



Diabetic Society of Singapore

ANNUAL REPORT 2009

CONTENTS

1. General Information
2. President's Message
3. Administration
4. Programmes
5. Minutes of the 38th Annual General Meeting
Audited Accounts for the period 1st Jan 2009 to 31st Dec 2009

1. GENERAL INFORMATION

The Diabetic Society of Singapore was set up in 25.9.1971 as a society. It was registered under the Charities Act on 27.9.1983.

Charity Registration No.	:	0005
UEN No.	:	S71SS0043E
IPC No.	:	HEF0040/G
Effective Date of IPC	:	01/07/2009 – 30/06/2011
Registered Address	:	141 Bedok Reservoir Road #01-1529 Singapore 470141
Management Committee	:	The Management Committee was elected on 26 April 2008 at the 37 th Annual General Meeting.
		Mr. Yong Chiang Boon President
		Dr. Kevin Tan Vice President
		Hj P M Moideen Vice President
		Ms Esther Ng Hon Secretary
		Mdm Rohanah Bte Pagi Asst Hon Secretary
		Ms. Zann Lim Hon Treasurer
		Dr. Yeo Kim Teck Committee Member
		Mr. For Wei Chek Committee Member
		Mr Matthew Alan Herd Committee Member
Auditor	:	Singapore Assurance PAC
Patrons	:	1. Minister for Health 2. Professor Arthur Lim

2. PRESIDENT'S MESSAGE

Dear members,

It has been an active year for the Society. Diabetes education programs, continuing medical education, diabetes support groups' program, healthy lifestyle workshops, community outreach activities & outings were organized for members and the public. Thousand of public, members and corporations benefited in term of knowledge and good practices. We strive to serve you better!

We have also participated in the international seminars and IDF World Diabetes Congress held in October 2009 in Montreal, Canada. We highlighted the projects and activities launched in Singapore and shared our experiences with others countries' delegates and visitors. We also learnt new knowledge and skills from the exhibition, talks and forums.

As the Society received more financial assistance requests from needy patients which were recommended by the medical social workers from hospitals, polyclinics and institutions in the last 12 months, we will require more donations from the corporations and help from the Ministry of Health. DSS have been giving financial assistance to hundreds of needy patients in the last four years. We would also like to take this opportunity to thank Lee Foundation for their support and generous donation towards the Lee Foundation Diabetes Care Fund.

The mobile Clinic have been actively deploy in the community servicing the heartland residents at competitive cost package. We wish to thank Lions Club International Foundation and Lions Clubs Singapore for their financial support.

The year 2011 will be very important for DSS as we are going to celebrate our 40th Anniversary in serving the community. We shall set up an organizing committee to look into the programs and activities. Details will be announced to all in our quarterly newsletter "Diabetes Singapore" and website www.diabetes.org.sg

Once again, we wish to thank you for your participation and support that has enabled us to bring our diabetes awareness message to the community. We also like to thank our long term partners, institutions, government agencies, medical associations, medical specialists, sponsors and volunteers for their dedication and contribution of time and efforts. Thank you very much!

Yours truly



Mr Yong Chiang Boon, PBM
President 2008 - 2010

3. Administration

Mission

To provide diabetes awareness, education and counselling to people with diabetes, their family members and the public. Through knowledge and discipline, the person with diabetes becomes better equipped to achieve a healthy and productive life.

Objectives

- To provide service to people with diabetes and to individuals interested in diabetes
- To undertake activities that promote the general well-being of people with diabetes
- To strive to remove prejudice and ignorance concerning diabetes.

Membership

The number of members with the Society as at 31 December 2009 stands as 4,494 members with 1,730 being Ordinary members, 2,743 Life members and 21 Associate members. Overall there is a decrease of 2.4% over the previous year.

Management Committee

A total of five (5) committee meetings were held during the period of January to December 2009.

The current Management Committee was elected at the 37th AGM on 26 April 2008 for a period of 2 years.

Staff

Currently the society has 10 full-time and 2 part-time staff. 7 nurse educators and 3 admin staff are deployed to the 3 centres and the mobile centre.

Financial Situation

DSS went ahead to apply for the MOH emergency funding in 2009 in anticipation of the bad economy globally. A total of \$54,000 was approved. The Lee Foundation also donated \$100,000 for the recurrent expenditure. The Job Credit Scheme also provided DSS with cash grant of \$30,803.76 to save jobs and the society functioning.

Related Parties Transactions

The Hon Secretary was paid consultancy fees for helping in the organising of the World Diabetes Day, public forums, fund raising activities. Mr For Wei Chek, a dietitian, was engaged by the Society in providing dietetics services at the centre.

Staff Remuneration

None of the staff was paid more \$50,000 per annum.

Future Plans

The future for DSS will be more challenging with the aging and increasing population. Diabetes prevalence increased sharply with age. As a national diabetes association, DSS has the responsibility to bring the awareness of diabetes prevention to the public. Thus there is a need for DSS to work closely with nursing and day-care homes, grassroots organisations and other VWOs in providing diabetes awareness and education to the mass.

Working with primary healthcare providers like the general practitioners (GPs) is another channel to reach out to those suffering from diabetes to prevent complications like kidney failure and heart disease.

In order for any programmes or tasks to be properly and effectively executed, sufficient funding must be available.

4 Programmes

4.1 Diabetes Education Programme

This programme aims to educate and update those with diabetes and the public on the complications related to diabetes and the prevention of diabetes through educational talks, seminars and workshops.

