supported inter-generational projects by the Interact Club of Jurong Junior College, Anglo Junior College and other community groups. These projects ran several excellent youth and elderly bonding programmes in South West region of Singapore.

Report by Mr Rodger Kimpton

13.10 Rotary My Wish Fund

The Rotary My Wish Project was initiated in 2008 to grant meaningful wishes to terminally-ill adult patients from low-income households. The beneficiaries are referred to the Rotary My Wish Project by their medical social workers and healthcare providers. Many of the beneficiaries were sole breadwinners and their passing often created desperate situations for their families. The Rotary My Wish Project aims to fulfill the dying wishes of the beneficiaries with the hope of bringing joy and creating lasting memories for them and their families, even if only for a day. To-date more than 115 persons have benefited from this programme. The Charity Art Jam held on 26th July 2014 at the University of Chicago campus raised \$40,000 for the Rotary My Wish Programme. About 10 volunteers remain actively involved in the programme today.



Mr Yong Choon Wee with his children Anders and Angel on an outing at Pandan Reservoir (published in The Straits Times 8th December 2015). Mr Yong was diagnosed with pulmonary arterial hypertension seven years ago and given 10 years to live. He went on a fishing trip to the Southern Islands with Angel and some friends in June after his wish was granted by the Rotary My Wish project. ST PHOTO: ALICIA CHAN

Here are a couple of thank you letters from the beneficiary's children:

UNIVERSALSTUDIOS / RIVERSAFARI / SEA AQUARIUM

The outing to the 3 places was a joyful and heartwarming experience. Being given such an opportunity, gave me the chance to ~~both~~ develop the family bond ~~and~~ due to my mum's condition, ~~I was at~~ there isn't much opportunities to go out as a family. The outing also gave us the chance to release stress as we are usually occupied with work and studies. Such experiences gave me the chance to have more interaction with my family. It also made me realise that despite my mum's condition, such outings can take place. Thus, I am grateful to be given the opportunity and thankful for everything that happened. ~~It was a~~

Universal Studios Singapore;
River Safari;
Sea Aquarium.

The experience was rather joyful & exciting. Thrilling rollercoasters, cute pandas and cool fishes. These attractions were not the ones that made me only happy, but the fact that my whole family was with me. My mum's condition was not only saddening but did not allow us to have such trips. In addition, I got to ride on rides that I have always wished too. I wish that I could have more trips like this in future.

Special thanks to:

Everybody who made this whole thing come true.

Report by Dr Mark Hon, Chairman

13.11 Hand Pedaling Fund Raising Event

In conjunction with SG50, Dr William Tan and Mr. Paul Heng organised a 50-hour hand pedaling fundraising event at the Temasek Junior College from 28th to 30th August 2015. A sum of S\$60,000 was raised. This was distributed to three charities, including RCBJ's "Children in Need" project.



Report by Mr Paul Heng

13.12 SG50 Jubilee Family Health and Wellness

This project was mooted by our 2 Advisers, Mr John Tan and Ms Teo Lin Lee, to create awareness of Prevention of Blindness in Young Babies and Family Bonding.

In line with our Rotary Motto "Service Above Self" and Rotary's areas of focus on maternal and child health and prevention of blindness, we wanted to promote the involvement of all family members, in particular fathers, in sharing the responsibility and duties of raising a child.

The project focuses on health and wellness for mothers and babies. There were panels of doctors And paediatricians, assessing all babies between 9 and 15 months old on their health, vision and general outlook, i.e., cheerfulness, responsiveness, etc..





Organised by the Rotary Club of Tanjong Pagar and Beauty Mums & Babies and supported by Stemcord, JCI, Crocodile Foundation, BabyU, Friso, AIA, Spring Maternity, Queenstown CC WEC, Ang Mo Kio CC WEC, Woodland Galaxy CC WEC, Sengkang CC WEC and Gek Poh Ville CC WEC, the highlights of the programme were:

Educational talks and workshops conducted during the many events, with emphasis on pregnancy, baby eye, mouth and skin care and early detection of various health issues. Dental care for infants was a well-attended talk.

Health checks and talks for the Mums & Babies by paediatric and O&G doctors from Singapore Medical Group. Interesting segment included yoga for pregnant women.

Baby's responsiveness, cheerfulness and cute attire are a few criteria for selecting the SG50 Jubilee Baby. "Beautiful Mum" looks for the most radiant mother-to-be.

The SG50 Family Health and Wellness Final Award Competition was successfully completed on 13th December 2015 at MDIS, Stirling Campus. 47 babies and 5 beautiful mums selected during the preliminary rounds, made it to the final. More than 20 men participated in the Superdad challenge.

The SG50 Jubilee Family Health and Wellness was a great success as it brought 5 CC WECs with its members together over 3 months in organising the preliminary rounds and all Rotarians in organising the final. During the final round, Dr Amy Khor, Senior Minister of State and Member of Parliament, was the Guest-of-Honour.

Report by Ms Gena Lim, Director, Beauty. Mums & Babies

13.13 SG50 Hong Bao Giveaway 23rd January 2016



Rotary SG50 Flashcards were produced to celebrate SG50 and to create greater awareness of community service of Rotary in Singapore.

Each card states the focus of Rotary:

- Promoting Peace
- Fighting Disease
- Providing Clean Water
- Saving Mothers & Children
- Supporting Education
- Creating Communities for Citizens

Other highlights on the card are Rotary Ideals and projects:

- End Polio
- Humanitarian Service
- Service Above Self
- Join Leaders
- Exchange Ideas
- Take Action

In January 2016 FRCS presented 1,000 SG50 Care Cards to some needy people. Held at the Pod, 16th floor of the National Library Building, the presentation was attended by Ms. Denise Phua, Mayor of Central Singapore CDC, as the Guest-of-Honour. One thousand SG50 Rotary Care Cards, with stored value of S\$20 each, were presented to the Central Singapore CDC for their needy constituents. Together with card, FRCS contributed S\$30,000 as Hong Bao to Central Singapore CDC for their needy residents.

Witnessed by Ms Denise Phua and FRCS Chairman Dr Wu Dar Ching, 10 community groups also received the SG50 Rotary Care Cards at the same event. The community groups were:

1. Clients of Rotary Family Service Centre at Clementi
2. Loving Heart Multi-Service Centre
3. Club Heal Singapore
4. Espesyal Pinoy
5. Kaki Bukit Befrienders Team
6. Daughters of Tomorrow
7. Club Rainbow
8. Food From The Hearst
9. Queenstown Multi-Service Centre
10. U3A Singapore

As part of PR exercise to promote the activities of Rotary in Singapore, FRCS Care Card, without stored value, were given to all 800 Rotarians in Singapore at the end of 2015. Similarly, all Interactors and Rotaractors in Singapore received the SG50 Care Cards during Chinese New Year as a gift from FRCS.

