SymAsia Foundation Limited

Registration Number: 201011619R

Financial Statements
Year ended 31 May 2013

Directors' report

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 May 2013.

Directors

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

Chairman
Tommy Koh
Board Members
Ee Hock Kim Gerard
Cheng Jue Hiang, Willie
Jose Isidro Navato Camacho
Jane Ittogi
Jerry Ng (Appointed on 20 May 2013)

Under Article 7 of its Memorandum of Association, the member of the Company guarantee to contribute a sum not exceeding $10 to the assets of the Company in the event of it being wound up. The member of the Company is Credit Suisse AG.

Directors' interests

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

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

Auditors

The auditors, KPMG LLP have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Tommy Koh
Director

Ee Hock Kim Gerard
Director

16 October 2013

Statement by directors

In our opinion:

(a) the financial statements set out on pages FS1 to FS20 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 May 2013 and the results, changes in funds and cash flows of the Company for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors

Tommy Koh
Director

Ee Hock Kim Gerard
Director

16 October 2013

KPMG LLP
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Telephone +65 6213 3388
Fax +65 6225 0984
Internet www.kpmg.com.sg

Independent auditors' report

Members of the Company
SymAsia Foundation Limited

Report on the financial statements

We have audited the accompanying financial statements of SymAsia Foundation Limited (the Company), which comprise the balance sheet as at 31 May 2013, the statement of comprehensive income, statement of changes in funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages FS1 to FS20.

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 Singapore Companies Act, Chapter 50 (the Act), the Singapore Charities Act, Chapter 37 (the Charities Act) and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

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

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

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act, the Charities Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Company as at 31 May 2013 and the results, changes in funds and cash flows of the Company for the year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

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

(a) the use of donation moneys was not in accordance with the objectives of the Company as required under regulation 16 of the Charities (Institutions of a Public Character) Regulations; and

(b) the Company has not complied with the requirements of regulation 15 (fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
16 October 2013

Balance sheet
As at 31 May 2013

	Note	2013 $	2012 $
Current assets			
Available-for-sale financial assets	3	26,412,963	14,755,607
Other receivables	4	21,754	16,677
Cash and cash equivalents	5	9,442,794	5,616,027
Derivative financial instruments	6	–	168,322
		35,877,511	20,556,633
Total assets		35,877,511	20,556,633
Funds			
General fund		–	–
Restricted funds	7	35,719,053	20,539,956
Total funds		35,719,053	20,539,956
Current liabilities			
Derivative financial instruments	6	137,018	–
Other payables and accruals	8	21,440	16,677
Total liabilities		158,458	16,677
Total funds and liabilities		35,877,511	20,556,633

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

Statement of comprehensive income
Year ended 31 May 2013

	Note	General Fund $	--------Restricted funds------- Non-IPC Fund $	IPC Fund $	Fair Value Reserve $	2013 Total $
Incoming resources						
Incoming resources from generated fund						
Voluntary income						
- Donations		–	6,882,121	12,239,030	–	19,121,151
Investment income		–	4,158	61,165	–	65,323
Other incoming resources						
Other income						
- Net gains on disposal of available-for-sale financial assets		–	344	–	–	344
- Net losses from derivative financial instruments		–	(133)	(243,780)	–	(243,913)
- Others		30,336	53	122	–	30,511
Total other income		30,336	264	(243,658)	–	(213,058)
Total incoming resources		30,336	6,886,543	12,056,537	–	18,973,416
Resources expended						
Charitable activities						
Grant disbursements		–	2,695,118	11,857,321	–	14,552,439
Total charitable activities		–	2,695,118	11,857,321	–	14,552,439
Governance costs						
Professional fees		30,336	–	–	–	30,336
Bank charges		–	191	552	–	743
Total governance costs		30,336	191	552	–	31,079
Total resources expended		30,336	2,695,309	11,857,873	–	14,583,518
Net incoming resources for the year, before income tax expense		–	4,191,234	198,664	–	4,389,898
Income tax expense	9	–	–	–	–	–
Net incoming resources for the year		–	4,191,234	198,664	–	4,389,898

