

HARVARD SINGAPORE FOUNDATION

*(Incorporated in Singapore as a company limited
by guarantee without share capital. Registration Number: 200503715N)*

FINANCIAL STATEMENTS

For the financial year ended 31 March 2008

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HARVARD SINGAPORE FOUNDATION

DIRECTORS' REPORT

For the financial year ended 31 March 2008

The directors present their report to the members together with the audited financial statements of the Company for the financial year ended 31 March 2008.

Directors

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

Koh Boon Hwee
Lee Keen Whye
Teo Soon Chye

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was 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.

Directors' interests in shares or debentures

As the Company is limited by guarantee and has no share capital, none of the directors holding office at the end of the financial year had any interest in the share capital of the Company which is required to be reported pursuant to Section 201(6)(g) of the Companies Act.

Directors' contractual benefits

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

Share options

As the Company is limited by guarantee, there are no share options and unissued ordinary shares.

HARVARD SINGAPORE FOUNDATION

DIRECTORS' REPORT

For the financial year ended 31 March 2008

Independent auditor

The independent auditor, PricewaterhouseCoopers, has expressed its willingness to accept re-appointment.

On behalf of the directors



LEE KEEN WHYE
Director



KOH BOON HWEE
Director

26 September 2008

HARVARD SINGAPORE FOUNDATION


STATEMENT BY DIRECTORS

For the financial year ended 31 March 2008

In the opinion of the directors,

- (a) the financial statements as set out on pages 5 to 13 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 March 2008 and its results, changes in equity and cash flows of the Company for the financial year then ended; 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.

On behalf of the directors



LEE KEEN WHYE
Director



KOH BOON HWEE
Director

26 September 2008

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
HARVARD SINGAPORE FOUNDATION**

We have audited the accompanying financial statements of Harvard Singapore Foundation set out on pages 5 to 13, which comprise the balance sheet as at 31 March 2008, the income statement, the statement of changes in equity and the cash flow statement for the financial 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 and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act (Cap. 50) (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:

- (a) devising and maintaining a system of internal control 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;
- (b) selecting and applying appropriate accounting policies; and
- (c) 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 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 as to 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 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,

- (a) the financial statements of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 March 2008, and the results, changes in equity and cash flows of the Company for the financial year ended on that date; and
- (b) 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.



PricewaterhouseCoopers
Public Accountants and Certified Public Accountants

Singapore,
26 September 2008

HARVARD SINGAPORE FOUNDATION

INCOME AND EXPENDITURE STATEMENT

For the financial year ended 31 March 2008

	Note	General Fund		Endowment Fund		Total	
		2008	2007	2008	2007	2008	2007
		\$	\$	\$	\$	\$	\$
Donations		22,784	25,487	127,216	50,000	150,000	75,487
Other income	3	10,667	10,112	-	-	10,667	10,112
Less:							
Administrative expenses	4	(33,443)	(15,869)	-	-	(33,443)	(15,869)
Net surplus		<u>8</u>	<u>19,730</u>	<u>127,216</u>	<u>50,000</u>	<u>127,224</u>	<u>69,730</u>

HARVARD SINGAPORE FOUNDATION

BALANCE SHEET

As at 31 March 2008

	Note	2008 \$	2007 \$
Current assets			
Cash and cash equivalents	7	747,265	640,057
Other receivables	8	1,046	2,813
		<u>748,311</u>	<u>642,870</u>
Total assets		<u>748,311</u>	<u>642,870</u>
Current liabilities			
Other payables	9	887	22,670
		<u>887</u>	<u>22,670</u>
Total liabilities		<u>887</u>	<u>22,670</u>
Net assets		<u>747,424</u>	<u>620,200</u>
Represented by:			
Endowment Fund		718,516	591,300
General Fund		28,908	28,900
		<u>747,424</u>	<u>620,200</u>

HARVARD SINGAPORE FOUNDATION

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2008

	Endowment Fund \$	General Fund \$	Total \$
Balance at 1 April 2007	591,300	28,900	620,200
Total recognised income for the financial year - net surplus	127,216	8	127,224
Balance at 31 March 2008	<u>718,516</u>	<u>28,908</u>	<u>747,424</u>
Balance at 1 April 2006	541,300	9,170	550,470
Total recognised income for the financial year - net surplus	50,000	19,730	69,730
Balance at 31 March 2007	<u>591,300</u>	<u>28,900</u>	<u>620,200</u>

HARVARD SINGAPORE FOUNDATION

CASH FLOW STATEMENT

For the financial year ended 31 March 2008

	Note	2008 \$	2007 \$
Cash flows from operating activities			
Net surplus		127,224	69,730
Adjustments for:			
Interest income		(10,667)	(7,922)
Donations		(150,000)	(75,487)
Operating cash flow before working capital changes		(33,443)	(13,679)
Changes in operating assets and liabilities			
Other receivables		2,191	(1,658)
Other payables		(21,783)	12,795
Cash used in operations		(53,035)	(2,542)
Endowment Fund contributions received		127,216	50,000
General Fund contributions received		22,784	25,487
Net cash outflow from operating activities		96,965	72,945
Cash flows from investing activities			
Interest received		10,243	7,299
Net cash from investing activities		10,243	7,299
Net increase in cash and cash equivalents held		107,208	80,244
Cash and cash equivalents at the beginning of the year		640,057	559,813
Cash and cash equivalents at the end of the financial year	7	747,265	640,057

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2008

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

1. General

Harvard Singapore Foundation (the "Company") was incorporated and domiciled in Singapore and limited by guarantee. The address of its registered office is 50 Raffles Place, #17-01, Singapore Land Tower, Singapore 048623.