Report by Programmes & Projects Committee

13.14 Chinese New Year with Aged Poor and Needy in Redhill

The Rotary Club of Pandan Valley has ran this signature project since 1992/93. Each year, just before Chinese New Year, RCPV distribute food and red packets to the needy residents in Redhill. This year, as a joint project with FRCS, the club expanded the project to provide household appliances such as fridges, rice cookers and electric fans. The budget amounted to \$10,500 and the funds were contributed by members of the club with a grant from FRCS. On 23rd January, family members, friends and Interactors from SJII came together to assemble the fans, distribute food, household appliances and Ang Pows to needy residents.



Report by Ms Elsie Chua, Rotary Club of Pandan Valley

14. Rotary Family Service Centre (RFSC)

The RFSC, established in 1997, located at Blk 346 Clementi Avenue 5 #01-10, Singapore 120346, is a division of FRCS.

In the financial year ending 30 June 2016 (FY2015/16), RFSC managed 583 cases and attended to 571 referrals. These figures represented a decrease of 8% and 10% compared to the previous FY. This was because cases that required only financial assistance were referred to the Social Service Offices.

RFSC piloted a couple of new programmes in FY2015/16 to better cater to its beneficiaries' needs. 2 of such pilots were the support group programmes such as SuperKIDS! for children aged 7 to 12 years old from single parent families and SuperME! for individuals to discover more about themselves and understanding their emotions.

RFSC also embarked on SuperFESTIVE! project – a series of activities to assist and support children from low-income families by providing new clothes on festive occasions. The first SuperFESTIVE! activity kicked off with the Hari Raya edition that benefited 39 children. The activity was partly sponsored by Rotary Club of Bukit Timah.

RFSC held its inaugural family bonding day event which saw more than 120 beneficiaries coming together. Dr Tan Wu Meng, Adviser to the Jurong Grassroots Organizations was invited as the Guest-of-Honour. The event also received sponsorship from Rotary Club of Singapore West.



RFSC inaugural family day event

RFSC held its first Stakeholders Appreciation Night to celebrate the collaborative efforts fostered with community partners. The stakeholders were presented with tokens of appreciation made by participants of the RFSC's support group programmes.



Stakeholders Appreciation Night

Full details on the RFSC's case statistics, programmes and other highlights and achievements for the year can be found in its Annual Report FY2015/16. The online version can also be viewed on the RFSC's website at www.rotaryfsc.org.

Report by Mr Amran Jamil, Executive Director

15. Rotary Run and Community Carnival 2015

The Rotary Run 2015 was mooted in May 2014. The purpose was to promote Rotary in Singapore through the community service activities of the Rotary clubs in Singapore. This would be through an organised run with carnival booths at the end point.

The Run would promote active lifestyle to the general public. By showcasing community service projects through game booths in the Carnival, we wished to bring about greater public awareness on what Rotary does for our community.

Key Events

May 2015	- Conceptualisation of Rotary Run & Community Carnival. Feasibility studies and preparation
Nov 2015	- Gained support from Mr Chew Ghim Bok and Rotaract Clubs from Singapore
Jan 2015	- Involvement of Rotaractors and Rotarians in Organizing Committee. Target date for 17 th May 2015. Appointed Race Organizer to organise the technical side of the Run
Mar 2015	- Launched website to promote the event
Apr 2015	- Postponed Run to 22 nd November 15
Jun 2015	- Steering Committee with key members of FRCS involved
Jul 2015	- Conducted Running Injuries Prevention Workshop as part of promotion of the Run
Jul 2015	- Approached prospective partners Organization of Senior Volunteers (RSVP), NTUC Youth, MCYS for support
Aug 2015	- Appointed PR agency
Sep 2015	- Approval from MCYS funding via SG50
Sep 2015	- Interactors from ITE College East mustered to support the Community Carnival
Oct 2015	- Steering committee reviewed the possibility of cancellation due to low sign up
Nov 2015	- Cancelled Run due to low sign up

Planning and Preparation

What we had in mind was not another run, but a run that featured community service.

A comprehensive structure was set up ranging from marketing to risk management. However, the appointments could not be effectively filled. The technical aspects of the run to a competent professional. The marketing aspects were kept by the committee as we believed we could use our network and the social media to market the event. Prospective partner RSVP was invited to add silver and pioneer generation elements to the Community Carnival. MCYS endorsement as a fringe event for SG 50 Celebration was sought. Approval granted.

Challenges

The concept was too broad, a run that drew participants to a SG50 Community Carnival with Pioneer Generation, youth and community service features. The range of expertise needed was too diverse. The fall back plan was to scale it down or even dropped. The marketing reach was not effective. Popular running groups such as Just Run Lah were contacted and publicity through

their webpages made but response was low. The haze that happened in August 2015 did not help. Running events had low turnout, some were even cancelled.

Costs

The aborted run was very costly. Sunk costs were almost \$110,000. Had the run gone ahead the total cost would have been \$230,000. The sunk costs were covered by Mr Chew Ghim Bok and Mr Ong Chee Wee.

Lessons Learnt

FRCS must be shielded from financial exposure to high cost events. Similarly, Rotary must be protected from reputational risks. Oversight of the organizing committee and financial controls were critical.

Next Step

There are 5000 running tee-shirts and finisher medals to be disposed of. We propose to :

- Give to clubs
- Organise a walk towards year end and give away the tees and medals
- Balance of tees to donate to Humanitarian Relief

Conclusion

We thank FRCS for its support of this event. The failure is regretted. The lessons learnt will pave the way for better future events.

Report by Mr Ong Chee Wee, Organising Chair, Rotary Run and Community Carnival 2015.

16. Future Plans

In the next 12 months, FRCS will continue with its plans on the following:

- Rotary Hub
- Rotary Nursing Home Project
- Fundraising Projects
- Public Relations
- Meaningful and significant community service projects by members