Date	Event	Venue	Attendance
21-Mar-09	Primary Prevention of Type 2 Diabetes (English)	Suntec Singapore	91
28-Mar-09	Cooking Demo	Bedok Activity Rm	24
12-Apr-09	Outdoor Learning	Sungei Buloh Wetland & Aerogreen farm	23
4-Jul-09	Diabetes & the Heart – Public Forum (English)	Suntec Singapore	78
15-Aug-09	Insulin & Diabetes – Public forum & Workshop (English)	Suntec Singapore	55
22-Aug-09	Cook Demo	Bedok Activity Rm	18
13-Sep-09	Trip to Hortpark	Hort park	13
26-Sep-09	Saving Sight in Diabetes – Public Forum (English)	TTSH	62

Continuing Medical Education

DSS will continue to support pharmaceutical companies in providing CME seminars and talks for doctors and other allied healthcare professionals in diabetes education.

Date	Event	Sponsors
14-01-09	Diabetes Management 2009: Drugs & more drugs?	Pharmalink
21-01-09	Diabetes Management: ADVANCES in 2009	Servier
13-02-09	Diabetes Management: ADVANCES in 2009	Servier
21-02-09	Cardiometabolic and thyroid management - Interventions today for a healthier outcome tomorrow	Merck
25-02-09	Diabetes Management 2009: Drugs, drugs & more drugs?	Pharmalink
18-03-09	Diabetes Management 2009: Drugs, drugs & more drugs?	Pharmalink
18-03-09	Managing Type 2 Diabetes: ADVANCES in 2009	Servier
19-03-09	Managing Type 2 Diabetes: ADVANCES in 2009	Servier
20-03-09	A Case for Earlier Use of Combination Therapy in the Management of Type-2 Diabetes	Merck
18-04-09	Diabetes Management: Tips from a Guy who has been at it for 25 years	Pharmalink
29-04-09	Perspectives on treating Diabetes Mellitus	Pharmalink
16-05-09	Intensification of Insulin Therapy in Primary Care for Type 2 Diabetics - When & How?	Novo Nordisk
19-05-09	Managing The Challenging Diabetes in Primary Care Setting	Merck
20-05-09	Managing The Challenging Diabetes in Primary Care Setting	Merck
27-05-09	Sulfonylureas : New, Old, Does It Matter?	Servier

02-06-09	Managing The Challenging Diabetes in Primary Care Setting	Merck
04-07-09	Advances in Diabetes Care 2009	Servier
04-07-09	Recent Guidelines on Blood Glucose Control in Type 2 Diabetes: Role of Thiazolidinediones	Pharmalink
04-07-09	ADVANCES IN DIABETES 2009	Servier
18-07-09	The Importance of Tight Glycaemic Control in Type 2 Diabetes	Merck
12-08-09	Practical Strategies for Optimizing Treatment of Type 2 DM	Merck
17-08-09	Islet Enhancer - A Perfect Partner With Metformin for Early Treatment	Novartis
18-08-09	Islet Enhancer - A Perfect Partner With Metformin for Early Treatment	Novartis
11-09-09	Discussion on Modern Insulin	Novo Nordisk
15-09-09	New insights: HbA1c for the Diagnosis of Diabetes Mellitus & 2009 Treatment Guidelines	Merck
16-09-09	Discussion on Modern Insulin	Novo Nordisk
03-10-09	Insulin Therapy Made Easy	sanofi-aventis
10-10-09	Insulin for Type 2 Diabetes Mellitus Patients: Is it time to start yet	Novo Nordisk
14-10-09	Initiation and Titration of Insulin Therapy for the management of Type 2 Diabetes	sanofi-aventis
21-10-09	Initiation and Titration of Insulin Therapy for the management of Type 2 Diabetes	sanofi-aventis
28-10-09	Practical steps in the Initiation and Titration of Insulin Therapy for the management of Type 2 Diabetes	sanofi-aventis
09-11-09	TZD: Friend or Foe? What Does The Evidence Tell Us?	GSK
09-11-09	TZD: Friend or Foe? : Recent Clinical Updates on CV Safety	GSK
10-11-09	Practical steps in the Initiation and Titration of Insulin Therapy	sanofi-aventis
18-11-09	New ADVANCES in Diabetes	Servier
19-11-09	How important is HbA1c in Diabetes care	Bayer
01-12-09	Improving Control & Safety with Modern Insulin	Novo Nordisk
09-12-09	New Advances in Diabetes	Servier
16-12-09	Simple and Effective Approach to Timely Insulinisation in the management of Type 2 Diabetes	sanofi-aventis
16-12-09	The Management of Type 2 Diabetes Mellitus in CKD Patients	MSD

4.2 Diabetes Support Groups Programme

The programme is targeted at people with diabetes especially those newly diagnosed patients to learn from their peers on diabetes management and control through interactive sessions with nurse educators and various outdoor activities.

Another support group interact online frequently to share information. They could be reached at dss-dsg-owner@yahoogroups.com .

4.3 Diabetes Awareness & Outreach Programme

The awareness of diabetes is the first step in stopping diabetes. Outreach activities in the community through our health screenings and talks aim to do just that. At least 50% of people with diabetes are unaware of their condition.

Activities planned for 2010 include:

- Cooking Demonstration Session
- Support Group in English, Chinese, Malay
- Bread factory tour
- Camp for Type 2 diabetes
- Self Care Management Workshops

Outreach Activities & Talks

The society strongly believes that providing diabetes education through talks and screenings will help the public be aware of diabetes in order to prevent or delay the disease.

