



**TOWARDS A CLEAR VISION
FOR THE FUTURE**

ANNUAL REPORT 2009/2010

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Chairman's Message

The year 2009 was an exciting year for KDF as we focused on treatment, education and research to fulfill our vision and mission. We continued to ensure that no kidney patient is deprived of treatment due to the lack of funds. We promoted and supported preventive measures through public education and supported research for cures of kidney diseases. Our plans to assist elderly, high dependent patients were finally put into action and the research aspect of KDF's mission took its shape and importance.

With an aging population, KDF is faced with the challenge of providing suitable dialysis facilities for the elderly and needy kidney patients, with multiple medical problems. These patients are best treated in an environment with medical doctors and nursing care that is close to hospital facilities and not merely in a satellite dialysis centre. In 2009, the Board decided to introduce the Portable Subsidy Program so that our high dependency patients need not worry in the event they need to be dialyzed in a setting more equipped to handle their multiple medical problems. To date, 4 patients have benefited from the program.

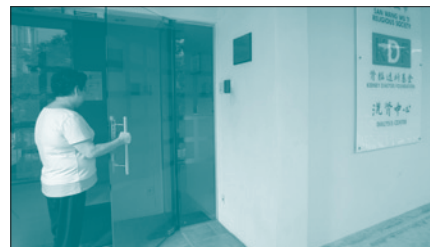
Besides ensuring that our patients receive high quality low cost treatments, KDF focuses on preventive measures as well. We put much effort into educating the public through our annual public forum, website, health talks and educational health brochures.

Research is another key preventive measure that we are promoting and supporting. Whilst we continue to actively treat patients; empower and equip the general public, patients and medical professionals on the health issues, our focus to support research work on kidney diseases completes our role and work in the community. Private funding for research is not an uncommon practice in developed countries and as a forward-moving organization, KDF is determined to stay relevant and deal with issues that arise with change while staying true to our core values.

For the Financial Year 2009/10, KDF is proud to announce the following figures: 24 staff helped to raise \$3.6 million; 273 patients received affordable dialysis treatment, 6 patients had successful transplants. With reference to expenditures - 80% was used for dialysis services, 8% for administration, 7% for fund raising, 4% for research and 1% for education and publicity.

We would like to thank our volunteers, board members, staff, sponsors and donors for a fruitful year. Without your interest and support KDF would not have achieved what it had set out to do for the year. Let us continue our joint efforts towards the building of a better future for our patients and the prevention of kidney and kidney-related diseases.

Dr Gordon Ku
Founder and Chairman



Introduction to KDF

The Kidney Dialysis Foundation Limited (KDF) is a non-profit charitable organization, established in February 1996 by Dr Gordon Ku, a kidney specialist. KDF provides subsidized dialysis treatment to needy members of our community so that these patients will not be deprived of treatment due to financial difficulties. Patients needing treatment from KDF are referred by medical social workers from the restructured hospitals.

A holistic approach is taken when caring for patients as it is KDF's mission to look after the well-being of patients by nurturing hope and confidence to make life more meaningful, even for the most destitute. With the commitment to provide high quality, low cost treatment to patients who are unable to afford treatment, KDF has with the support of donors and sponsors, set up four centres to care for these patients.

Vision

To ensure that no kidney patient will perish because of the lack of funds for dialysis and to find a cure for kidney diseases

Mission

To look after the well-being of needy people stricken with end stage kidney disease by nurturing hope and confidence to make their lives more meaningful and to support research that will help prevent, treat and cure kidney and kidney-related diseases

Commitments

- To provide high quality, low cost treatment to needy kidney patients
- To offer patient support services to all kidney patients in Singapore
- To promote public awareness and education of kidney diseases
- To organize educational programs on renal-related issues for healthcare and medical professionals
- To support research work that would lead to prevention and cure of kidney diseases

Milestones

February 1996 – KDF was established and its first haemodialysis centre, the KDF-Alexandra Centre situated in Alexandra hospital opened its doors to patients.

November 1997 – The KDF-Bishan Centre was opened to enable easy access for patients living in the northern and central parts of Singapore.

October 2004 – KDF inaugurated two new dialysis centres, the KDF-San Wang Wu Ti (SWWT) Centre and the KDF-Peritoneal Dialysis (PD) Centre located at Kreta Ayer Road.