17. Acknowledgement

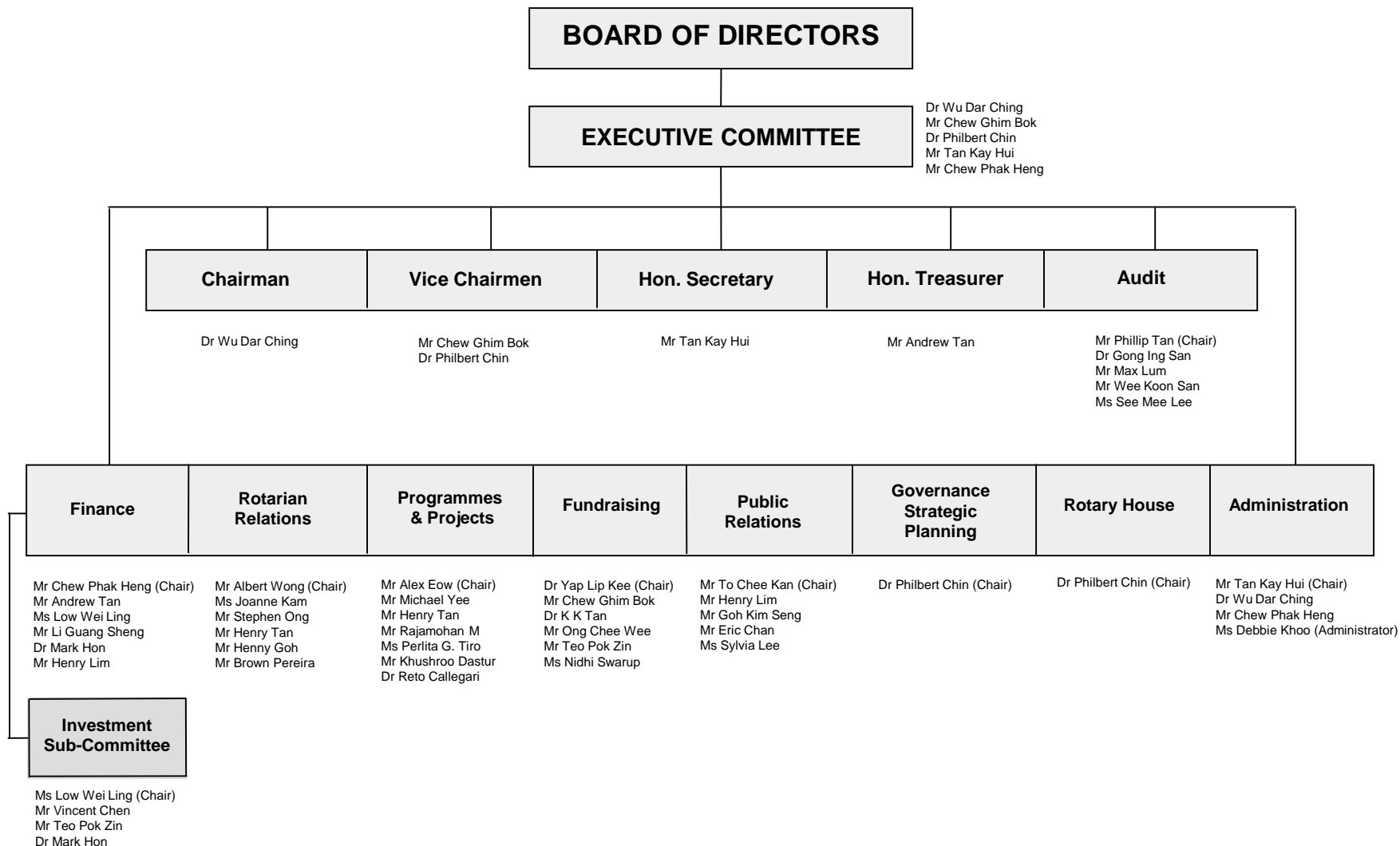
The Foundation is most appreciative of the contributions and assistance of the following:

- Its Members, the Rotary Clubs in Singapore
- The Board of Directors
- All Advisors
- All Volunteers
- All Donors
- All Well-wishers
- NCSS SG50 Care & Share Movement

18. Appendices

- Appendix I: Organisation Chart
- Appendix II: Audited Financial Statement

FRCS Organisation Chart as at 30th June 2016



Appendix II

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

(Registration Number 199300813R)

(Incorporated in Singapore)

FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD
(Registration Number 199300813R)
(Incorporated in Singapore)

FINANCIAL STATEMENTS
For the financial year ended 30 June 2016

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FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

STATEMENT BY THE DIRECTORS

For the financial year ended 30 June 2016

In our opinion,

- (i) the financial statements are drawn up so as to give a true and fair view of the state of affairs of the Foundation as at 30 June 2016 and of the results of the financial activities, changes in funds and statement of cash flows of the Foundation for the year then ended; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.

The Directors of the Foundation in office at the date of this report are:

Chairman	Dr. Wu Dar Ching
First Vice-Chairman	Chew Ghim Bok
Second Vice-Chairman	Dr. Philbert Chin Soon Siang
Honorary Secretary	Tan Kay Hui
Honorary Treasurer	Andrew Tan Beng Hwee
Finance Director	Chew Phak Heng
Audit Director	Phillip Tan Eng Seong
Rotarian Relations Director	Albert Wong Fook Soon
Programmes and Projects Director	Alex Eow Yoke Kee
Fundraising Director	Dr. Yap Lip Kee
Public Relations Director	To Chee Kan
Chairman, Rotary Family Service Centre	Yeo Chuen Eng

(co-opted on 1st August 2016)

Henry Tan Kok Hiang, who served during the financial year, stepped down following the conclusion of his term as Chairman of Rotary Family Service Centre on 31st July 2016.

On behalf of the Board of Directors,



Dr. Wu Dar Ching
Chairman

30 SEP 2016



Andrew Tan Beng Hwee
Honorary Treasurer

23 New Industrial Road, #07-04, Solstice Business Center, Singapore 536209
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

Report on the Financial Statements

We have audited the accompanying financial statements of Foundation of Rotary Clubs (Singapore) Ltd (the "Foundation"), set out on pages 4 to 30, which comprise the statement of financial position as at 30 June 2016, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Charities Act, Chapter 37, Singapore Companies Act, Chapter 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 statement of comprehensive income and statement of financial position 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Continued.....

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Tel: +65 6299 4730
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD**
(continued)

Opinion

In our opinion, the financial statements of the Foundation 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 assets used in, and liabilities arising out of, the Foundation's operations as at 30 June 2016 and the results, changes in the Funds and cash flows from such operations 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 the Act and the regulations enacted under the Charities Act, Chapter 37 to be kept by the Foundation have been properly kept in accordance with those regulations.
- (b) the fund raising events held during the financial year ended 30 June 2016 have been carried out in accordance with the requirements of the Charities (Institution of a Public Character) Regulations and proper accounts and other records have been kept of the fund-raising event.

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

- (i) the use of the donation monies was not in accordance with the objectives of the Foundation as required under Regulation 16 of the Charities (Institution of a Public Character) Regulations; and
- (ii) the Foundation has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

BESTAR ASSURANCE PAC

Bestar Assurance PAC
Public Accountants and
Chartered Accountants
Singapore

30 SEP 2016

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD**STATEMENT OF FINANCIAL POSITION***As at 30 June 2016*