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

Statement of comprehensive income
Year ended 31 May 2013

	Note	General Fund $	Non-IPC Fund $	IPC Fund $	Fair Value Reserve $	2013 Total $
			--------Restricted funds-------			
Other comprehensive income,						
Net change in fair value of available-for-sale financial assets		–	–	–	10,789,345	10,789,345
Net change in fair value of available-for-sale financial assets transferred to profit or loss		–	–	–	(146)	(146)
Other comprehensive income for the year net of income tax		–	–	–	10,789,199	10,789,199
Total comprehensive income for the year		–	4,191,234	198,664	10,789,199	15,179,097

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

Statement of comprehensive income
Year ended 31 May 2012

	Note	General Fund $	--------Restricted funds------- Non-IPC Fund $	IPC Fund $	Fair Value Reserve $	2012 Total $
Incoming resources						
Incoming resources from generated fund						
Voluntary income						
- Donations		–	3,686,770	7,854,500	–	11,541,270
Investment income		–	1,910	2,541	–	4,451
Other incoming resources						
Other income						
- Net gains on disposal of available-for-sale financial assets		–	–	5,968	–	5,968
- Net gains from derivative financial instruments		–	–	260,414	–	260,414
- Others		16,677	–	–	–	16,677
Total other income		16,677	–	266,382	–	283,059
Total incoming resources		16,677	3,688,680	8,123,423	–	11,828,780
Resources expended						
Charitable activities						
Grant disbursements		–	830,479	1,141,230	–	1,971,709
Total charitable activities		–	830,479	1,141,230	–	1,971,709
Governance costs						
Professional fees		16,677	–	–	–	16,677
Bank charges		–	–	–	–	–
Total governance costs		16,677	–	–	–	16,677
Total resources expended		16,677	830,479	1,141,230	–	1,988,386
Net incoming resources for the year, before income tax expense		–	2,858,201	6,982,193	–	9,840,394
Income tax expense	9	–	–	–	–	–
Net incoming resources for the year		–	2,858,201	6,982,193	–	9,840,394

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

Statement of comprehensive income
Year ended 31 May 2012

	Note	General Fund $	Non-IPC Fund $ (Restricted funds)	IPC Fund $ (Restricted funds)	Fair Value Reserve $ (Restricted funds)	2012 Total $
Other comprehensive income,						
Net change in fair value of available-for-sale financial assets		–	–	–	761,887	761,887
Net change in fair value of available-for-sale financial assets transferred to profit or loss		–	–	–	(3,510)	(3,510)
Other comprehensive income for the year net of income tax		–	–	–	758,377	758,377
Total comprehensive income for the year		–	2,858,201	6,982,193	758,377	10,598,771

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

Statement of changes in funds
Year ended 31 May 2013

	General Fund $	Restricted Funds Non-IPC Fund $	IPC Fund $	Fair Value Reserve $	Total $
At 1 June 2011	–	495,000	9,441,184	5,001	9,941,185
Total comprehensive income for the year					
Net incoming resources/ Net income for the year	–	2,858,201	6,982,193	–	9,840,394
Other comprehensive income	–	–	–	758,377	758,377
At 31 May 2012	–	3,353,201	16,423,377	763,378	20,539,956
Total comprehensive income for the year					
Net incoming resources/ Net income for the year	–	4,191,234	198,664	–	4,389,898
Other comprehensive income	–	–	–	10,789,199	10,789,199
At 31 May 2013	–	7,544,435	16,622,041	11,552,577	35,719,053

