

RSM Chio Lim LLP

8 Wilkie Road, #03-08
Wilkie Edge, Singapore 228095

T +65 6533 7600
F +65 6594 7811

Audit@RSMSingapore.sg
www.RSMSingapore.sg

Singapore Thong Chai Medical Institution
50 Chin Swee Road
#01-01 Thong Chai Building
Singapore 169874

INDEPENDENT AUDITOR'S REPORT ON THE STATEMENT OF ACCOUNTS RELATING TO THE FUND-RAISING APPEAL VIA THONG CHAI CHARITY TV SHOW 2017 HELD BY SINGAPORE THONG CHAI MEDICAL INSTITUTION FOR THE PERIOD FROM 1 JANUARY 2017 TO 6 SEPTEMBER 2018**Opinion**

We have audited the statement of accounts of Singapore Thong Chai Medical Institution (the "company") relating to the fund-raising appeal via Thong Chai Charity TV Show 2017 held by the company, which comprise the statement of income and expenditure for the period from 1 January 2017 to 6 September 2018 (the "Statement").

In our opinion, the Statement is prepared, in all material respects, in accordance with the provisions of The Statement has been prepared by management based on the provisions of Regulation 10 of Charities (Institutions of A Public Character) Regulations, and Charities (Fund-raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012 under Charities Act (Chapter 37) (collectively named as the "Regulations").

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

- (a) Out of the total fund raising proceeds of \$11,247,039.10, \$676,089.92 was received subsequent to the end of the reporting year ended 31 December 2017. The proceeds received subsequent to 31 December 2017 were related to donations committed by donors but received from 1 January 2018 to 6 September 2018.
- (b) We draw attention to the "Basis of Preparation" as stated in Appendix 1, which describes the basis of accounting. The Statement is prepared to assist the company to meet the requirements of the Regulations. As a result, the Statement may not be suitable for another purpose. Our report is intended solely for the company, and the Ministry of Health, and should not be distributed to or used by parties other than the company and the Ministry of Health.

Our opinion is not modified in respect of the above matters.

Responsibilities of Management and Those Charged with Governance for the Statement

Management is responsible for the preparation of the Statement in accordance with the Regulations, and for such internal control as management determines is necessary to enable the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

In preparing the Statement, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Statement is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company's to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

Singapore Thong Chai Medical Institution

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink, appearing to read 'RSM Chio Lim LLP', with a horizontal line under the 'p'.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

13 November 2018

新加坡同濟醫院

新加坡振瑞路五十號同濟大廈

電話 : 67336905, 67335579, 67337262, 67333994

傳真 : 67333552



Reg No : 196000175E

SINGAPORE THONG CHAI MEDICAL INSTITUTION

50, Chin Swee Road, #01-01

Thong Chai Building, Singapore 169874.

Tel: 67336905, 67335579, 67337262, 67333994

Fax: 67333552

Email: stcmi@singnet.com.sg

Appendix 1

Basis of preparation for Thong Chai Charity TV Show 2017

The Statement of Income and Expenditure of the company has been drawn up in accordance with the provisions of the Regulation 10 of Charities (Institutions of A Public Character) Regulations, and Charities (Fund-raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012 under Charities Act (Chapter 37) (collectively named as the "Regulations"), Singapore Financial Reporting Standards ("FRS"), and prepared on the historical cost basis except as disclosed in the accounting policies below. The statement is presented in Singapore Dollars (\$), which is the company's functional currency.

Revenue recognition

The revenues amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the reporting year arising from the course of the activities of the entity and it is shown net of any related goods and services taxes and subsidies.

Donations and corporate cash sponsorships – Revenue from donations and corporate cash sponsorships are accounted for when received.

Expenditure recognition

All expenditure is accounted for on accrual basis, aggregate under the respective areas. Direct costs are attributed to the activity where possible, where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

Cost of generating funds – Cost of generating funds comprises all directly attributable costs incurred in the generating voluntary income and fundraising activities. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

Approved by,

Chairman
Lim Guan Lee

Honorary Treasurer
Lim Tiang Chuan

MARKED FOR
IDENTIFICATION PURPOSES

RSM Chio Lim LLP
Chartered Accountants, Singapore

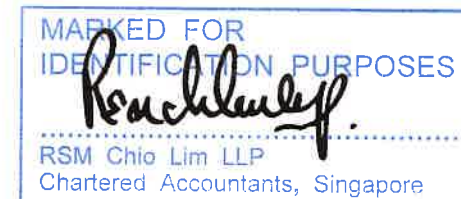
Statement of Income and Expenditure
 Thong Chai Charity TV Show 2017
 01.01.17 - 06.09.18

Income/Expense	\$
Income	
Activities for generating fund	
Donation hotlines 1900	1,943,021.77
Sale of airtime	36,000.00
Thong Chai Charity TV Show	9,268,017.33
Total Activities for generating fund	11,247,039.10
Voluntary income	
Tote Board contribution	50,000.00
Total Voluntary income	50,000.00
Total Income	11,297,039.10
Cost of generating funds	
Anniversary expenses	55,218.68
Charity dinner	248,593.51
Foods and beverages	3,938.13
Media expenses	1,741,157.62
Miscellaneous expenses	6,872.75
Photography and video expenses	6,164.00
Rental of auditorium	7,612.52
Telephone expenses	17,999.08
Token of appreciation	14,100.00
Total Cost of generating funds	2,101,656.29
Total Expense	2,101,656.29
Net Income	9,195,382.81

Approved by,



Chairman
 Lim Guan Lee



13 NOV 2018