Date	Event	Organisation
23 Mar 09	Talk on Diabetes	Presbyterian Community Service
30 Mar 09	Talk on Diabetes	Care Corner Social Day Care For The Elderly
6 Apr 09	Talk on Diabetes	Care Link
10 Apr 09	Health Screening	Mosque Alkaff
20 Apr 09	Talk on Diabetes	Geylang East Elderly
20 Apr 09	Talk on Diabetes	Tembusu Neigh Link
26 Apr 09	Diabetes Awareness booth	Yishun Community Day
4 May 09	Talk on Diabetes	Moral SAC
16 May 09	Health Screening & Talk	NUSS
18 May 09	Talk on Diabetes (Hokkien)	Thong Kheng
8 Jun 09	Talk on Diabetes (Mandarin)	Touch SAC
22 Jun 09	Talk on Diabetes	IBM
24 Jul 09	Health Screening	Mosque Alkaff
26 Jul 09	Talk on Diabetes	Tampines North
2 Aug 09	Health Screening	Nee Soon South CC, by OLI Media Corp
2 Aug 09	Health Screening	Queenstown CC
16 Aug 09	Talk on Diabetes	Kebun Baru CC
6 Sept 09	Health Screening	Sri Sastha Association
27 Sept 09	Health Screening & Talk	Changkat CC
5 Oct 09	Talk on Diabetes	IBM
30 Oct 09	Talk on Diabetes	Mosque Alkaff
13 Nov 09	Talk on Diet & Exercise	Becton Dickinson & Co
22 Nov 09	Talk on Diabetes	Changi Simei CC
20 Dec 09	Health Screening	Care Fair by North East CDC

21% of the public screened has an average Blood Pressure of 140/90 mmHg
23% have an random blood sugar of >7.8mmo/l

World Diabetes Day 2009

For yet another year, World Diabetes Day Singapore was brought into her HDB heartlands in order to be closer to the masses and hence, those at risk of diabetes and with diabetes. It was also an opportunity to join Singapore National Eye Centre (SNEC) to have a joint World Diabetes Day and Total Eye Care Day. The theme therefore focused on the eye complications of diabetes and its prevention - Understand Diabetes and Take Control - Save Sight, Prevent Blindness.

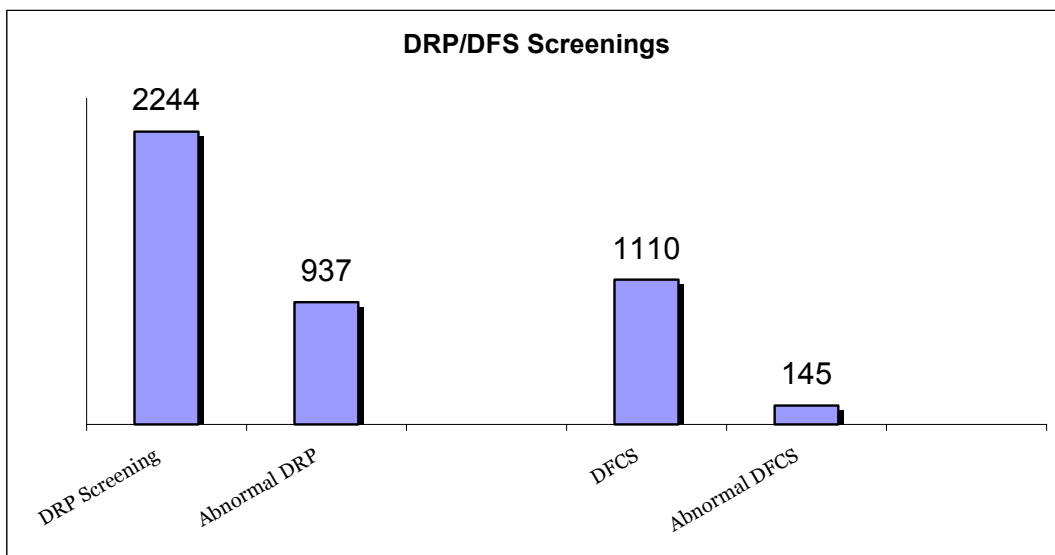
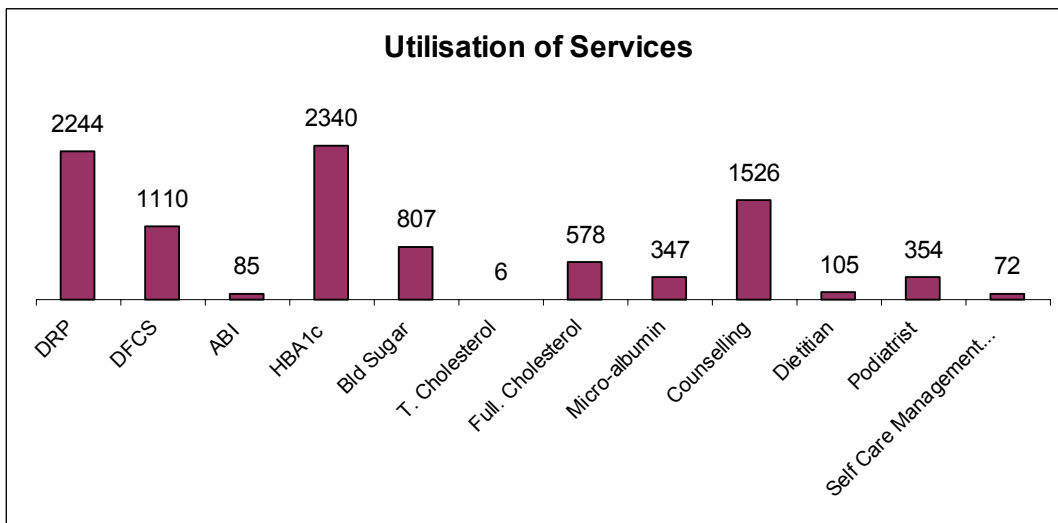
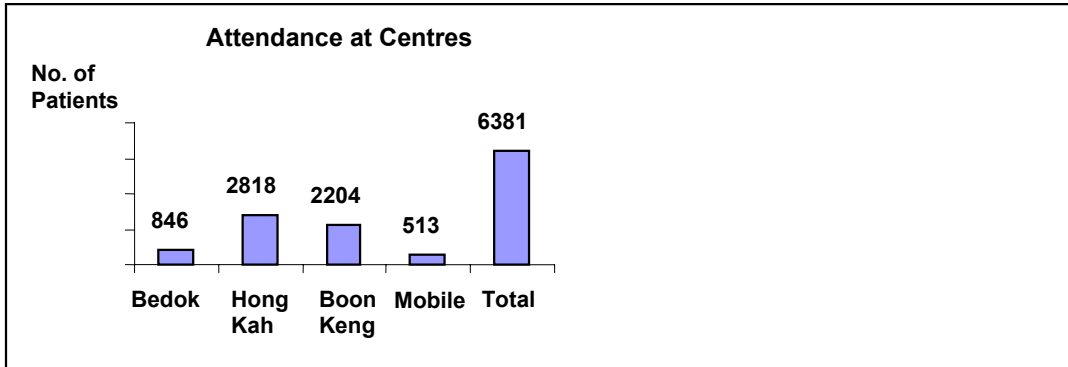
The event was graced by Mr Zainul Abidin Rasheed, Senior Minister of State for Foreign Affairs & MP for Aljunied GRC who was our Guest-of-Honour. The event was on World Diabetes Day itself - 14 November, Saturday and this held a special significance. The attendance was overflowing - reflecting the concern about eyes and vision and the impact of diabetes on sight.