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

Statement of cash flows
Year ended 31 May 2013

	Note	2013 $	2012 $
Operating activities			
Net incoming resources before income tax expense		4,389,898	9,840,394
Adjustments for:			
Net gains on disposal of available-for-sale financial assets		(344)	(5,968)
Net losses/(gains) from derivative financial instruments		243,913	(260,414)
Interest income from fixed deposits		(5,386)	(2,615)
Dividend income		(59,937)	(1,836)
		4,568,144	9,569,561
Changes in working capital:			
Other receivables		(4,763)	(7,652)
Other payables and accruals		4,763	8,253
Cash flows from operating activities		**4,568,144**	**9,570,162**
Investing activities			
Purchase of available-for-sale financial assets		(833,000)	(23,363,062)
Proceeds from sale of available-for-sale financial assets		25,124	18,400,000
Realised gain from derivative financial instruments		61,427	92,092
Interest received from fixed deposits		5,072	2,615
Dividend income received		–	1,836
Cash flows used in investing activities		**(741,377)**	**(4,866,519)**
Net increase in cash and cash equivalents		3,826,767	4,703,643
Cash and cash equivalents at beginning of year		5,616,027	912,384
Cash and cash equivalents at end of year	5	**9,442,794**	**5,616,027**

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

Notes to the Financial Statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 16 October 2013.

1 Domicile and activities

SymAsia Foundation Limited (the Company) is a public company limited by guarantee, incorporated in the Republic of Singapore. The Company has its registered office at One Raffles Link, #03-01, Singapore 039393. Under Article 7 of its Memorandum of Association, the member of the Company guarantee to contribute a sum not exceeding $10 to the assets of the Company in the event of it being wound up.

The Company is registered as a charity under the Charities Act (Cap. 37). SymAsia Singapore Fund is an approved Institution of a Public Character (IPC) under the Charities Act.

The principal activities of the Company are to promote philanthropy in Asia by providing flexible and creative philanthropic opportunities and programmes to help donors meet their giving needs.

2 Summary of significant accounting policies

2.1 Statement of compliance

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

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollars which is the Company's functional currency.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2.5 Significant accounting policies

The accounting policies set out below have been applied consistently by the Company to the period presented in these financial statements.

2.5.1 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at their reporting date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss, except for the following differences which are recognised in other comprehensive income arising on the retranslation of:

- available-for-sale equity instruments (except on impairment in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- qualifying cash flow hedges to the extent the hedge is effective.

2.5.2 Financial instruments

Non-derivative financial assets

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into the following categories: loans and receivables and available-for-sale financial assets.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents, and other receivables.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt instruments, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

Non-derivative financial liabilities

The Company initially recognises financial liabilities on the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount represented in the balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis of to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Financial liabilities comprise payables and accruals.

Impairment of financial assets

A financial asset not carried at fair value through profit or loss is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the assets, and that the loss event has an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets, (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Company economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Loans and receivables

The Company considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired assets continues to be recognised. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Available-for-sale financial assets

Impairment losses on available-for sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in profit or loss. Changes in impairment provisions attributable to application of the effective interest method are reflected as a component of interest income. If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised in profit or loss, then the impairment loss is reversed. The amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

2.5.3 Derivatives financial instruments

Off-balance sheet derivative financial instruments arise from futures, forward, swap and option transactions undertaken by the Company in the foreign exchange, interest rate, equity, credit and commodities derivative markets.

Derivative financial instruments are recognised initially at fair value on the date on which the derivatives are entered into. Subsequent to initial recognition, the derivative financial instruments are re-measured at fair value. The gain or loss on re-measurement to fair value is recognised immediately in profit or loss.

Assets including gains, resulting from off-balance-sheet financial instruments which are marked-to-market are included in "Assets: Derivatives financial instruments". Liabilities, including losses, resulting from such contracts, are included in "Liabilities: Derivatives financial instruments".

2.5.4 Funds

General fund

Income and expenditure relating to the main activities of the Company are accounted for through the general fund in the statement of comprehensive income.