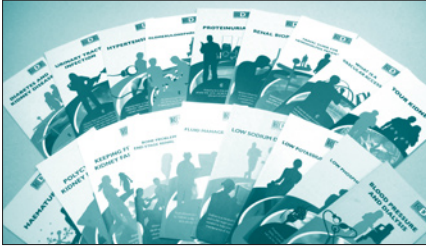
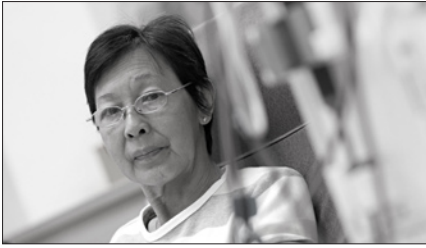
June 2005 – The KDF-Alexandra Centre ceased operations as the lease for the location ended.

July 2007 – KDF received a generous donation from the Estate of Tan Sri Khoo Teck Puat and thus a new haemodialysis centre was built at Ghim Moh. The KDF-PD Centre was also relocated to Ghim Moh during the year.

November 2007 – A Memorandum of Understanding was signed with the National University of Singapore (NUS) to boost research in the area for the prevention, treatment and cure of kidney and kidney-related diseases.

January 2008 – KDF's first research project was selected and funds for research were received.

July 2009 – KDF funded its first patient under the Portable Subsidy program, giving assurance that our existing high dependency patients can continue with their treatments. KDF's holistic approach toward patient care enables our patients, who have been prescribed to be on Lanthanum Carbonate by their primary physician, to continue with their medication.



KDF's Financial Year 2009/2010 At A Glance

Corporate Governance

KDF continues to be in full compliance with the Governance Evaluation Checklist listed on the Charity Portal by the Commissioner of Charities.

Board Renewal

During the Financial Year (FY) 2009/10, a new addition was made to the Board of Directors. Mr Wong Yew Meng was appointed on 15 March 2010. Mr Wong Yew Meng, a qualified Chartered Accountant, was a partner of PricewaterhouseCoopers before his recent retirement.

Review of Patient and Programs

To continue meeting our patients' needs and to maintain the effectiveness of our dialysis programs, the Program Selection & Review Committee meets regularly to review our existing programs and patients. The Committee has introduced the Portable Subsidy Program for patients on the haemodialysis program. This program enables KDF to continue funding the treatment cost of high dependency patients who can no longer be supported at our existing dialysis centres. Medication subsidy for Lanthanum Carbonate has also been introduced to improve the quality of the patients' haemodialysis treatments.

KDF on the World Wide Web

KDF's presence in the cyberspace has recently increased with the addition of a series of free KDF eCards on our website and a KDF profile page on Facebook, a popular social networking site. The public can now pledge their support towards KDF on the web by becoming a fan of KDF on Facebook, or by sending to their friends and family KDF eCards, exclusively created as part of the Community Aid Project with students from the School of Digital Media and Infocomm Technology in Singapore Polytechnic. KDF also engages the online community with regular e-greetings during the festive holidays and e-invites to our events.