Some of the events besides the eye screening were blood sugar and cholesterol checks, blood pressure and body mass index checks, a cooking demonstration by Temasek Polytechnic, exercise programs by the Singapore Podiatry Association, a new diabetes education platform called the conversational map by the Association of Diabetes Educators of Singapore and public talks by doctors, dietitians from the Singapore Nutrition and Dietetics Association and podiatrists from the Singapore Podiatry Association. There were also sales of diabetes-related products and exhibitions by pharmaceutical companies who have historically and loyally supported the Society all the past years.

The organising committee was chaired by Dr Kevin Tan and Dr Ranjana Mathur from SNEC.

4.4 Diabetes Management & Care Programme

Statistics of Centres



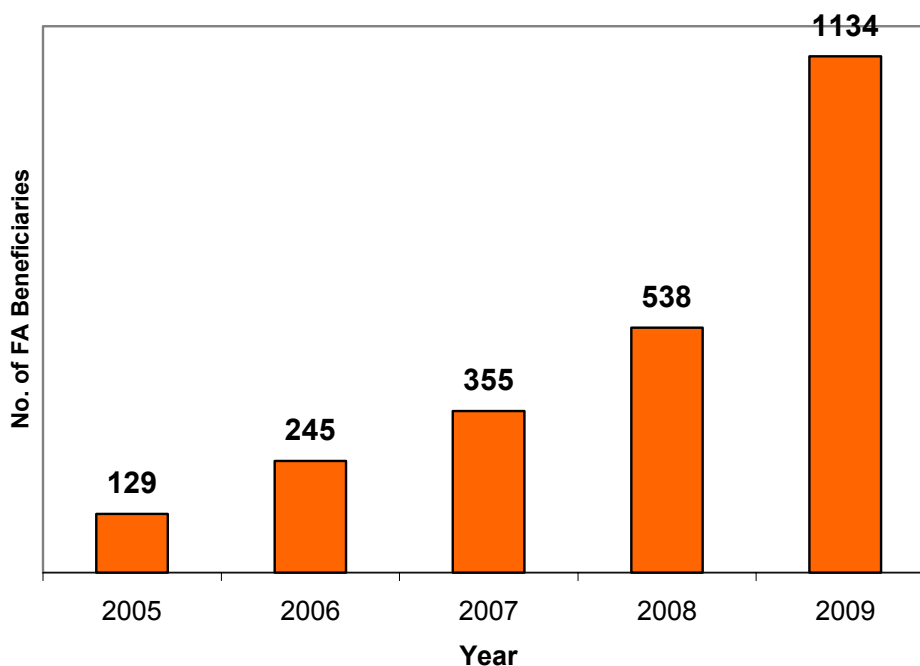
4.5 Financial Assistance Programme

Lee Foundation Diabetes Care Fund

The fund has been utilized to supply diabetes consumables like test strips, syringes, pen needles, swabs and medication to needy patients. The beneficiaries are also counselled and checked at the centres to prevent any diabetes complications.

To date 876 beneficiaries received supplies and services from DSS under this Fund. Currently there are 253 beneficiaries on the list. With ageing population we expect more applications for such assistance in near future.

FA Attendance from 2005 to 2009



4.6 Partnership

The DOT (Delivery On Target) programme, a partnership between DSS, Singhealth and Johnson and Johnson Medical Singapore, rebooted with a new cohort of GPs in late 2009. With this programme we hope to see more patients taking control of their conditions.

The collaborations with sanofi-aventis and MSD is on going. DSS is also in discussion with other business partners in providing services to more patients.

4.7 Donors and Sponsors

We would like to thank all donors and sponsors for their generous contributions and support towards our programmes.

DIABETIC SOCIETY OF SINGAPORE
Society Registration No. 0153/1971/WEL

(Registered under the Societies Act, Chapter 311)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

CONTENTS

	<i>PAGE</i>
STATEMENT ON BEHALF OF THE MANAGEMENT COMMITTEE	1
INDEPENDENT AUDITOR'S REPORT	2
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF FINANCIAL ACTIVITES	4
STATEMENT OF CASH FLOWS	5
NOTES TO THE FINANCIAL STATEMENTS	6 - 19

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

STATEMENT ON BEHALF OF THE MANAGEMENT COMMITTEE

The Management Committee is responsible for the preparation and fair presentation of these financial statements in accordance with Singapore Financial Reporting Standards and Recommended Accounting Practice No. 6 (RAP 6). This responsibility includes:

- a) selecting and applying appropriate accounting policies; and
- b) making accounting estimates that are reasonable in the circumstances.

In our opinion, the accompanying financial statements are drawn up so as to give a true and fair view of the state of affairs of Diabetic Society of Singapore as at 31 December 2009 and of the financial results and cash flows for the year ended on that date in accordance with the Singapore Financial Reporting Standards and Recommended Accounting Practice No. 6.

