

FINANCIAL STATEMENTS

For The Year Ended 31st December 2009

THE KIND EXCHANGE LIMITED

UEN No: 200722959E

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& ASSOCIATES
Certified Public Accountants

THE KIND EXCHANGE LIMITED
(Incorporated in Singapore)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

Contents	Pages
Directors' Report	1
Statement by Directors	2
Auditors' Report to the Members	3 - 4
Statement of Financial Position	5
Statement of Comprehensive Income	6
Statement of Changes in Accumulated Funds	7
Statement of Cash Flow	8
Notes to the Financial Statements	9 - 14

THE KIND EXCHANGE LIMITED
(Incorporated in Singapore)

STATEMENT BY DIRECTORS

The directors present their report to the members together with the audited accounts of the Company for the financial year 31 December 2009.

DIRECTORS

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

Andrew Minh Hooper-Nguyen
Julie Kim Englefield
Muhammad bin Idris Alkhatib (resigned on 13 October 2009)
Chionh Sze Chyi Mavis
Victoria Camelio

As the Company is a company limited by guarantee and not having a share capital, there are no matters to be disclosed under Section 201(6)(f) and 201(6)(g) of the Companies Act, Cap. 50.

DIRECTORS' CONTRACTUAL BENEFITS

Since the date of incorporation, no director has received or become entitled to receive a benefit (other than those disclosed as emoluments in the accounts) 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, Messrs Suhaimi Salleh & Associates, Certified Public Accountants, have expressed their willingness to accept reappointment.

On behalf of the Board,



ANDREW MINH HOOPER-NGUYEN
Director



VICTORIA CAMELIO
Director

Singapore

01 MAR 2010

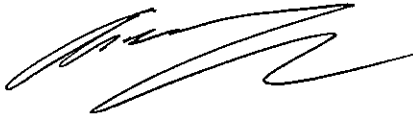
THE KIND EXCHANGE LIMITED
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STATEMENT BY DIRECTORS

In the opinion of the directors, the accompanying statement of financial position, statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows together with the notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2009, and the results of its activities, changes in accumulated funds and the cash flows of the Company for the year ended on that date.

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 board



ANDREW MINH HOOPER-NGUYEN
Director



VICTORIA CAMELIO
Director

Singapore

. 0 1 MAR 2010

THE KIND EXCHANGE LIMITED
(Incorporated in Singapore)



Suhaimi Salleh & Associates
Certified Public Accountants
Practising Register No. 00435

We have audited the accompanying financial statements of The Kind Exchange Limited which comprise the statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows for the financial year 31 December 2009, 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 the Singapore Financial Reporting Standards. This responsibility includes:

- (a) devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorised used or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of comprehensive income and statement of financial position 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 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 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.



(Continued)

Opinion

In our opinion,

- (a) the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give true and fair view of the state of affairs of the Company as at 31 December 2009 and of the results, changes in accumulated funds and cash flows of the Company for the 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.

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

- (i) the donations and other receipts of the Company were not used for approved projects and the purposes intended; and
- (ii) the 30% cap mentioned under Regulation 7 of the Charities Act (Chapter 37) Charities (Fund-Raising Appeals) Regulation 2007 as amended by the Charities Act (Chapter 37) Charities (Fund Raising Appeals) (Amendment) Regulations 2008, has been exceeded.

SUHAIMI SALLEH & ASSOCIATES
Certified Public Accountants
Singapore

01 MAR 2010

THE KIND EXCHANGE LIMITED
(Incorporated in Singapore)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009

	Notes	2009 S\$	2008 S\$
ASSETS			
CURRENT ASSETS			
Cash at bank balance		6,454	4,360
Prepayments		90	-
		6,544	4,360
TOTAL ASSETS		6,544	4,360
FUND AND LIABILITIES			
FUND BALANCES			
Unrestricted general fund	4	5,744	3,260
CURRENT LIABILITIES			
Accruals and other current liabilities	3	800	1,100
TOTAL FUND AND LIABILITIES		6,544	4,360

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

THE KIND EXCHANGE LIMITED
(Incorporated in Singapore)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2009

	1/1/2009 to 31/12/2009 S\$	12/12/2007 (date of incorporation) to 31/12/2008 S\$
DONATIONS AND CONTRIBUTIONS	5,800	8,759
LESS: EXPENDITURES		
Audit fees	750	750
Bank charges	240	80
Filing fees	-	360
Incorporation fees	-	600
Printing, postage & stationery	50	149
Volunteer development and recognition expenses	2,254	3,560
Website expenses	22	-
TOTAL OPERATING EXPENDITURES	3,316	5,499
SURPLUS FOR THE YEAR/PERIOD	2,484	3,260
OTHER COMPEHENSIVE INCOME FOR THE YEAR/PERIOD	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD	2,484	3,260

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

THE KIND EXCHANGE LIMITED
(Incorporated in Singapore)

STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2009

	Total S\$
Balance at 12 December 2007 (date of incorporation)	-
Comprehensive income	
Surplus for the period	3,260
Other comprehensive income	-
Balance at 31 December 2008	<u>3,260</u>
Balance at 1 January 2009	3,260
Comprehensive income	
Surplus for the year	2,484
Other comprehensive income	-
Balance at 31 December 2009	<u>5,744</u>

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

THE KIND EXCHANGE LIMITED
(Incorporated in Singapore)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2009

	1/1/2009	12/12/2007
	to	(date of
	31/12/2009	incorporation)
	S\$	to
		31/12/2008
		S\$
<hr/>		
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year/period	2,484	3,260
(Increase) in operating receivables	(90)	-
(Decrease)/Increase in operating payables	(300)	1,100
Net cash generated from operating activities	2,094	4,360
CASH FLOWS FROM INVESTING ACTIVITIES	-	-
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
Net increase in cash and cash equivalents	2,094	4,360
Cash and cash equivalents brought forward	4,360	-
Cash and cash equivalents carried forward	6,454	4,360
Cash and cash equivalents carried forward comprise:		
Cash at bank	6,454	4,360

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

THE KIND EXCHANGE LIMITED
(Incorporated in Singapore)

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

1. CORPORATE INFORMATION

The Kind Exchange Limited (the Company) is a non-profit charitable company domiciled and incorporated in Singapore with its registered address at No. 73 Pasir Panjang Hill Singapore 118906. Its UEN (Unique Entity Number) no. is 200722959E.