	Note	<u>2016</u> S\$	<u>2015</u> S\$
Assets			
Non-current assets			
Property, plant and equipment, net	4	<u>4,644,800</u>	<u>115,472</u>
Total non-current assets		<u>4,644,800</u>	<u>115,472</u>
Current assets			
Inventories	5	4,494	250
Trade and other receivables	6	675,163	197,058
Cash and cash equivalents	7	<u>3,728,334</u>	<u>3,636,372</u>
Total current assets		<u>4,407,991</u>	<u>3,833,680</u>
Total assets		<u>9,052,791</u>	<u>3,949,152</u>
Accumulated funds			
Unrestricted fund			
Foundation of Rotary Clubs fund	8(a)	<u>661,861</u>	<u>999,321</u>
Total unrestricted fund		<u>661,861</u>	<u>999,321</u>
Restricted funds			
Rotary House Project fund	8(b)	4,551,268	431,277
Rotary Family Service Centre fund	8(c)	1,942,345	1,724,826
Project / Programme funds	9	<u>660,553</u>	<u>706,064</u>
Total restricted funds		<u>7,154,166</u>	<u>2,862,167</u>
Total accumulated funds		<u>7,816,027</u>	<u>3,861,488</u>
Liabilities			
Current liabilities			
Other payables	10	236,764	87,664
Borrowings	11	<u>1,000,000</u>	<u>-</u>
Total current liabilities		<u>1,236,764</u>	<u>87,664</u>
Total liabilities		<u>1,236,764</u>	<u>87,664</u>
Total accumulated funds and liabilities		<u>9,052,791</u>	<u>3,949,152</u>

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD**STATEMENT OF COMPREHENSIVE INCOME***For the financial year ended 30 June 2016*

	Note	<u>2016</u> S\$	<u>2015</u> S\$
Income			
Grants	12	2,001,148	1,662,720
Donations	13	29,907	109,190
Income from activities	14	39,473	75,070
Other income	15	158,012	63,479
Total income		<u>2,228,540</u>	<u>1,910,459</u>
Expenditure			
Depreciation charges	4	67,727	37,862
Finance costs		975	651
Governance costs	16	29,677	24,703
Staff costs	17	1,823,181	1,227,083
Other operating expenses	18	426,921	146,876
Total expenditure		<u>2,348,481</u>	<u>1,437,175</u>
(Deficit) / Surplus before income tax		(119,941)	473,284
Income tax expense	19	-	-
(Deficit) / Surplus representing total comprehensive (loss) / income for the year		<u>(119,941)</u>	<u>473,284</u>

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

STATEMENT OF CHANGES IN FUNDS

For the financial year ended 30 June 2016

	Unrestricted fund	Restricted funds			Total Accumulated funds
		Rotary House project (FRCS) S\$	Rotary Family Service Centre (RFSC) S\$	Programme / project reserves (FRCS & RFSC) S\$	S\$
Balance at 1 July 2014		431,277	1,324,780	489,058	3,171,198
Surplus for the year		-	379,713	-	473,284
Transfer to restricted fund		-	20,333	-	-
Funds received for Rotary House project		-	-	-	-
Programme/project reserves' net surplus for the year		-	-	217,006	217,006
Balance at 30 June 2015		431,277	1,724,826	706,064	3,861,488
(Deficit) / surplus for the year		-	197,743	-	(119,941)
Transfer to restricted fund		-	19,776	-	-
Funds received for Rotary House project	8(b)	4,119,991	-	-	4,119,991
Programme / project reserves' net expenditure for the year		-	-	(45,511)	(45,511)
Balance at 30 June 2016		4,551,268	1,942,345	660,553	7,816,027

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2016

	Note	2016 S\$	2015 S\$
Cash flows from operating activities			
(Deficit) / surplus before income tax		(119,941)	473,284
Adjustments for:			
Depreciation charges	4	67,727	37,862
Interest income	15	(10,346)	(2,306)
Operating (deficit) / surplus before working capital changes		(62,560)	508,840
Movements in working capital:			
Inventories	5	(4,244)	(250)
Trade and other receivables		(478,105)	186,815
Other payables		149,100	(1,637)
Cash flows (used in) / generated from operations		(395,809)	693,78
Interest received		10,346	2,306
Net cash (used in) / generated from operating activities		(385,463)	696,074
 Cash flows from investing activities			
Acquisition of property, plant and equipment		(4,597,055)	(15,044)
Net cash used in investing activities		(4,597,055)	(15,044)
 Cash flows from financing activities			
Funds received from programme/project funds and others		4,380,063	42,920
Disbursements used in programme/project funds and others		(305,583)	(325,914)
Borrowings		1,000,000	-
Net cash generated from financing activities		5,074,480	217,006
 Net increase in cash and cash equivalents		91,962	88,036
Cash and cash equivalents at the beginning of the year		3,636,372	2,738,336
Cash and cash equivalents at the end of the year	7	3,728,334	3,636,372

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

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

1. General

Foundation of Rotary Clubs (Singapore) Ltd (the "Foundation") is a company limited by guarantee incorporated in the Republic of Singapore. The Foundation is also a registered charity under the Charities Act, Chapter 37 (UEN: 199300813R). The Foundation has its registered office at 346 Clementi Ave 5 #01-10 Singapore 120346.

The principal place of business is located at 133 New Bridge Road #04-03, Chinatown Point Singapore 059413.

The principal activities of the Foundation are that of a voluntary welfare organisation. The principal activities are carried out by the following entities:

- (a) Foundation of Rotary Clubs (Singapore) Ltd (FRCS)
Provides services that alleviates poverty and suffering, promotes physical and mental well-being and which create environments for personal and societal improvement.
- (b) Rotary Family Service Centre (RFSC)
Provides family oriented programmes which are responsive to the changing needs of the community.

The accounts of Rotary Family Service Centre (RFSC) have been incorporated with the accounts of the Foundation.

There have been no significant changes to the Foundation's activities during the financial year.

The financial statements of the Foundation for the financial year ended 30 June 2016 were authorised for issue in accordance with a resolution of the Board of Directors as stated in the Statement by the Directors.

2. Significant accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

The financial statements of the Foundation are presented in Singapore Dollars, which is the Foundation's functional currency and are prepared in accordance with the historical cost convention except for the accounting policies as stated below.

The accounting policies have been consistently applied by the Foundation and are consistent with those used in the previous financial year.

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

2. Significant accounting policies (continued)

(a) Basis of preparation (continued)

During the financial year, the Foundation has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRS") that are relevant to its operations and effective for the current financial period. The adoption of these new / revised FRSs and INT FRSs does not result in changes to the Foundation's accounting policies and has no material effect on the amounts reported for the current period or prior periods except as disclosed in these financial statements.

The Foundation has not applied the new FRSs that have been issued but are not yet effective. The Foundation is in the process of making an assessment of what the impact of these new FRSs where relevant is expected to be in the period of initial application.

(b) Property, plant and equipment

(a) Measurement

(i) *Property, plant and equipment*

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (refer to Note 2(p)).

(ii) *Component of costs*

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Cost may also include transfers from equity of any gains / losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

(b) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	<u>Useful lives</u>
Computers	3 years
Furniture and fittings & Office equipment	5 years
Renovations	10 years
Leasehold Property	50 years

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognized is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Foundation and the cost can be reliably measured. Other subsequent expenditure is recognized as an expense during the financial year in which it is incurred.

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

2. Significant accounting policies (*continued*)

(b) Property, plant and equipment (*continued*)

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the income statement. Any amount in revaluation reserve relating to that asset is transferred to unrestricted fund.