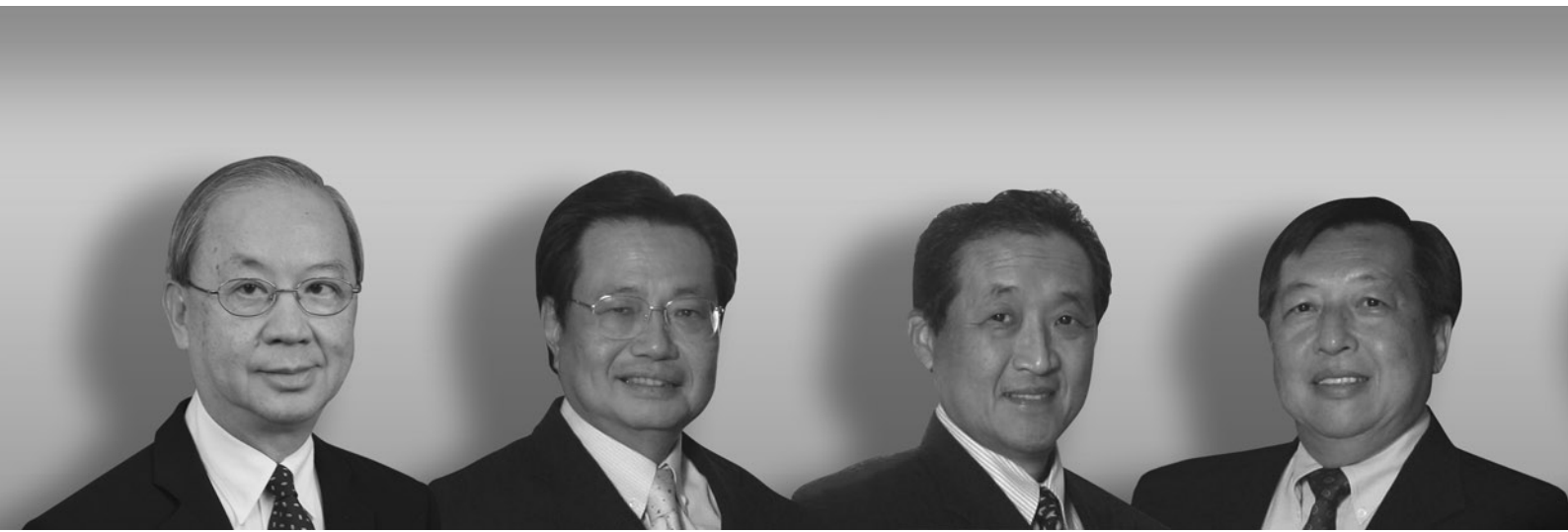
Recipe Book – 'Eating Right'

At the end of FY2009/10, a new and improved 2nd edition of KDF's very own recipe book was printed. Entitled 'Eating Right', the recipe book now sports a new cover and has its recipes in both English and Mandarin.

Health Brochures

Health brochures have always been a part of KDF's kidney health education initiatives. 18 health brochures covering a range of topics relating to end stage renal failure patients were revised, updated and given a fresh new look. The brochures published are in English and Mandarin.

Corporate Information



Board of Directors

Chairman

01. Dr Gordon Ku – 1 Feb 1996
Consultant Nephrologist and Physician,
Ku Kidney & Medical Centre

Directors

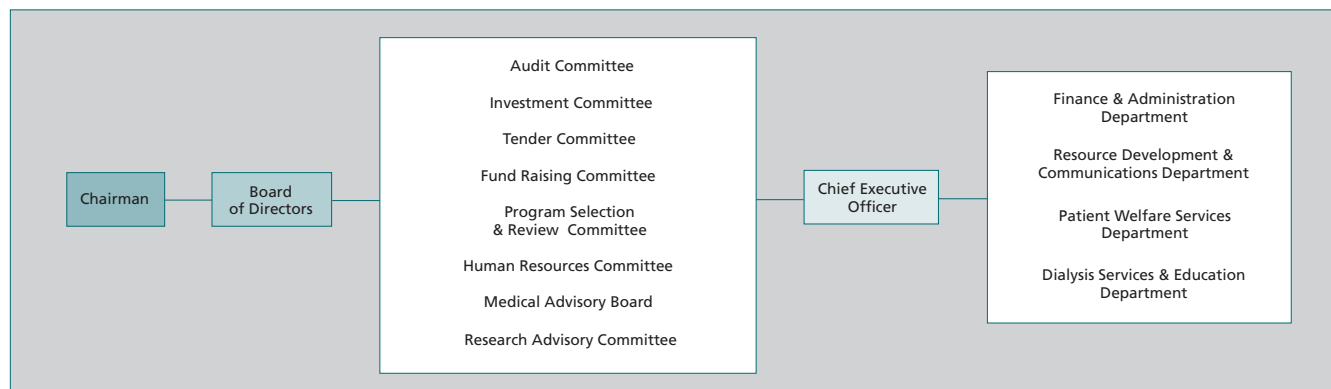
02. Mr Cheng Wai Keung – 1 Feb 1996
Chairman and Managing Director,
Wing Tai Holdings Pte Ltd
03. Mr Stephen Lee Ching Yen – 1 Feb 1996
Managing Director,
Great Malaysia Textiles Mfg Co Pte Ltd
President, Singapore National Employers Federation
Chairman, Singapore Airlines Limited
04. Mr Watson Ong – 1 Dec 2005
Managing Director,
Magnus Mckeerver Industries Pte Ltd
05. Mr Yeo Oon Jin – 1 Dec 2005
Partner and Head of Assurance,
PricewaterhouseCoopers

