I LOVE CHILDREN

(Incorporated in the Republic of Singapore)
(Registration Number ROS2132/2005 CAS)

STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2011

I LOVE CHILDREN

(Incorporated in the Republic of Singapore)

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STATEMENT BY BOARD OF MANAGEMENT

In the opinion of the Board of Management, the accompanying statement of financial position, statement of financial activities, statement in changes in funds and statement of cash flows together with the notes thereon are drawn up so as to give a true and fair view of the state of affairs of the Organisation as at 31 December 2011 and the results, changes in funds and cash flows of the Organisation for the year then ended and at the date of this statement there are reasonable grounds to believe that the Organisation will be able to pay its debts as and when they fall due.

ON BEHALF OF THE BOARD

JONI ONG
PRESIDENT

TAN KENG WAI, CHRISTOPHER
TREASURER

DATED: 19 April 2012

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

I LOVE CHILDREN

(Incorporated in the Republic of Singapore)

We have audited the accompanying financial statements of **I LOVE CHILDREN** set out on pages 4 to 12 which comprise the statement of financial position as at 31 December 2011, and the statement of financial activities, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act, Cap 311, Charities Act, Chapter 37 and Singapore Financial Reporting Standards and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of financial activities and statement of financial position and to maintain accountability of assets.

The Management is also responsible to ensure that the 30% cap in the Charities Regulations issued under the Charities Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 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 Board of 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 Societies Act, Cap 311, Charities Act, Chapter 37 and Singapore Financial Reporting Standards and so as to give a true and fair view of the state of affairs of the Organisation as at 31 December 2011 and the results, changes in fund and cash flows of the Organisation for the year ended on that date.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

I LOVE CHILDREN

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(Continuation from Page 2)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the regulation and enacted under the Societies Act, Cap 311, Charities Act and Chapter 37 to be kept by the Organisation have been properly kept in accordance with those regulations

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

(a) the organisation did not comply with the Charities Regulations issued under the Charities Act; and;

(b) the donations monies have not been used in accordance with the objective of the Organisation as an Institution of a Public Character.

H. WEE & CO.
PUBLIC ACCOUNTANTS AND
CERTIFIED PUBLIC ACCOUNTANTS

SINGAPORE
19 April 2012

I LOVE CHILDREN

(Incorporated in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2011

	NOTE	2011 S$	2010 S$
PLANT AND EQUIPMENT	3	9,291	13,637
CURRENT ASSETS			
Trade debtors	4	85,400	37,282
Prepayment		6,957	1,500
Deposit		5,501	5,501
Bank and cash balances		153,197	101,226
		251,055	145,509
Less: **CURRENT LIABILITIES**			
Accruals		46,446	57,294
		46,446	57,294
NET CURRENT ASSETS		204,609	88,215
		213,900	101,852
Represented by:			
ACCUMULATED FUND		213,900	101,852
		213,900	101,852

THE ATTACHED NOTES TO THE ACCOUNTS
FORM AN INTEGRAL PART OF THE ACCOUNTS

I LOVE CHILDREN

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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2011

	UNRESTRICTED FUND	
	2011	2010
	S$	S$
INCOME		
Contribution income	253	31,755
Grant	731,684	619,924
Interest earned	70	83
Job credit	-	1,350
Other income	9,277	6,924
	741,284	**660,036**
Less: **EXPENSES**		
Audit fee	1,000	600
Advertising, publicity and promotions	40,934	226,577
CPF contributions	15,444	15,749
Depreciation of plant and equipment	5,004	6,888
Entertainment and refreshments	177	931
Events and management expenses	392,741	173,582
General expenses	845	485
Insurance	1,534	3,453
Staff welfare benefit	444	199
Office rental	24,062	24,062
Operating expenses for ILC Bus	18,096	26,500
Office supplies & courier expenses	1,184	5,200
Part-time labour	7,543	1,450
Professional fee	7,000	7,600
Printing and stationery	2,706	4,806
Repair and maintenance	590	4,594
Salaries	97,251	105,000
Telecommunication charges	4,784	3,170
Transport expenses	1,632	3,850
Utilities	6,265	5,364
	629,236	**620,060**
SURPLUS FOR THE YEAR BEFORE TAXATION	**112,048**	**39,976**