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

On Behalf of the Management Committee,

Yong Chiang Boon
President

Esther Ng Yeok Kheng
Honorary Secretary

Zann Lim
Honorary Treasurer

Singapore

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DIABETIC SOCIETY OF SINGAPORE**
(Incorporated in the Republic of Singapore)

We have audited the accompanying financial statements of Diabetic Society of Singapore ("the Society") which comprise the statement of financial position as at 31 December 2009, the statement of financial activities, statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

The Management Committee's Responsibility for the Financial Statements

The Management Committee is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of Singapore Financial Reporting Standards and Recommended Accounting Practice No.6 (RAP 6). This responsibility includes:

- (a) selecting and applying appropriate accounting policies; and
- (b) making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Opinion

In our opinion,

- a) the financial statements are properly drawn up in accordance with the Singapore Financial Reporting Standards and the Recommended Accounting Practice No. 6 (RAP 6) so as to give a true and fair view of the state of affairs of the Society as at 31 December 2009 and the financial results and cash flows of the Society for the financial year ended on that date; and
- b) the accounting and other records required by the regulations enacted under the Society Act, Cap. 311, to be kept by the Society have been properly kept in accordance with those regulations.

SINGAPORE ASSURANCE PAC
Public Accountants and
Certified Public Accountants

Singapore

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009

	<u>Note</u>	<u>2009</u> S\$	<u>2008</u> S\$
ASSETS			
Non-current asset			
Plant and equipment	(3)	359,518	481,931
Current assets			
Inventories	(4)	38,201	39,908
Trade receivables	(5)	32,341	25,956
Other receivables	(6)	14,253	6,320
Fixed deposits	(7)	400,000	400,000
Cash and bank balances		185,506	179,468
		<u>670,301</u>	<u>651,652</u>
Current liabilities			
Trade payables		62,011	64,346
Other payables	(8)	98,414	84,655
		<u>160,425</u>	<u>149,001</u>
Net current assets		509,876	502,651
		<u>869,394</u>	<u>984,582</u>
UNRESTRICTED FUNDS	(9)	135,998	158,931
RESTRICTED FUNDS	(10)	733,396	825,651
		<u>869,394</u>	<u>984,582</u>

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

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

	Unrestricted	Restricted	Total	Total	
	Funds	Funds	Funds	Funds	
Note	<u>2009</u>	<u>2009</u>	<u>2009</u>	<u>2008</u>	
	S\$	S\$	S\$	S\$	
<u>Incoming resources</u>					
Income resources from generated funds:					
- Voluntary income	(11)	260,711	67,261	327,972	512,039
- Income from fund-raising activities		7,072	-	7,072	9,540
- Investment income	(12)	-	-	-	1,227
Charitable activities	(13a)	761,380	17,500	778,880	777,765
Other incoming resources	(14a)	93,585	-	93,585	1,406
Total incoming resources		<u>1,122,748</u>	<u>84,761</u>	<u>1,207,509</u>	<u>1,301,977</u>
<u>Resources expended</u>					
Fundraising cost		-	-	-	(1,836)
Charitable activities	13(b)	(1,103,433)	(110,835)	(1,214,268)	(1,200,691)
Governance and operating costs	15	(105,244)	-	(105,244)	(123,951)
Other resources expended	14(b)	(3,185)	-	(3,185)	(2,406)
Total resources expended		<u>(1,211,862)</u>	<u>(110,835)</u>	<u>(1,322,697)</u>	<u>(1,328,884)</u>
Net outgoing resources before transfer		<u>(89,114)</u>	<u>(26,074)</u>	<u>(115,188)</u>	<u>(26,907)</u>
<u>Transfer</u>					
Life Member Fund amortised	(10)	12,321	(12,321)	-	-
Plant and Equipment Fund amortised	(10)	39,063	(39,063)	-	-
Renovation Fund amortised	(10)	14,797	(14,797)	-	-
Net movement in funds		<u>66,181</u>	<u>(66,181)</u>	<u>-</u>	<u>-</u>
Net outgoing resources after transfer		<u>(22,933)</u>	<u>(92,255)</u>	<u>(115,188)</u>	<u>(26,907)</u>
Reconciliation of Funds:					
Total Funds brought forward		158,931	825,651	984,582	1,011,489
Total Funds carried forward		135,998	733,396	869,394	984,582

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

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

	<u>2009</u>	<u>2008</u>
	S\$	S\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net outgoing resources after transfer	(115,188)	(26,907)
Adjustments for:		
Depreciation	124,655	94,211
Interest from fixed deposits	-	(1,227)
Interest from savings account	<u>(358)</u>	<u>(1,296)</u>
Operating profit before working capital changes	<u>9,109</u>	<u>64,781</u>
Decrease/(increase) in inventories	1,707	(4,604)
Increase in trade receivables	(6,385)	(15,976)
(Increase)/decrease in other receivables	(7,933)	5,737
(Decrease)/increase in trade payables	(2,335)	11,204
Increase/(decrease) in other payables	<u>13,759</u>	<u>(10,108)</u>
Net cash from operating activities	<u><u>7,922</u></u>	<u><u>51,034</u></u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(2,242)	(397,258)
Interest received from fixed deposits	-	1,227
Interest received from savings account	<u>358</u>	<u>1,296</u>
Net cash used in investing activities	<u><u>(1,884)</u></u>	<u><u>(394,735)</u></u>
Net increase/(decrease) in cash and cash equivalents	6,038	(343,701)
Cash and cash equivalents at beginning of financial year	<u>579,468</u>	<u>923,169</u>
Cash and cash equivalents at end of financial year	<u><u>585,506</u></u>	<u><u>579,468</u></u>
Cash and cash equivalents at end of financial year comprise:		
Fixed deposits	400,000	400,000
Cash and bank balances	<u>185,506</u>	<u>179,468</u>
	<u><u>585,506</u></u>	<u><u>579,468</u></u>

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

DIABETIC SOCIETY OF SINGAPORE

(Registered in the Republic of Singapore)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009**

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

1. GENERAL

The Society is registered and domiciled in Singapore. The address of its principal place of activities is 141 Bedok Reservoir Road #01-1529 Singapore 470141.