06. Mr Yeo Thiam Teng – 1 Dec 2005
Retiree
07. Mr Peter Tan – 30 Jan 2008
Independent Director,
Hai Leck Holdings Limited
08. Mr Bernie Poh Boon Nee – 7 Jan 2009
Deputy Group Director (Strategy & Planning),
Health Products Regulations,
Health Sciences Authority
09. Mr Wong Yew Meng – 15 Mar 2010
Ex-Audit Partner,
PricewaterhouseCoopers

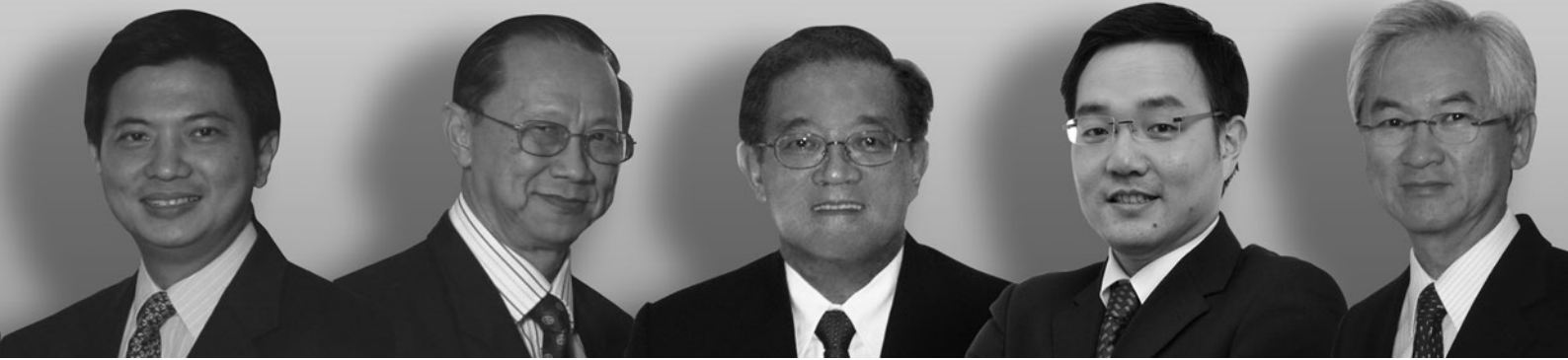
Honorary Treasurers

07. Mr Peter Tan
Treasurer
09. Mr Wong Yew Meng
Deputy Treasurer

Organization Chart



Corporate Information



Working Committees

Audit Committee

Chairperson

05. Mr Yeoh Oon Jin

Members

02. Mr Cheng Wai Keung

03. Mr Stephen Lee

Investment Committee

Chairperson

01. Dr Gordon Ku

Members

02. Mr Cheng Wai Keung

07. Mr Peter Tan

05. Mr Yeoh Oon Jin

Fund Raising Committee

Chairperson

04. Mr Watson Ong

Members

Ad-hoc Committees

Program Selection & Review Committee

Chairperson

06. Mr Yeo Thiam Teng

Members

04. Mr Watson Ong

07. Mr Peter Tan

Human Resources Committee

Chairperson

07. Mr Peter Tan

Members

04. Mr Watson Ong

06. Mr Yeo Thiam Teng

Tender Committee

Chairperson

10. Assoc Prof Lina Choong

Members

11. Dr Grace Lee

13. Dr Stephen Lim

04. Mr Watson Ong

06. Mr Yeo Thiam Teng



Corporate Information



Medical Advisory Board

Chairperson and Medical Director

10. Assoc Prof Lina Choong Hui Lin
Senior Consultant, Department of Renal Medicine,
Singapore General Hospital

Medical Director – Peritoneal Dialysis

11. Dr Grace Lee
Consultant Nephrologist and Physician,
Grace Lee Kidney & Medical Centre

Members

01. Dr Gordon Ku
Consultant Nephrologist and Physician,
Ku Kidney & Medical Centre
12. Assoc Prof Evan Lee
Senior Consultant, Division of Nephrology,
National University Hospital
13. Dr Stephen Lim
Consultant Surgeon and Urologist,
Stephen Lim Surgery
04. Mr Watson Ong
Managing Director,
Magnus Mckeerver Industries Pte Ltd
14. Dr Tan Seng Hoe
Consultant Nephrologist and Physician,
SH Tan Kidney and Medical Clinic
15. Prof Woo Keng Thye
Senior Consultant and Advisor,
Department of Renal Medicine,
Singapore General Hospital
16. Dr Yong Nen Khiong
Retiree

Research Advisory Committee

Chairperson

17. Prof Yap Hui Kim
Head and Senior Consultant, Pediatric Nephrology,
Dialysis and Renal Transplantation,
National University Hospital

Members

10. Assoc Prof Lina Choong Hui Lin
Senior Consultant, Department of Renal Medicine,
Singapore General Hospital
11. Dr Grace Lee
Consultant Nephrologist and Physician,
Grace Lee Kidney & Medical Centre
12. Assoc Prof Evan Lee
Senior Consultant, Division of Nephrology,
National University Hospital
04. Mr Watson Ong
Managing Director,
Magnus Mckeerver Industries Pte Ltd
07. Mr Peter Tan
Independent Director,
Hai Leck Holdings Limited

Corporate Information