THE ATTACHED NOTES TO THE ACCOUNTS
FORM AN INTEGRAL PART OF THE ACCOUNTS

I LOVE CHILDREN
(Incorporated in the Republic of Singapore)

STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2011

	← UNRESTRICTED FUND →	
	Accumulated Fund S$	Total Fund S$
Balance at 01.01.2010	61,876	61,876
Surplus for the year	39,976	39,976
Balance as at 31.12.2010	101,852	101,852
Surplus for the year	112,048	112,048
Balance as at 31.12.2011	213,900	213,900

THE ATTACHED NOTES TO THE ACCOUNTS
FORM AN INTEGRAL PART OF THE ACCOUNTS

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 S$	2010 S$
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus before taxation	112,048	39,976
Adjustments for:-		
Depreciation of plant and equipment	5,004	6,888
Interest income	(70)	(83)
Operating cash flow before working capital changes	116,982	46,781
Changes in operating assets and liabilities:		
Trade debtors	(48,118)	(33,564)
Prepayment	(5,457)	10,348
Advance collection	-	(5,483)
Accruals	(10,848)	48,013
Cash generated from operations	52,559	66,095
Interest received	70	83
Net cash from operating activities	52,629	66,178
INVESTING ACTIVITIES		
Purchase of plant and equipment	(658)	-
Net cash (used in) investing activities	(658)	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	51,971	66,178
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	101,226	35,048
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 7)	153,197	101,226

THE ATTACHED NOTES TO THE ACCOUNTS
FORM AN INTEGRAL PART OF THE ACCOUNTS

I LOVE CHILDREN

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NOTES TO THE ACCOUNTS – 31 DECEMBER 2011

1 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

The accounts expressed in Singapore dollars, which is the functional currency, are prepared under the historical cost convention and in accordance with Singapore Financial Reporting Standards (FRS) and on a going concern assumption that corporate sponsors, government agencies and the community continue to provide financial support to the Organisation.

The preparation of financial statements 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 estimate is revised and in any future periods affected. There are no significant judgements made in the preparation of the financial statements.

In the current financial year, the Organisation has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") issued by the Accounting Standards Council that are relevant to its operations and effective for the current financial year.

The adoption of these new/revised FRSs has no material effect on the financial statements.

b) Revenue Recognition

Revenue is recognised upon rendering of services and on accrual basis.

Donations and contributions are recognised on a when received basis.

Grants are recognised when billed to sponsor.

c) Plant and equipment and Depreciation

Plant and equipment are stated at cost less accumulated depreciation and any impairment loss. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditure for additions, improvements and renewals is capitalised and expenditure for maintenance and repairs is charged to the statement of financial activities. When assets 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.

NOTES TO THE ACCOUNTS – 31 DECEMBER 2011

1 SIGNIFICANT ACCOUNTING POLICIES

c) **Plant and equipment and Depreciation** – (Cont'd)

Depreciation is computed on the straight line method to write off the cost of the assets over their estimated useful lives which are as follows:

Office equipment	5 years
Furniture & fittings	5 years
Signage	5 years
Office Renovation	5 years
Computer equipment	3 years

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

d) **Debtors**

Receivables are recognised and carried at original invoice amount less provision on any uncollectible amounts.

e) **Creditors**

Liabilities for amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.

f) **Employee Benefits**

The Organisation makes contributions to the Central Provident Fund scheme in Singapore. Such contributions are recognised as an expense in the period in which the related service is performed.

g) **Impairment**

The carrying amounts of the Organisation's assets are reviewed at each statement of financial position date to determine whether there is any indication of any impairment. If any such indication exists, the asset's recoverable amount is estimated. All impairment losses are recognised in the statement of financial activities whenever the carrying amount of an asset or its cash-operating unit exceeds its recoverable amount.