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date.

(c) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first in first out method and includes costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

When necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

(d) Financial assets

(i) *Classification*

The Foundation classifies its financial assets as 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 measured at amortised cost using the effective interest method less impairment losses. Interest is recognised by applying the effective interest rate method, except for short-term balances when the recognition of interest would be immaterial. They are included in current assets, except those maturing later than 12 months after the end of financial year which are classified as non-current assets. Loans and receivables are classified within "trade and other receivables" and "cash and cash equivalents" on the statement of financial position.

(ii) *Recognition and derecognition*

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

Initial measurement

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

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

2. Significant accounting policies (continued)

(d) Financial assets (continued)

(ii) *Recognition and derecognition (continued)*

Subsequent measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Foundation has transferred substantially all risks and rewards of ownership.

On derecognition of a financial asset, the difference between the carrying amount and the consideration received is recognised in the statement of comprehensive income.

(iii) *Impairment of financial assets*

The Foundation assesses at the end of reporting date whether there is objective evidence that a financial asset is impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables

The carrying amount of trade and other receivables is reduced through the use of an allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the trade and other receivables become uncollectible, it is written off against the allowance account. Subsequent recoveries of the amounts previously written off are recognised in the statement of comprehensive income.

The allowance for doubtful debt account is reduced through the statement of comprehensive income in a subsequent period when the amount of doubtful debt decreases and the related decrease can be objectively measured. The carrying amount of trade and other receivables 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.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and banks and deposits with financial institutions which are subject to an insignificant risk of changes in value.

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

2. Significant accounting policies (*continued*)

(f) Financial liabilities

Financial liabilities consist of financial liabilities measured at amortised cost which are presented as “other payables” on the statement of financial position.

Other payables

Other payables are initially recognized at fair value, and are subsequently carried at amortised cost using the effective interest method, except for short-term balances when the recognition of interest would be immaterial.

Other financial liabilities

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through amortisation process.

De-recognition of financial liabilities

The Foundation derecognizes financial liabilities when, and only when, the Foundation’s obligations are discharged, cancelled or they expire.

On derecognition, the difference between the carrying amount and the sum of consideration settled is recognized in the statement of comprehensive income.

(g) Leases

Operating leases

Lease where lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases.

Rental payable and receivables under operating leases are charged to income statement on a straight-line basis over the term of the relevant lease.

The aggregate benefit of incentives provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.

(h) Provisions

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

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

2. Significant accounting policies (*continued*)

(i) Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to the statement of financial position over the period of the borrowings using the effective interest method.

Borrowings which are due to be settled within twelve months after the statement of financial position date are included in current borrowings in the statement of financial position even though the original term was for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the balance sheet date and before the financial statements are authorized for issue. Other borrowings due to be settled more than twelve months at the statement of financial position date are included in non-current borrowings in the statement of financial position.

(j) Borrowing costs

Borrowing costs are recognised at cost in the period in which they are incurred.

(k) Employee benefits

Defined contribution plan

Contributions to defined contribution plan are recorded as they fall due. Contributions made to government managed retirement benefit plan such as the Central Provident Fund, which specifies the employer's obligations, are dealt with as defined contribution retirement benefit plans.

(l) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Foundation and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable, excluding discounts, rebates and sales taxes or duty. The Foundation assesses its revenue arrangements to determine if it is acting as principal or agent. The Foundation has concluded that it is acting as a principal in all of its revenue arrangements.

The following specific recognition criteria must also be met before revenue is recognised:

Rendering of services

Revenue from service rendered is recognised when services are performed.

Interest income

Interest income is recognized on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

2. Significant accounting policies (*continued*)

(m) Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Foundation will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants such as job credit scheme and SME cash grant are recognised as other operating income upon receipt.

(n) Deferred income tax

Deferred taxation is determined on the basis of tax effect accounting using the liability method, on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled based on tax rates enacted or substantially enacted at the statement of financial position date.

At each statement of financial position date, the Foundation re-assesses unrecognised deferred tax assets and the carrying amount of deferred tax assets. The Foundation recognises a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. The Foundation conversely reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax asset to be utilised.

Deferred tax assets are recognised for all deductible temporary differences and carry-forward of unabsorbed capital allowances and unutilised tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carry-forward of unused tax losses can be utilised.

(o) Income tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

(p) Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised as an expense in the income statement to the extent that they exceed any revaluation surplus already recognised in respect of those assets. The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction.

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

2. Significant accounting policies (continued)

(p) Impairment of non-financial assets (continued)

Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit.

Reversal of an impairment loss recognised in prior years is recorded when there is an indication that the impairment loss recognised for an asset no longer exists or has decreased. The reversal is recognised as income immediately to the extent that a revaluation deficit or impairment loss was recognised as expense previously. The excess is treated as a revaluation surplus if a fair value model is used in respect of that asset.

(q) Related party

A related party is a person or entity that is related to the reporting entity:

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
 - (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:
 - (i) The entity and the reporting entity 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 of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (vi) The entity is 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).
- (c) Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:
 - (i) that person's children and spouse or domestic partner;
 - (ii) children of that person's spouse or domestic partner; and
 - (iii) dependants of that person or that person's spouse or domestic partner.

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

2. Significant accounting policies (*continued*)

(r) Offsetting of financial instruments

Financial assets and liabilities are offsetted and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(s) Fair values of financial assets and liabilities

Fair value is defined as the amount at which the financial instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models as appropriate. The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:-

Cash and cash equivalents and other current financial assets – The carrying amounts of cash and cash equivalents and other current financial assets approximate their fair values due to the relatively short-term maturity of these financial instruments.

Other current financial liabilities – The carrying amounts approximate fair value because of the short period to maturity of these financial instruments.

3. Critical accounting judgement and key sources of estimation uncertainty

In the application of the Foundation's accounting policies, which are described in Note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going 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.

(i) **Critical judgements in applying the Foundation's accounting policies**

The management is of the opinion that the key judgement which has the most significant effect on the amounts recognized in the financial statements is discussed below:

Determination of functional currency

The Foundation measures foreign currency transactions in the functional currency of the Foundation. In determining the functional currency of the Foundation, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currency of the Foundation is determined based on management's assessment of the economic environment in which the Foundation operates its process of determining sales prices.