Visiting Doctors

Assoc Prof Lina Choong Hui Lin

Dr Stephen Chew

Dr Jason Choo

Dr Marjorie Foo

Dr Ho Chee Khun

Dr Titus Lau

Dr Grace Lee

Dr Adrian Liew

Dr Ng Tsun Gun

Dr Pwee Hock Swee

Dr Tan Han Khim

Dr Tan Seng Hoe

Dr Yang Wen-Shin

Dr Yeoh Lee Ying

Management Team

Chief Executive Officer

Mrs Foo Pek Hong

General Manager

Mr Derrick Ong

Patient Services Coordinator

Ms Theresa Soh

Other Office Bearers

Legal Advisor

Ms Angela Wong

Secretary

Mdm Lim Chin Bee

Pro Bono Legal Advisor

Allen & Gledhill LLP

Auditors

External Auditor

KPMG LLP

Internal Auditor

Shared Services for Charities Limited

Registration Details

KDF is a company limited by guarantee. It is registered as a charity under the Charities Act 1994 and is governed and monitored by its Charity Sector Administrator, the Ministry of Health on behalf of the Commissioner of Charities.

Details of its registration are as follows:

Charity Registration No. 1156 dated 22 February 1996

Company Registration No. 199600830Z

GST Registration No. 19-9600830-Z

IPC Registration No. HEF0021/G (status renewed up to October 2011)

Registered Office

Block 333 Kreta Ayer Road #03-33

Singapore 080333



Corporate Governance

Management Policy

Since its inception, KDF has implemented a number of policies to ensure transparency and that donations received are utilized directly for patients' treatment and not for costly overheads and miscellaneous expenditure. A fixed-cost subcontracting system allows for minimal administration and overhead costs.

Policy on Reserves

The Board of KDF maintains some level of reserves to ensure its long term financial sustainability. As at 31 March 2010, assuming KDF receives no income from the government, patients and donors, the accumulated surplus would enable KDF to sustain the cost base of FY09/10 for 2.9 years. As dialysis treatment for end stage renal disease is a life long process, it is the intention of the Board of Directors to ensure that the level of reserves is adequate to support KDF's programs for its needy patients during their lifetime.

Conflict of Interest

KDF has policies in place to prevent and address actual and perceived conflict of interest that will affect the integrity, fairness and accountability of the Foundation. These policies are clearly stated in the Foundation's Code of Governance and Conduct and are adopted by the Foundation, Board members and staff. In situations where a potential conflict of interest should arise, the board will evaluate the situation and the affected party will abstain from voting on the transaction. For the FY09/10, the Chairman, Board members and staff have declared that they do not have any personal interest in the business transactions or contracts that KDF has entered.