The principal activities of the Society are to promote the understanding of the causes and treatment of diabetes and to publicise information concerning diabetes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS") as required by the Singapore Companies Act and Recommended Accounting Practice No. 6 (RAP 6).

The financial statements, expressed in Singapore dollar, have been prepared in accordance with the historical cost convention, except as disclosed stated in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgment in the process of applying the Society's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. There is no area involving a higher degree of judgment or complexity, or area where estimates and assumptions are significant to the financial statements.

(b) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable cost of bringing the asset to working condition for its intended use. Expenditure for additions, improvements and renewals are capitalized and expenditure for maintenance and repairs are charged to the statement of financial activities. When plant and equipment are sold or retired, their cost and accumulated depreciation are removed from the financial statements and any gain or loss resulting from their disposal is included in the statement of financial activities.

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
31 DECEMBER 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Depreciation of plant and equipment

Depreciation is calculated to write off the cost of plant and equipment by the straight-line method over their estimated useful lives as follows:

Office equipment	-	3 years
Furniture and fixtures	-	3 years
Computers	-	1 year
Renovation	-	10 years
Motor vehicle	-	10 years

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

(d) Financial assets

Financial assets within the scope of FRS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial assets. Financial assets are recognised on the balance sheet when the Society becomes a party to the contractual provisions of the financial instrument. When financial assets are recognised initially, they are measured at fair value, in the case when financial assets are not at fair value, they are stated at directly attributable transaction cost.

Financial assets are classified as held for trading if they are acquired for selling in the near term. Gains or losses on investments held for trading are recognised in the statement of financial activities.

Financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Society has positive intention and ability to hold the assets to maturity. Investments held under this category are measured at amortised cost using the effective interest method. For investments carried at amortised cost, gains or losses are recognised in the statement of financial activities through the amortisation process.

Financial assets with fixed and determinable payments that are not quoted are classified as loans and receivables. Such assets are carried at amortised cost using the effective interest method. Gains or losses are recognised in the statement of financial activities through the amortisation process.

Available-for-sale financial assets are any other financial assets that are not classified in any preceding categories. Available-for-sale financial assets are measured at fair value with gains and losses being recognised in the fair value adjustment reserve until investment is derecognised. For quoted investments, fair value is determined by market bid price. For unquoted investments, fair value is determined by using valuation techniques, like discounted cash flow analysis.

DIABETIC SOCIETY OF SINGAPORE

(Registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31 DECEMBER 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method and where applicable, less allowance for impairment. An allowance for impairment of trade receivables is established when there is objective evidence that the Society will not be able to collect all amounts due accordingly to the original terms of the receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate. The amount of the allowance is recognised in the statement of financial activities.

(f) Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and fixed deposits.

(g) Trade and other payables

Liabilities for trade and other payable, which are normally settled on 30-90 day terms, and payables to related parties are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

Gain and losses are recognised in the statement of financial activities when the liabilities are derecognised as well as through the amortisation process.

(h) Restricted funds

Restricted funds represent monies received as subsidies for building, renovation, plant and equipment and podiatry service. Specific funding received for the purpose of depreciable assets are amortised in the statement of financial activities over the periods necessary to match the depreciation of the assets purchased with the fund.

(i) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

- (i) Income from the sale of medical related products is recognised upon delivery and acceptance of the goods sold.
- (ii) Service income is recognised upon completion of the services rendered.
- (iii) Interest income from fixed deposits is recognised on accrual basis using the effective interest method.

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
31 DECEMBER 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) *Financial instruments*

Financial instruments carried on the statement of financial position include cash and cash equivalents, financial assets and financial liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. These instruments are recognised when contracted for.

(k) *Inventories*

Inventories comprising of medical related products and materials are valued at the lower of cost and net realisable value. In general, cost is determined on the first-in, first-out basis. Net realisable value is the price at which the inventories can be realized in the normal course of business after allowing for the costs of realization.

(l) *Provisions*

Provisions are recognised when the Society has a present obligation as a result of a past event where it is probable that the obligation will result in an outflow of economic benefit that can be reasonably estimated.

(m) *Employee benefits*

Employment pension benefits

The Society participates in the national pension scheme by making contributions to the Central Provident Fund ("CPF"). The contributions to CPF are recognised as an expense in the period in which the related service is performed.

Employment leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimate liability for leave as a result of services rendered by employees up to statement of financial position date.

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
31 DECEMBER 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Impairment of non-financial assets

The carrying amounts of the Society's non-financial assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exist, the asset's recoverable amount is estimated.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the statement of financial activities.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the statement of financial activities.

(o) Operating lease

Rental cost under operating lease is charged to the statement of financial activities in equal annual amounts over the period of the lease.