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

3. Critical accounting judgement and key sources of estimation uncertainty (*continued*)

(i) Critical judgements in applying the Foundation's accounting policies (*continued*)

Impairment of financial assets

The Foundation follows the guidance of FRS 39 Financial Instruments: *Recognition and Measurement* on determining when an investment or financial asset is other than temporarily impaired. This determination requires significant judgement. The Foundation evaluates, among other factors, the duration and extent to which the fair value of an investment and financial asset is less than its cost; and the financial health of and near-term business outlook for the investment of financial asset, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

(ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each financial period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Depreciation on property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The directors estimate the useful lives of these property, plant and equipment to be within 1 to 50 years. The carrying amount of the Foundation's property, plant and equipment are set out in *Note 4*. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

Provisions and contingent liabilities

Estimates of the Foundation's obligations arising from contracts exist as at end of the reporting period may be affected by future events, which cannot be predicted with any certainty. The assumptions and estimates are made based on the directors' knowledge and experience and may vary from actual experience so that the actual liability may vary considerably from the best estimates.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

4. Property plant and equipment

	Renovation S\$	Furniture & Fittings	Office Equipment S\$	Computers S\$	Property S\$	Total S\$
Cost						
1 July 2014	341,566	120,811	68,874	80,273	-	611,524
Additions	-	6,351	1,819	6,874	-	15,044
30 June 2015	341,566	127,162	70,693	87,147	-	626,568
Additions	-	4,180	13,733	-	4,579,142	4,597,055
30 June 2016	341,566	131,342	84,426	87,147	4,579,142	5,223,623
Accumulated depreciation						
1 July 2014	336,163	53,865	18,298	64,908	-	473,234
Depreciation charges	605	13,001	12,658	11,598	-	37,862
30 June 2015	336,768	66,866	30,956	76,506	-	511,096
Depreciation charges	604	14,583	15,572	6,440	30,528	67,727
30 June 2016	337,372	81,449	46,528	82,946	30,528	578,823
Carrying amount						
30 June 2016	4,194	49,893	37,898	4,201	4,548,614	4,644,800
30 June 2015	4,798	60,296	39,737	10,641	-	115,472

The leasehold property refers to the property at Peninsula Plaza, 111 North Bridge Road, Singapore 179098 with unit number from #06-26 to #06-35 having an area totalling to 276 sq. m. with a lease duration of 999 years. The property was acquired on 16th March 2016. The commencement of lease on leasehold property is from 29 October 1829. As at the end of the financial year, the leasehold property has a remaining lease term of 812 years.

The leasehold property was acquired with the intention of using it to house conference rooms, training rooms, counselling/mentoring rooms, library/archive and a multi-purpose hall for seminars, lectures, workshops and meetings and be a "Home" for the Rotaract movement to grow in service as well as a general secretariat to service the needs of the Foundation and the Rotary Clubs in general in its social and humanitarian causes.

The aforesaid property with unit numbers #06-26/27/34/35 are currently under lease which the Foundation has taken over from the previous property owner. The lease is expiring on 13th December 2017. Lease commitment on the lease receivable is disclosed in Note 22.

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

5. Inventories

	<u>2016</u> S\$	<u>2015</u> S\$
Finished goods	<u>4,494</u>	<u>250</u>

6. Trade and other receivables

	<u>2016</u> S\$	<u>2015</u> S\$
Trade receivables		
- Non-related party	4,217	240
Other receivables		
- SG50 Care and Share Matching	225,000	-
- GST receivable	315,664	-
- Grant receivables	95,395	130,235
- Other receivables	-	23,924
- Deposits	9,119	9,469
- Prepayments	25,768	33,190
	<u>675,163</u>	<u>197,058</u>

7. Cash and cash equivalents

	<u>2016</u> S\$	<u>2015</u> S\$
Cash in hand	2,066	2,209
Cash at banks	1,700,117	1,449,668
Fixed deposits	<u>2,026,151</u>	<u>2,184,495</u>
	<u>3,728,334</u>	<u>3,363,372</u>

The fixed deposits have a maturity period of between 1 to 9 months (2015: between 1 to 7 months) from the end of the financial year with an interest rate per annum ranging from 0.10% to 1.86% (2015: 0.20% to 0.35%).

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

8. Accumulated funds

(a) Foundation of Rotary Clubs fund (Unrestricted)

	<u>2016</u> S\$	<u>2015</u> S\$
Balance as at the beginning of the year	999,321	926,083
Net (loss)/profit during the year	(317,684)	93,571
Funding to RFSC	(19,776)	(20,333)
Balance as at the end of the year	<u>661,861</u>	<u>999,321</u>

This fund is for unrestricted use for FRCS's activities and projects.

(b) Rotary House Project fund (Restricted)

	<u>2016</u> S\$	<u>2015</u> S\$
Balance as at the beginning of the year	431,277	431,277
Donations received	1,869,991	-
SG50 Care and Share Matching received	2,250,000	-
Balance as at the end of the year	<u>4,551,268</u>	<u>431,277</u>

This fund was used for the acquisition of Rotary House property.

(c) Rotary Family Service Centre fund (Restricted)

	<u>2016</u> S\$	<u>2015</u> S\$
Balance as at the beginning of the year	1,724,826	1,324,780
Net profit during the year	197,743	379,713
Funding from FRCS	19,776	20,333
Balance as at the end of the year	<u>1,942,345</u>	<u>1,724,826</u>

Amount ring-fenced for exclusive use of RFSC.

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

9. Project / Programme funds (Restricted)

2016	1 July 2015 S\$	Funds received S\$	Expenses disbursed S\$	Write Back S\$	30 June 2016 S\$
Projects					
Diaper and milk Project	-	11,500	(11,500)	-	-
Stop Hunger	-	10,000	(10,000)	-	-
Check in for Charity	7,340	-	-	-	7,340
Kick Sarcoma (Tanglin)	-	19,587	(19,587)	-	-
Bishan Home Van Project	-	58,300	(58,300)	-	-
CNY Red Hill Resident Outreach	-	7,000	(7,000)	-	-
ISCOS Project (RC Raffles City)	-	20,000	(20,000)	-	-
RCSpoore East Education Bursary	-	6,250	-	-	6,250
SG50 Giving (MOE)	-	10,000	(10,000)	-	-
KKBT Joint Home Makeover RCBJ	-	10,300	(10,300)	-	-
	7,340	152,937	(146,687)	-	13,590
Programmes (FRCS)					
ITE Student Excellence Awards	1,607	1,700	(960)	-	2,347
Avoidable Blindness Funds	173,075	2,092	(1,000)	-	174,167
My Wish Funds	33,668	800	(2,428)	-	32,040
Family Aid Funds	1,240	-	-	-	1,240
Meals from the Heart Funds	46,940	-	(1,913)	-	45,027
Happiness Fund	80,476	-	(4,671)	-	75,805
Cron's IBS Funds	55,329	1,000	-	-	56,329
CCS Project	-	20,000	(4,580)	-	15,420
Kids' Read Funds	44,317	-	(20,000)	-	24,317
Cotton - On Youth Project Funds	227,000	-	(30,000)	-	197,000
Children in Need	-	10,989	(9,397)	-	1,592
	663,652	36,581	(74,949)	-	625,284
Programmes (RFSC)					
Lee Foundation - Financial Assistance	8,950	14,580	(15,570)	-	7,960
School Pocket Money	22,837	45,734	(63,070)	-	5,501
Family Service Centre	-	-	-	-	-
Comcare Fund	3,285	10,240	(5,307)	-	8,218
	35,072	70,554	(83,947)	-	21,679
Total Project / Programme Funds	706,064	260,072	(305,583)	-	660,553