Restricted funds

Income and expenditure relating to funds set up for contributions received and expenditure incurred for specific purposes are accounted for through the restricted fund in the statement of comprehensive income.

The assets and liabilities of these funds are accounted for separately. However, for presentation purposes, they are pooled together with those of the general fund.

2.5.5 Donations

Donations are recognised as and when the Company's entitlement to such income is established with no significant uncertainty and amount can be measured with sufficient reliability, which is generally upon receipt of the amount due in full or by instalments.

2.5.6 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to that activity. Where costs cannot be wholly attributed to an activity they have been apportioned on a basis consistent with the use of resources. These include overheads like utilities, amortisation of renovations and support costs.

(i) Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity that is to award grants to charitable organisations. Grants that are awarded to charitable organisations which have IPC status are applied from the IPC fund.

(ii) Governance costs

Governance costs comprise all costs attributable to the general running of the Company, in providing the governance infrastructure and in ensuring public accountability.

3 Available-for-sale financial assets

	2013 $	2012 $
Funds	811,767	–
Quoted equity securities	49,314	32,400
Others	25,551,882	14,723,207
	26,412,963	14,755,607
Movement:		
At beginning of the year	14,755,607	9,028,200
Additions		
- Purchases	833,000	23,363,062
- Bonus Issuances	59,937	–
Disposals	(24,780)	(18,400,000)
Fair value changes	10,789,199	764,345
At end of the year	26,412,963	14,755,607

Other investments represent investments in unquoted mutual funds.

4 Other receivables

Other receivables are related party transactions (refer to note 11), other than accrued interest income of $314 (2012: Nil), which has been included in other receivables. These balances are neither past due nor impaired.

5 Cash and cash equivalents

	2013 $	2012 $
Cash at bank	4,395,426	1,232,304
Fixed deposits	5,047,368	4,383,723
	9,442,794	5,616,027

The effective interest rates of fixed deposit range from 0.035% to 0.19% per annum (2012: 0.01% to 0.29%) and mature within 6 days to 2 months (2012: 1 day to 2 months) from the balance sheet date.

6 Derivative financial instruments

The contractual or underlying principal amounts of the derivative financial instruments and their corresponding gross positive (derivative receivables) and negative (derivative payables) fair values at balance sheet date are analysed below.

	2013			2012		
	Notional Amount $	Positive Fair Value $	Negative Fair Value $	Notional Amount $	Positive Fair Value $	Negative Fair Value $
FX Swap	4,403,700	–	(137,018)	4,469,616	168,322	–

7 Restricted funds

Restricted funds comprise the following funds:

IPC funds

IPC funds specifically aim to channel donations to Institution(s) of a Public Character (IPC) within Singapore, as defined in the Charities Act (Chapter 37) in support of the following causes: humanitarian and social development; protection of nature and the environment; education; culture and the arts; health and sports. IPC funds are exclusively beneficial to the community in Singapore as a whole.

Non IPC fund

Non-IPC fund supports similar causes as IPC funds. However, the donations can be directed to Non-IPC organisations within Singapore as well as overseas.

Net assets/(liabilities) of the restricted funds

	Non-IPC Funds $	IPC Funds $	Fair Value Reserve Non-IPC Funds# $	Fair Value Reserve IPC Funds# $	Total $
Total Funds as at 31 May 2013	7,544,435	16,421,893	3,289	11,749,436	35,719,053
Represented by:					
Available-for-sale financial assets	749,219	13,911,019	3,289	11,749,436	26,412,963
Derivative financial instrument	–	(137,018)	–	–	(137,018)
Cash and cash equivalents	6,794,977	2,647,817	–	–	9,442,794
Other receivables	239	75	–	–	314
Net Assets as at 31 May 2013	7,544,435	16,421,893	3,289	11,749,436	35,719,053

	Non-IPC Funds $	IPC Funds $	Fair Value Reserve Non-IPC Funds# $	Fair Value Reserve IPC Funds# $	Total $
Total Funds as at 31 May 2012	3,353,201	16,423,377	–	763,378	20,539,956
Represented by:					
Available-for-sale financial assets	–	13,992,229	–	763,378	14,755,607
Derivative financial instrument	–	168,322	–	–	168,322
Cash and cash equivalents	3,353,201	2,262,826	–	–	5,616,027
Net Assets as at 31 May 2012	3,353,201	16,423,377	–	763,378	20,539,956

\# Fair value reserve forms part of the respective funds. It represents the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised.