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

3. PLANT AND EQUIPMENT

	Office equipment S\$	Furniture & fittings S\$	Computers S\$	Renovation S\$	Motor vehicle S\$	Total S\$
<u>Cost</u>						
As at 1 January 2008	250,707	51,128	34,273	184,532	-	520,640
Additions	49,111	112,924	1,665	153,558	80,000	397,258
Reclassification	(200)	-	200	-	-	-
As at 31 December 2008	299,618	164,052	36,138	338,090	80,000	917,898
Additions	-	201	2,041	-	-	2,242
Disposals	(36,042)	(19,127)	(24,451)	-	-	(79,620)
As at 31 December 2009	263,576	145,126	13,728	338,090	80,000	840,520
<u>Accumulated depreciation</u>						
As at 1 January 2008	195,734	46,218	34,273	65,531	-	341,756
Depreciation for the year	37,845	22,569	1,665	26,132	6,000	94,211
Reclassification	(200)	-	200	-	-	-
As at 31 December 2008	233,379	68,787	36,138	91,663	6,000	435,967
Depreciation for the year	41,991	39,730	1,125	33,809	8,000	124,655
Disposals	(36,042)	(19,127)	(24,451)	-	-	(79,620)
As at 31 December 2009	239,328	89,390	12,812	125,472	14,000	481,002
<u>Net book value</u>						
As at 31 December 2009	24,248	55,736	916	212,618	66,000	359,518
As at 31 December 2008	66,239	95,265	-	246,427	74,000	481,931

DIABETIC SOCIETY OF SINGAPORE

(Registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
31 DECEMBER 2009

4. INVENTORIES

Inventories comprising medical related products and materials are stated at cost.

5. TRADE RECEIVABLES

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Trade receivables	<u>32,341</u>	<u>25,956</u>

The Society has trade receivables amounting to S\$32,341 (2009: S\$25,956) that are past due at the statement of financial position date but not impaired. These receivables are unsecured and the analysis of their aging at the statement of financial position date is as follows:

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Trade receivables past due:		
Lesser than 30 days	6,341	25,956
30 to 60 days	9,883	-
More than 60 days	16,117	-
	<u>32,341</u>	<u>25,956</u>

6. OTHER RECEIVABLES

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Other receivables	8,905	10
Deposits	2,853	2,853
Prepayments	2,495	3,457
	<u>14,253</u>	<u>6,320</u>

The Society has other receivables amounting to S\$8,905 (2008: S\$10) that are past due at the statement of financial position date but not impaired. These receivables are unsecured and the analysis of their aging at the statement of financial position date is as follows:

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Other receivables past due:		
Lesser than 30 days	8,695	-
More than 60 days	210	10
	<u>8,905</u>	<u>10</u>

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
31 DECEMBER 2009

7. FIXED DEPOSITS

The fixed deposit interest is variable and dependent on the performance of the underlying structured financial product. No interest was declared for the year. The fixed deposits, which are capital guaranteed, will mature on 9 November 2011.

8. OTHER PAYABLES

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Other payables	41,266	31,144
Accruals	34,218	28,596
Subscription received in advance	22,930	24,915
	98,414	84,655

9. UNRESTRICTED FUNDS

	<u>2009</u>	<u>2008</u>
	S\$	S\$
<u>Balance at beginning of the financial year:-</u>		
Fund Raising Project	185,791	185,791
General Fund	241,083	241,083
Ordinary Membership Fund	(267,943)	(137,280)
	158,931	289,594
Receipt during the year:-		
Fund Raising Project	7,072	-
	166,003	289,594
Deficit for the financial year	(30,005)	(130,663)
Balance at end of the financial year	135,998	158,931

The General Fund represents collections from donations, sponsorship and special events conducted during the year. The funds will used to assist in subsidising the various approved programmes and activities to be conducted by the Society.

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
31 DECEMBER 2009

10. RESTRICTED FUNDS

	Balance as at <u>1/1/2009</u> S\$	Transfer/ <u>Receipt</u> S\$	Transfer/ <u>expenditure</u> S\$	Balance as at <u>31/12/2009</u> S\$
Building Fund	14,695	-	-	14,695
DOT Program Fund	26,631	-	(590)	26,041
Lee Foundation Diabetes Care Fund	71,218	-	(98,559)	(27,341)
Life Membership Fund	393,210	17,500	(12,321)	398,389
Lions Diabetes Program	-	67,261	(3,026)	64,235
Mobile Clinic Project	68,008	-	(8,660)	59,348
Plant and Equipment Fund	140,530	-	(39,063)	101,467
Podiatry Fund	1,075	-	-	1,075
Renovation	110,284	-	(14,797)	95,487
	<u>825,651</u>	<u>84,761</u>	<u>(177,016)</u>	<u>733,396</u>

The Building Fund is used for the setting up of branches.

The DOT Program Fund is to empower the general practitioners through lectures and their patients via counselling by the Society's nurses.

The Lee Foundation Diabetes Care Fund is designated to provide assistance to needy patients.

The Life Membership fund is non-refundable. The non-refundable membership fund is to assist in the funding of the operating costs incurred by the Society and amortised at 3% of the total life membership fees received.

Lions Diabetes Program is the fund from Lions Clubs to help the public in health screening and diabetes complication screening.

The Mobile Clinic Project is used for the setting up and operations of the Mobile Care Centre.

The Plant and Equipment Fund is designated to meet the capital cost of setting up community based diabetes education and care centre at Hong Kah and Boon Keng.

The Podiatry Fund is designated for providing podiatry services to people with diabetes in the community.

The Renovation Fund is designated to meet the cost of setting up satellite centres with objectives to promote public awareness of diabetes to members and general public.

The Building Fund, Plant and Equipment Fund and Renovation Fund could be funded by donations or transfer from any of the above funds within the permissible use of funds stipulated by the donors.