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

9. Project / Programme funds (Restricted) (continued)

2015	1 July 2014 S\$	Funds received S\$	Expenses disbursed S\$	Write Back S\$	30 June 2015 S\$
Projects					
SPEY Whisky Project	-	65,162	(65,162)	-	-
Singapore Hui Ann Project	-	20,000	(20,000)	-	-
Diaper and milk Project	-	10,000	(10,000)	-	-
Stop Hunger	-	5,000	(5,000)	-	-
Check in for Charity	-	10,000	(2,660)	-	7,340
Project giving	-	4,707	(4,707)	-	-
	-	114,869	(107,529)	-	7,340
Programmes (FRCS)					
ITE Student Excellence Awards	3,407	-	(1,800)	-	1,607
Avoidable Blindness Funds	180,975	3,216	(11,116)	-	173,075
My Wish Funds	2,480	38,186	(6,998)	-	33,668
Family Aid Funds	1,240	-	-	-	1,240
Meals from the Heart Funds	51,326	-	(4,386)	-	46,940
Happiness Fund	85,786	-	(5,310)	-	80,476
Cron's IBS Funds	32,316	23,013	-	-	55,329
Kids' Read Funds	3,557	40,760	-	-	44,317
Cotton - On Youth Project Funds	107,000	140,000	(20,000)	-	227,000
	468,087	245,175	(49,610)	-	663,652
Programmes (RFSC)					
Lee Foundation - Financial Assistance	13,450	31,920	(36,420)	-	8,950
School Pocket Money	(599)	150,956	(127,520)	-	22,837
Family Service Centre					
Comcare Fund	8,120	-	(4,835)	-	3,285
	20,971	182,876	(168,775)	-	35,072
Total Project / Programme Funds	489,058	542,920	(325,914)	-	706,064

10. Other payables

	2016 S\$	2015 S\$
Other payables		
- Accruals for operating expenses	204,022	62,739
- Community Chest Haze Fund	872	1,000
- Deferred income	-	23,925
- Other creditors	18,950	-
- Rental deposit (Rotary House)	12,920	-
	236,764	87,664

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

11. Borrowings

	<u>2016</u> S\$	<u>2015</u> S\$
Loan from Directors	400,000	-
Loan from Rotarians	600,000	-
	<u>1,000,000</u>	<u>-</u>

This Loan is non-interest bearing, unsecured and repayable within 2 years or immediately upon the happening of the following "Events of Default":

- The Foundation (Borrower) is declared or is deemed unable to pay its debts as they fall due, or admits its inability to pay its debts as they fall due, and commences negotiations with any one or more of its creditor with a view to the general readjustments or rescheduling of its indebtedness; or
- The Borrower commits any breach of a term of the Agreement and in the case of any breach capable of remedy fails to remedy the breach within 14 days of being required in writing by the Lenders to do so; or
- Any distress or execution is levied on or affects any of the Borrower's property or assets; or
- the Foundation deregister from being a Charity under the Charity act or is removed from the registers and is no longer recognised as being an IPC, or changes its constitution to the effect that it is no longer tied to or aligned with the Rotary movement of Rotary International; or
- The Borrower is unable to repay the loan or the outstanding part of the loan then due at the end of the Tenure.

12. Grants

	<u>2016</u> S\$	<u>2015</u> S\$
<u>Grants received by FRCS</u>		
Grants from National Council of Social Service	480	16,080
<u>Grants received by RFSC</u>		
Grants from Ministry of Social & Family Development	1,476,450	961,197
Grants from National Council of Social Service	80,720	134,936
Grants from Singapore Totalisator Board	400,638	549,172
Renovation grant	-	1,335
VCF Funding	13,693	-
School Pocket Money Fund	1,764	-
F&E Funding	10,867	-
Training grant	4,960	-
PDMP Grant	11,576	-
Total Grants received by RFSC	<u>2,000,668</u>	<u>1,646,640</u>
Total Grants	<u>2,001,148</u>	<u>1,662,720</u>

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

13. Donations

	<u>2016</u> S\$	<u>2015</u> S\$
<u>Donations received by FRCS</u>		
General donations	21,995	108,455
<u>Donations received by RFSC</u>		
General donations	7,912	735
Total donations	<u>29,907</u>	<u>109,190</u>

14. Income from activities

	<u>2016</u> S\$	<u>2015</u> S\$
<u>Income from activities of FRCS</u>		
Flag day		7,000
Rotary Charity Golf	32,250	48,330
Charity dinner	-	13,645
Board game	3,157	585
Sales of calendar	-	1,570
Rent from use of facilities	2,720	2,100
Total income from activities of FRCS	<u>38,127</u>	<u>73,230</u>
<u>Income from activities of RFSC</u>		
Counselling services	1,346	1,840
Total income from activities	<u>39,473</u>	<u>75,070</u>

15. Other income

	<u>2016</u> S\$	<u>2015</u> S\$
<u>Other income received by FRCS</u>		
Interest income	9,344	2,182
Share of manpower	4,646	-
Rental income	22,416	-
Wage Credit Scheme	11,369	1,357
Total other income received by FRCS	<u>47,775</u>	<u>3,539</u>
<u>Other income received by the RFSC</u>		
Government paid childcare leave	4,227	2,354
Government maternity leave	11,008	-
Interest income	1,002	124
Other income	7,008	19,100
Temporary Employment Credit	11,315	-
Wage Credit Scheme	75,677	38,362
Total other income received by RFSC	<u>110,237</u>	<u>59,940</u>
Total other income	<u>158,012</u>	<u>63,479</u>

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

16. Governance costs

	<u>2016</u> S\$	<u>2015</u> S\$
<u>Governance costs of FRCS</u>		
Accounting fee	4,200	3,600
Audit fees	3,000	3,000
Independent review	-	897
Professional fees	11,304	(3,375)
Secretarial fees	1,060	7,629
Total governance costs of FRCS	<u>19,564</u>	<u>11,751</u>
 <u>Governance costs of RFSC</u>		
Audit fees	973	5,000
Payroll services	4,916	4,577
Professional fees	4,224	3,375
Total governance costs of RFSC	<u>10,113</u>	<u>12,952</u>
 Total governance costs	<u>29,677</u>	<u>24,703</u>

17. Staff costs

	<u>2016</u> S\$	<u>2015</u> S\$
<u>Staff costs of FRCS</u>		
Employer's central provident fund contributions	9,265	4,196
Salaries and bonuses	68,127	40,136
Staff insurance	83	77
Total staff costs of FRCS	<u>77,475</u>	<u>44,409</u>
 <u>Staff costs of RFSC</u>		
Annual leave encashment	420	185
Employer's central provident fund contributions	208,426	155,620
Health lifestyle benefit	5,735	5,113
Salaries and bonuses	1,440,353	973,399
Staff insurance	11,577	10,952
Staff training	74,596	31,105
Staff welfare	4,599	6,300
Total staff costs of RFSC	<u>1,745,706</u>	<u>1,182,674</u>
 Total staff costs	<u>1,823,181</u>	<u>1,227,083</u>