8 Other payables and accruals

	2013 $	2012 $
Accrued operating expenses:		
- Accounting charges	11,440	6,677
- Audit fees	10,000	10,000
	21,440	16,677

9 Income tax expense

The Company is an approved charitable institution under the Charities Act, Chapter 37 and an Institution of a Public Character under the Income Tax Act, Chapter 134.

No provision for tax has been made in the financial statements as the Company is exempt from income tax.

10 Tax deductible donations

During the year, the Company issued tax deductible receipts for donations totalling $12,239,030 (2012: $7,854,500).

11 Related parties

For the purpose of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

During the financial year, transactions with related party were as follows:

	2013 $	2012 $
Transactions with Credit Suisse		
Other receivables	21,440	16,677

Other receivables are amounts receivables from Credit Suisse AG, Singapore Branch for the purposes of reimbursing the operating expenses payable of the Company.

12 Financial risk management

Overview

The main risks arising from the Company's financial instruments arise from credit, price, foreign currency, interest rate and liquidity risks. The Company's policies for managing each of these risks are summarised below:

Credit risk

Credit risk is the risk of financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations.

At the balance sheet date, the maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Fixed deposits and cash and bank balances are placed with a related financial institution which is regulated.

Price risk

Price risk arises from uncertainty about the future prices of financial instruments invested by the Company. It represents the potential financial loss the Company might suffer through holding investments in the face of falling prices. It is the Company's policy to achieve an appropriate diversification in its investment portfolio in order to mitigate such risk. The Company's exposure to changes in prices relates primarily to the investment in equity securities, and mutual funds.

Sensitivity analysis

The Company's equity investment is listed on the Singapore Exchange. A 5% (2012: 5%) change in the prices of these securities would have changed the surplus for the year by approximately $2,466 (2012: $1,620). The analysis assumes that all other variables remain constant.

The Company's investment in mutual funds represents 99.8% (2012: 99.8%) of the Company's total investments. A 5% (2012: 5%) change in the prices of these funds would have changed the surplus for the year by approximately $1,318,182 (2012: $736,160). The analysis assumes that all other variables remain constant.

Foreign currency risk

The Company is exposed to foreign currency risk on investments that are denominated in US dollars. There is no formal hedging policy with respect to foreign currency risk exposure. Management review the investment portfolio periodically to ensure that the net exposure is kept at an acceptable level.

The Company has $25,551,882 of US dollar investments (2012: $14,723,207) which is 96.7% (2012: 99.8%) of the Company's total investments.

Sensitivity analysis

A 10% (2012: 10%) strengthening or weakening of US dollar against Singapore dollar at reporting date would increase/(decrease) surplus for the year by approximately $2,555,188 (2012: $1,472,321). The analysis assumes other variables remain constant.

Interest rate risk

The Company's exposure to market risk for changes in interest rates relates primarily to the Company's interest-earning bank balances and fixed rate quoted fixed deposits.

There is no formal hedging policy with respect to interest rate exposure. Exposure to interest rate risk is monitored on an ongoing basis and the Company endeavours to keep the net exposure at an acceptable level.

	Profit or loss	
	100 bp increase	**100 bp decrease**
2013		
Fixed deposits with financial institution	6,029	(6,029)
2012		
Fixed deposits with financial institution	5,230	(5,230)

Liquidity risk

In the management of liquidity risk, the Company monitors and maintains a level of cash and bank balances deemed adequate to finance the Company's operations and to mitigate the effects of fluctuations in short-term cash flows.