The Company was incorporated on 12 December 2007 as a Company limited by guarantee. The Company was registered as a charity on 8 July 2008.

The company's principal activities are:

- i) The creation of an on-line meeting place for the giving and receiving of professional services;
- ii) The promotion and provision of opportunity for professionals to volunteer their services and for community groups to receive specific and targeted volunteer professional services;
- iii) The promotion of a volunteer culture within Singapore society; and
- iv) The advancement of community development in Singapore by promoting and helping to nurture a culture of volunteerism in Singapore.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

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

(b) Basis of Preparation

(i) Functional and presentation currency

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

(ii) Basis of measurement

The financial statements have been prepared under the historical cost convention except as described in accounting policies below.

THE KIND EXCHANGE LIMITED
(Incorporated in Singapore)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(c) Changes in accounting policies

In the current financial year, the Company has adopted all the new and revised FRS and interpretations of FRS ("INT FRS") that are relevant to its operations and effective from 1 January 2009. The adoption of the standards and interpretations did not have material effect in the financial statements except for the change in the presentation of the financial statements.

(i) Adoption of FRS 1 Presentation of Financial Statements – Revised presentation

The Company applied the revised FRS 1 which became effective on 1 January 2009. As a result, the income and expenditure statement is now presented in the statement of comprehensive income. This statement may be presented in one single statement or two linked statements. The Company has elected to present the statement of comprehensive income in one single statement.

(d) Standards issued but not yet effective

The Board of Directors anticipate that the adoption of the new/revised FRS, INT FRS and amendments to FRSs that were issued at the date of authorisation of these financial statements but not yet effective until future periods will have no material impact on the financial statements of the Company in the period of their initial adoption.

(e) Financial Assets

Financial assets are recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

(i) Classification

Loans and receivable

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Such assets are initially recorded at fair value plus directly attributable transaction cost. Subsequent to initial recognition, such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in comprehensive income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

The Company's financial asset under loans and receivables is cash at bank balances.

THE KIND EXCHANGE LIMITED
(Incorporated in Singapore)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(e) Financial Assets (continued)

(i) Classification (continued)

Other financial assets

The Company has no asset classified under financial asset through profit and loss, held to maturity and available-for-sale financial assets.

(ii) Impairment

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

If there is objective evidence that an impairment loss on loans and receivables carried at amortised costs has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account. The amount of the loss is recognised in the statement of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the statement of comprehensive income, to the extent that the carrying value of the assets does not exceed its amortised cost at the reversal date.

(f) Financial liabilities

Financial liabilities are recognised on the balance sheet when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the comprehensive income statement when the liabilities are derecognised as well as through the amortisation process. The liabilities are derecognised when the obligation under the liability is discharged or cancelled or expired.

The Company's financial liabilities consist of payable and accruals.

THE KIND EXCHANGE LIMITED
(Incorporated in Singapore)

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(g) Derecognition of financial assets and financial liabilities

A financial asset is derecognised where the contractual rights to receive cash flows from the asset have expired.

On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received is recognised in the comprehensive income statement.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

(h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) where as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate can be made of the amount of obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as interest expense.

(i) Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed in the notes to the financial statements when an inflow of economic benefits is probable.

(j) Donations and Contributions

Donations and contributions are recognized on the date of receipt. Donations and contributions in kind are recorded at their fair market values. All donations and contributions received are considered available for general use unless specifically restricted by the respective donors.

THE KIND EXCHANGE LIMITED
(Incorporated in Singapore)

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

3. ACCRUALS AND OTHER CURRENT LIABILITIES

This account consists of:

	2009 S\$	2008 S\$
Accruals	800	1,020
Other payables	-	80
	<u>800</u>	<u>1,100</u>

4. FUNDS

Unrestricted General Fund

This is a general purpose fund to be used for non-specific purposes at the discretion of the Board of Directors in furtherance of the Company's objects.

5. INCOME TAX

The Company is a registered charity under the Charities Act, Cap 37. No provision for taxation has been made in the financial statements as the Company is exempt from income tax in accordance with the provisions of Section 13(1)(zm) of the Income Tax Act, Chapter 134.

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is mainly exposed to funding and liquidity risk.

Funding risk

The Company depends largely on voluntary contribution from individuals, corporations and other organisations to fund and carry out its activities during the year. It does not have any credit facilities from banks or other financial institutions. It is in this area of its operations that the Company continuously faces challenges and risks. Its ability to raise funds and the success of its fund raising efforts are affected by economic conditions and other factors.

The Company recognised that the management of funding risk is central to its financial management practices and its ability to carry out activities and projects in furtherance of its objects. As a result, it places its available funds in current accounts in Singapore dollars with creditworthy and reputable financial institutions, namely banks and manages the funds prudently. This practice protects its cash resources and enhances its financial resilience.

THE KIND EXCHANGE LIMITED
(Incorporated in Singapore)

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

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

7. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 December 2009 were authorised for issue in accordance with a resolution of the directors on **01 MAR 2010**