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

18. Other operating expenses

	<u>2016</u>	<u>2015</u>
	S\$	S\$
<u>Other operating expenses of FRCS</u>		
Advertisement expenses	-	116
Cleaning expenses	1,911	1,051
Copier leasing expenses	2,236	2,311
General expenses	198	420
General Insurance expenses	2,601	4,864
Information technology support expenses	2,736	177
Medical and dental expenses	-	51
Meeting expenses	1,524	1,035
Office supplies expenses	550	384
Postage and courier expenses	749	369
Printing and stationery expenses	2,176	1,356
Charity Golf project	29,860	-
Cash card PR project	44,396	-
Rotary Run project	115,367	-
Matching Grant projects	32,078	-
Property tax	3,871	-
Property maintenance charges	13,166	-
Service charges	19,626	17,035
Share of manpower costs	2,361	-
Signage and roll of honor	1,873	-
Subscription	351	-
Telecommunication expenses	2,173	2,314
Transaction fees	264	78
Transportation expenses	168	88
Utilities charges	1,223	1,272
Website design and development expenses	1,800	295
Total other operating expenses of the FRCS	<u>283,258</u>	<u>33,216</u>

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

18. Other operating expenses (continued)

	<u>2016</u> S\$	<u>2015</u> S\$
<u>Other operating expenses of RFSC</u>		
Advertisement expenses	3,095	72
Books and periodicals expenses	342	246
Cleaning expenses	17,593	17,976
Counselling expenses	1,055	3,060
General expenses	1,059	1,360
General Insurance expenses	2,850	2,279
GST expense	5,775	-
Information technology support expenses	14,283	11,393
Maintenance and housekeeping expenses	11,888	11,133
Medical and dental expenses	42	205
Minor equipment expensed off	793	254
Office supplies expenses	1,779	2,482
Photocopying and leasing expenses	5,889	6,638
Postage and courier expenses	258	329
Printing and stationery expenses	5,259	8,002
Programme expenses	27,170	4,878
Rental expenses	10,060	10,400
Transportation expenses	9,917	4,840
Telecommunication expenses	7,186	9,649
Town council expenses	1,453	1,503
Utilities charges	15,917	16,961
Total operating expenses of the RFSC	<u>143,663</u>	<u>113,660</u>
Total other operating expenses	<u>426,921</u>	<u>146,876</u>

19. Taxation

The income of the Foundation, by virtue of being a registered Charity, is exempted from income tax.

20. Related parties transactions

Parties are considered related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related party if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Foundation and related parties at terms agreed between the parties:

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

20. Related parties transactions (Continued)

Significant transactions with related parties:

	<u>2016</u>	<u>2015</u>
	S\$	S\$
Grant to Rotary Family Service Centre	<u>19,776</u>	<u>20,333</u>

21. Key management personnel compensation

Key management personnel refers to the Executive Director of Rotary Family Service Centre. The number of key management personnel in remuneration bands is as follows:

	<u>2016</u>	<u>2015</u>
Remuneration band		
Between \$50,000 to \$100,000	-	1
Between \$100,001 to \$150,000	<u>1</u>	<u>-</u>

All members of the Board do not receive any remuneration.

22. Lease commitments

Operating lease commitments – where the Foundation is a lessee

As at the reporting date, the Foundation was committed to making the following payments in respect of lease premises at 133 New Bridge Road #04-03, Chinatown Point, Singapore 059413. This non-cancellable lease has remaining lease term of 1.58 years. Future minimum rental payable under non-cancellable operating lease at the end of the reporting period is as follows:

	<u>2016</u>	<u>2015</u>
	S\$	S\$
Minimum operating lease payments payable:		
- Within one year	18,962	19,626
- After one year but not more than five years	11,061	30,024
- More than five years	<u>-</u>	<u>-</u>

Operating lease commitments – where the Foundation is a lessor

The Foundation has entered into commercial property leases on its property at Peninsula Plaza, 111 North Bridge Road, Singapore 179098 for units #06-26/27/34/35. This non-cancellable lease has remaining lease term of 1.46 years. Future minimum rental receivable under non-cancellable operating lease at the end of the reporting period is as follows:

	<u>2016</u>	<u>2015</u>
	S\$	S\$
Minimum operating lease payments receivable:		
- Within one year	77,520	-
- After one year but not more than five years	35,530	-
- More than five years	<u>-</u>	<u>-</u>

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

23. Financial instruments, financial risks and capital risks management

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting year.

	<u>2016</u>	<u>2015</u>
	\$	\$
<u>Financial assets:</u>		
Trade and other receivables	<u>649,395</u>	<u>163,868</u>
<u>Financial liabilities:</u>		
Borrowings	1,000,000	-
Other payables	<u>236,764</u>	<u>63,739</u>

(b) Financial risk management objectives and policies

The Foundation's activities expose it to interest rate risk, credit risk, liquidity risk and management of the Foundation fund risk. The Foundation does not speculate in the currency markets or hold or issue derivatives financial instruments. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

(i) Interest rate risk management

The Foundation's exposure to interest rate risk is minimal and relates primarily to the deposits placed with reputable financial institutions on short-term tenures on a fixed rate basis.

(ii) Credit risk management

The carrying amounts of trade and other receivables and cash and bank balances represent the Foundation's maximum exposure to credit risk. As at 30 June 2016, there were significant concentrations of credit risk in respect of trade receivables (Note 6).

The Foundation exercises reasonable care and take adequate steps under each circumstance to ascertain that proper actions are to ensure that its trade receivables are, generally, of acceptable credit risk to the Foundation.

(iii) Liquidity risk management

Liquidity risk is the risk the Foundation is unable to meet its cash flow obligations as and when they fall due.

The Foundation monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Foundation's operations.

FOUNDATION OF ROTARY CLUBS (SINGAPORE) LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

23. Financial instruments, financial risks and capital risks management (continued)

(b) Financial risk management objectives and policies (continued)

(iii) Liquidity risk management (continued)

The following table details the remaining contractual maturity for the Foundation's financial liabilities based on contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year
2016	\$
Borrowings	1,000,000
Other payables	236,764
	<hr/>
2015	
Other payables	87,664
	<hr/>

(iv) Management of the Foundation's funds

The Foundation's objectives when managing funds are:

- (a) to safeguard the Foundation's ability to continue as a going concern; and
- (b) to support the Foundation's stability in growth.

The Foundation actively and regularly reviews and manages its funds to ensure optimal structure taking into consideration the future fund requirements of the Foundation, projected operating cash flows and projected fund expenditure.

-----End of audited financial statements-----