The principal activity of the Company is to act as a charitable foundation promoting the advancement of education in the management and governance of non-government organisations.

These financial statements are presented in Singapore Dollar, which is the Company's functional currency.

2. Significant accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

There are no new or amended Standards and Interpretations effective in 2007 which are relevant to the Company.

(b) Revenue recognition

Donation income is accounted for on a receipt basis.

Interest income is recognised on a time proportion basis, using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2008

2. Significant accounting policies (continued)

(c) Fair value estimation

The carrying amounts of current financial assets and liabilities, carried at amortised cost, are assumed to approximate their fair values.

The carrying amount of current receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities carried at amortised cost are estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Company for similar financial liabilities.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits with financial institutions.

(e) Income tax

Under Section 13 (1) (zm) of the Income Tax Act, the income of the Company shall be exempted from tax as the Company is a registered charity under the Charities Act (Cap. 37).

(f) Share capital

The Company is incorporated as a company limited by guarantee without share capital.

3. Other income

	2008	2007
	\$	\$
Interest income from fixed deposits placed with a financial institution	10,667	7,922
Participation Fee	-	2,190
	10,667	10,112

HARVARD SINGAPORE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2008

4. Expenses by nature

Administrative expenses comprise the following:

	2008	2007
	\$	\$
Sponsorship expense	29,417	14,177
Professional fees	3,932	1,672
Other expenses	94	20
	<u>33,443</u>	<u>15,869</u>

5. Employee compensation

The Company does not have any employees on its payroll. The administrative function of the Company is handled by the directors of the Company who render these services on a voluntary basis.

6. Income tax

By virtue of Section 13 (1) (zm) of the Income Tax Act (Cap. 134), the income of any charity registered or exempt from registration under the Charities Act (Cap. 37) shall be exempt from tax. As the Company is a registered charity under the Charities Act (Cap. 37), no provision for taxation had been made in the financial year.

7. Cash and cash equivalents

	2008	2007
	\$	\$
Cash at bank and on hand	1,009	59,930
Short-term bank deposits	746,256	580,127
	<u>747,265</u>	<u>640,057</u>

Cash and cash equivalents were denominated in Singapore Dollar.

The carrying amounts of cash and cash equivalents approximated their fair values.

Short-term bank deposits have an average maturity of 1 month from the end of the financial year with a weighted average effective interest rate of 1.11% (2007: 1.38%) per annum.

HARVARD SINGAPORE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2008

8. Other receivables

At the balance sheet date, the carrying amount of other receivables approximated their fair values. Other receivables were denominated in Singapore Dollar.

9. Other payables

At the balance sheet date, the carrying amount of other payables approximated their fair values. Other payables were denominated in Singapore Dollar.

10. Related party transactions

- (a) The following related party transaction took place between the Company and related parties during the financial year on terms agreed by the parties concerned:

	2008	2007
	\$	\$
Interest-free advance received from a director (included in the other payables balance)	1,000	-
	<u>1,000</u>	<u>-</u>

- (b) There is no key management remuneration as the key management, namely the directors of the Company, having authority and responsibility for planning, directing and controlling the activities of the Company, assume these roles on a voluntary basis.

11. Donations

The Company had been conferred with the status of Institution of a Public Character ("IPC") for the period 21 March 2005 to 31 March 2008. Under the Charities Act (Chapter 37) – Charities (IPC) Regulations 2007 (the "Regulation"), paragraph 17(1)(a), the financial statements of an IPC is required to disclose the total amount of tax deductible donations received for the financial year.

Of the total donations received during the financial year, \$150,000 (2007: \$75,487) was tax deductible donations received.

12. Financial risk management

The Company is mainly exposed to interest rate risk arising from its interest-bearing assets in the form of short-term fixed deposits with maturity periods within three months from the financial year end. The Company's activities do not expose it to other significant financial risks.

13. New accounting standards and FRS interpretations

Certain new accounting standards, amendments and interpretations to existing standards have been published and they are mandatory for the Company's financial periods beginning on or after 1 April 2008 or later periods and which the Company has not early adopted. The Company's assessment of the impact of adopting those standards, amendments and interpretations that are relevant to the Company is set out below:

FRS 107 Financial Instruments: Disclosures, and a complementary Amendment to FRS 1 Presentation of Financial Statements – Capital Disclosures

The Company has adopted FRS 107 on 1 April 2008.

FRS 107 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including minimum disclosures about credit risk, liquidity risk and market risk (including sensitivity analysis to market risk). It replaces the disclosure requirements in FRS 32, Financial Instruments: Disclosure and Presentation.

The amendment to FRS 1 introduces disclosures about the level of an entity's capital and how it manages capital. The Company has assessed the impact of FRS 107 and the amendment to FRS 1 and concluded that the main additional disclosures will be the capital disclosures required by the amendment of FRS 1.

14. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the directors on 26 September 2008.