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
31 DECEMBER 2009

11. VOLUNTARY INCOME

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Grant received from Ministry of Health	113,160	236,512
Funds received	-	19,803
Subsidy	-	1,110
Donations	203,312	242,724
Sponsorship	11,500	11,890
	<u>327,972</u>	<u>512,039</u>

12. INVESTMENT INCOME

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Interest from fixed deposits	-	1,227
	<u>-</u>	<u>1,227</u>

13. CHARITABLE ACTIVITIES

(a) Incoming resources from charitable activities

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Blood and cholesterol tests	48,818	52,408
Counselling	16,854	13,019
Diabetes education meeting/public forum	8,435	1,555
Diabetes education, foot-care and screening	14,938	14,915
Diabetes retinal photography	22,211	25,194
Dietary services	2,756	1,820
Mobile clinic	8,030	5,952
Outreach screening	1,460	-
Newsletters income	51,215	40,270
Podiatry services	6,537	5,674
Sales of medical goods	508,927	506,338
Subscription and entrance fees	36,896	48,100
World Diabetes Day	34,303	48,870
Life Member Funds	17,500	13,650
	<u>778,880</u>	<u>777,765</u>

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
31 DECEMBER 2009

13. **CHARITABLE ACTIVITIES (CONT'D)**

(b) Resources expended for charitable activities

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Advertisement	1,851	1,775
Blood and cholesterol tests	39,059	39,094
Depreciation of plant and equipment	124,655	94,211
Diabetes education meeting/public forum	9,127	8,037
Diabetes education , foot-care and screening	306	354
Diabetes retinal photography	7,594	17,078
Diabetic in community	578	1,363
Dietary services	1,725	1,725
Maintenance of equipment	-	3,591
Newsletter expenses	44,565	49,603
Podiatry services	5,325	3,420
Postage	1,492	2,986
Printing and stationery	6,185	7,253
Purchase of medical goods	455,648	464,693
Refreshment	65	180
Rental of office premises	11,353	27,584
Staff costs	331,557	320,715
Subscription and periodicals	1,682	2,508
Telecommunication	4,233	4,502
Transportation	202	320
Upkeep of office	12,179	14,608
Utilities	22,175	18,714
World Diabetes Day	21,877	42,774
Charitable expenses for Restricted Funds	110,835	73,603
	<u>1,214,268</u>	<u>1,200,691</u>

14. **OTHER RESOURCES**

a) Other incoming resources

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Interest income	358	1,296
Sundry income	93,227	110
	<u>93,585</u>	<u>1,406</u>

b) Other resources expended

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Sundry expenses	3,185	2,406

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
31 DECEMBER 2009

15. GOVERNANCE AND OPERATING COSTS

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Annual General Meeting expenses	3,225	8,095
Auditors' remuneration	6,000	6,000
Bank charges	222	257
Consultancy and professional fees	30,150	37,088
Insurance	6,365	6,121
Printing and stationery	6,185	7,253
Rental of office premises	11,353	18,501
Staff costs	36,840	35,579
Telecommunication	3,586	2,651
Transportation	1,318	2,406
	<u>105,244</u>	<u>123,951</u>

16. STAFF COSTS

	<u>2009</u>	<u>2008</u>
	S\$	S\$
CPF contribution	39,726	39,223
Staff salaries and bonuses	320,224	305,997
Staff training	-	505
Staff welfare	4,172	7,112
Temporary staff	4,275	3,457
	<u>368,397</u>	<u>356,294</u>

17. BOARD OF MANAGEMENT PERSONNEL

The Society is governed by the Management Committee. All Committee members are volunteers and receive no monetary remuneration for their contributions except as disclosed in Note 19.

18. TAXATION

The Society is registered as a charity under the Charities Act (Cap 37) and is exempt from income tax.

19. CASH AND BANK BALANCES

As at 31 December 2009, the Society held bank balances of S\$82,362 (2008: S\$92,062) in trust for International Diabetes Federations – Western Pacific Region Funds. The amount held in trust is not reflect in the Society's financial statements

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
31 DECEMBER 2009

20. RELATED PARTIES TRANSACTIONS

The Society has complied with the Code of Governance for Charities and Institutions of a Public Character (IPC) issued by The Charity Council in respect of conflict of interest and related party transactions.

Some of the Society's transactions and arrangements and terms thereof are with related parties.

Related parties refer to Honorary Secretary and Committee Members. The related parties transactions are as follow:-

	<u>2009</u>	<u>2008</u>
	S\$	S\$
Consultancy and professional fees	19,200	19,200
Dietetics services and talk	1,650	1,725
Diabetic retina photo reading services	<u>-</u>	<u>5,630</u>

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Society is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and interest rate risk. The committee members carried out their financial risk management in accordance with established policies and procedures.

The following sections provide the Society's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is a risk of loss that may arise on outstanding financial instruments should a counterpart default on its obligations. The Society's exposure to credit risk arise primarily from trade and other receivables. No other financial assets carry a significant exposure to credit risk.

The Society's objective is to seek continual revenue growth while minimizing losses arising from any increase in credit risk exposure. Credit terms are granted based on evaluation by the management and provisions in the respective service agreements.

Exposure to Credit Risk

At statement of financial position date, the Society's maximum exposure to credit risk is represented by the carrying value of each class of financial assets recognised in the statement of financial positions.

Information regarding receivables is disclosed in Note 5 and 6.

DIABETIC SOCIETY OF SINGAPORE
(Registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
31 DECEMBER 2009

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity risk

Liquidity risk is a risk that the Society will encounter difficulty in meeting financial obligations due to shortage of funds. The Society's exposure to liquidity risk arises primarily from mismatches of collections and payments timing. The Society's objective is to maintain a balance between funding through business activities.

The Society's liquidity risk management policy is to maintain sufficient liquid financial assets and the availability of funding to meet its liquidity requirements has been set aside.

The table below summarises the maturity profile of the Society's financial liabilities at the statement of financial position date based on contractual payments:

	<u>2009</u>	<u>2008</u>
	One year or less S\$	One year or less S\$
Trade payables	62,011	64,346
Other payables	98,414	84,655
	<u>160,425</u>	<u>149,001</u>

(c) Interest rate risk

The Society is not exposed to significant interest rate risk as it does not have any significant interest-bearing assets or liabilities.

22. NEW OR REVISED ACCOUNTING STANDARD AND INTERPRETATIONS

Certain new standards, amendments and interpretations to existing standards have been published and are mandatory for the Society's accounting period, beginning on or after 1 January 2010 or later periods and which the Society has not early adopted. The Society has assessed that the impact of adopting those standards, amendments and interpretations that are relevant to the Society will not be material to the financial statements.