An impairment loss is only reversed to the extent the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. All reversals of impairment losses are recognised in the statement of financial activites.

h) **Cash and Cash Equivalents**

Cash and cash equivalents comprise cash and bank deposits which are readily convertible to cash and which are subject to an insignificant risk of changes in value.

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NOTES TO THE ACCOUNTS – 31 DECEMBER 2011

2 GENERAL

The principal activities of the Organisation are to advocate among Singaporeans a higher priority to having children and promoting a society where they are loved and mainstreamed. The Organisation also celebrates children and the joy they bring.

The registered office of the Organisation is located at Blk 323B, SengKang East Way, #01-555, Singapore 542323.

The Organisation operates in Singapore.

These financial statements for the year ended 31 December 2011 were authorised for issue on 19 April 2012 by the Board of Management.

3 PLANT AND EQUIPMENT

	Office equipment S$	Furniture & fittings S$	Computer equipment S$	Signage S$	Office Renovation S$	Total S$
Cost						
At 01.01.2010	7,180	11,684	8,609	1,667	14,825	43,965
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31.12.2010	7,180	11,684	8,609	1,667	14,825	43,965
Additions	658	-	-	-	-	658
Disposals	-	-	-	-	-	-
At 31.12.2011	7,838	11,684	8,609	1,667	14,825	44,623
Accumulated Depreciation						
At 01.01.2010	5,864	5,367	8,609	388	3,212	23,440
Additions	1,316	2,273	-	334	2,965	6,888
Disposals	-	-	-	-	-	-
At 31.12.2010	7,180	7,640	8,609	722	6,177	30,328
Additions	132	1,574	-	333	2,965	5,004
Disposals	-	-	-	-	-	-
At 31.12.2011	7,312	9,214	8,609	1,055	9,142	35,332
Net Book Value						
At 31.12.2011	526	2,470	-	612	5,683	9,291
At 31.12.2010	-	4,044	-	945	8,648	13,637

NOTES TO THE ACCOUNTS – 31 DECEMBER 2011

4 TRADE DEBTORS

This represents billings for contributions receivable for the Organisation's activities. They were received subsequent to year end.

5 TAXATION

The Organisation is exempt from tax under Section 13M of the Income Tax Act and received IPC status from 1 July 2011 to 31 July 2013.

6 OPERATING LEASE COMMITMENTS

The Organisation has commitments for future lease payments under non-cancellable operating leases as follows:

	2011 S$	2010 S$
Payable:		
- within one year	24,062	24,062

7 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amount:

	2011 S$	2010 S$
Bank and cash balances	153,197	101,226

8 FINANCIAL RISK MANAGEMENT

The main risks arising from the Organisation's financial instruments are liquidity risk and credit risk. The policies for managing each of these risks are summarised as follows:

a) **Liquidity Risk**

The Organisation's financing activities are managed by maintaining an adequate level of cash and cash equivalents to finance the operations. Contributions from corporate sponsors ensure continuity of funding.

NOTES TO THE ACCOUNTS – 31 DECEMBER 2011

8 FINANCIAL RISK MANAGEMENT – (Cont'd)

b) **Credit Risk**

Credit risk arises mainly from the risk on counterparties defaulting on the terms of their agreements. The carrying amounts of cash and cash equivalents and debtors represent the Organisation's maximum exposure to credit risk in relation to financial assets.

The credit risk on balances of cash and cash equivalents is low as these balances are placed with a reputable bank.

9 CAPITAL COMMITMENT

Contracted facilities booking cost S$16,184 of which a downpayment of S$4,855 has been made in this year.

10 RELATED PARTY TRANSACTION

There was no related party transaction during the financial year.

11 FAIR VALUES OF FINANCIAL INSTRUMENTS

The carrying value of cash at bank, and amounts receivable and payable approximates fair value due to the relatively short-term maturity of these financial instruments.