At the balance sheet date, the contractual cash flows of the Company's financial liabilities approximate the carrying values and they are expected to be settled within the next twelve months.

Fair values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, are as follows:

	Available-for-sale $	Loans and receivables $	At fair value $	Other financial liabilities within scope of FRS 39 $	Total carrying amount $	Fair value $
2013						
Financial assets						
Cash and cash equivalents	–	9,442,794	–	–	9,442,794	9,442,794
Available-for-sale financial assets	26,412,963	–	–	–	26,412,963	26,412,963
Other receivables	–	21,754	–	–	21,754	21,754
Total financial assets	26,412,963	9,464,548	–	–	35,877,511	35,877,511
Financial liabilities						
Derivative financial instruments	–	–	137,018	–	137,018	137,018
Other payable and accruals	–	–	–	21,440	21,440	21,440
Total financial liabilities	–	–	137,018	21,440	158,458	158,458

	Available-for-sale $	Loans and receivables $	At fair value $	Other financial liabilities within scope of FRS 39 $	Total carrying amount $	Fair value $
2012						
Financial assets						
Cash and cash equivalents	–	5,616,027	–	–	5,616,027	5,616,027
Available-for-sale financial assets	14,755,607	–	–	–	14,755,607	14,755,607
Derivative financial instruments	–	–	168,322	–	168,322	168,322
Other receivables	–	16,677	–	–	16,677	16,677
Total financial assets	14,755,607	5,632,704	168,322	–	20,556,633	20,556,633
Financial liability						
Other payable and accruals	–	–	–	16,677	16,677	16,677
Total financial liability	–	–	–	16,677	16,677	16,677

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 $	Level 2 $	Level 3 $	Total $
31 May 2013				
Financial asset				
Available-for-sale financial assets	861,081	–	25,551,882	26,412,963
Financial liability				
Derivative financial instruments	–	137,018	–	137,018
31 May 2012				
Financial assets				
Available-for-sale financial assets	32,400	–	14,723,207	14,755,607
Derivative financial instruments	–	168,322	–	168,322
	32,400	168,322	14,723,207	14,923,929

Independent Donor Investor (IDI) Scheme is where donors appoint their own investment manager for the funds donated. As at 31 May 2013 and 31 May 2012, there is only one IDI. The amount of financial assets and financial liabilities under this scheme (which are included in the table above) are as follows:

	Level 1 $	Level 2 $	Level 3 $	Total $
31 May 2013				
Financial asset				
Available-for-sale financial assets	49,314	–	25,551,882	25,601,196
Financial liability				
Derivative financial instruments	–	137,018	–	137,018

	Level 1 $	Level 2 $	Level 3 $	Total $
31 May 2012				
Financial assets				
Available-for-sale financial assets	32,400	–	14,723,207	14,755,607
Derivative financial instruments	–	168,322	–	168,322
	32,400	168,322	14,723,207	14,923,929

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	Available-for-sale financial assets $
Balance at 1 June 2012	14,723,207
Total gains or losses in other comprehensive income	10,771,699
Additions	
- Bonus Issuances	56,976
Sales	–
Balance at 31 May 2013	25,551,882

During the year, there are no transfers between the levels.

Reserves management

The reserves of the Company comprise the general fund and restricted funds. Disbursement and usage of restricted funds are restricted to the specific charitable purposes specified by donors. The Company aims to safeguard these funds through conservative investments and operating policies.

There were no changes in the Company's approach to reserves management during the year. The Company is not subject to externally imposed capital reserve management.

13 New accounting standards and interpretations not yet adopted

New standards, amendments to standards and interpretations that are not yet effective for annual periods beginning on or after 1 June 2013, have not been applied in preparing these financial statements. None of these is expected to have a significant impact on the financial statements. The Company has not assessed the impact of accounting standards issued after the balance sheet date.