Fraud Detection and Reporting

KDF maintains a zero tolerance policy towards fraud. This policy not only applies to all the Foundation's Board, Committee members and staff but also applies to the Foundation's vendors, suppliers and partners to the extent that the Foundation's resources or reputation may be involved or affected.

Internal Controls and Audits

Since 2006, the Board has commissioned an independent third party to conduct annual internal audits to ensure that the operations of the Foundation is in compliance with the established guidelines and regulations set by the Commissioner of Charities, Sector Administrator and the relevant government bodies and adopts best practices recommended for the charity sector.

Charity Portal

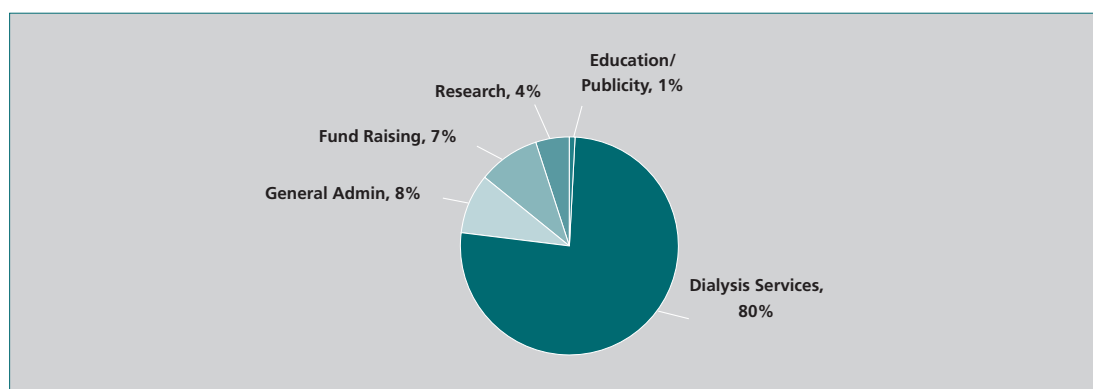
KDF is in full compliance with the Governance Evaluation Checklist listed on the Charity Portal (www.charities.gov.sg) by the Ministry of Community Development, Youth and Sports.

KDF's financial statements are also easily available for scrutiny on the website at www.kdf.org.sg and upon request.

Allocation of Expenditure

The total expenditure incurred in FY09/10 was approximately \$6.39 million. 80% of that expenditure was utilized on dialysis services. KDF remains committed to channeling a large portion of donations received into patient care by keeping money spent on publicity, fund raising and administration to a minimum.

Figure 1: Total Expenditure Percentages



Corporate Governance

Fund Raising Ratio

The Charities Regulation for Fundraising Appeals (Charities Act Chapter 37) requires that the total fundraising and sponsorship expense of the charity does not exceed 30% of the total gross receipts from fundraising and sponsorships. For FY09/10, KDF's overall fundraising expenses ratio is 16.2%.

Top Executive Annual Remuneration

Key management personnel of the Foundation are those persons having the authority and responsibility for planning, directing and controlling the activities of the Foundation. The directors and the Chief Executive Officer are considered as key management personnel of the Foundation. The directors of the Foundation render their services on a voluntary basis and do not receive any remuneration. However, the Chief Executive Officer is a paid staff and received a remuneration that is approved by the Board of Directors.

As shown in Table 1, the annual remuneration package of KDF's top executives is within the range of \$50,000 - \$100,000.

Table 1: Top Executive Remuneration

| Salary Range | Number of Executives |
|----------------------|----------------------|
| \$50,000 - \$100,000 | 3 |

Other Related Party Transactions

There was no significant related party transaction during the financial year.

Operation Efficiency

Clinical

Continuous Quality Improvement

Under the guidance of KDF's Medical Director, a team comprising of the charge nurses of the centres and KDF's nursing personnel continues to monitor the indicators of dialysis adequacy (KT/V). All haemodialysis centres achieved a KT/V of more than 1.3 in more than 85% of patients, where the ideal clearance level of KT/V is about 1.2.

Staff Competency Check

A yearly competency check on dialysis procedures is conducted on the service providers' staff. This was done in collaboration with the charge nurse of each centre so as to ensure that the standards of practice are maintained according to KDF nursing protocols and guidelines.

Audit on Infection Control

An audit on the dialysis centre infection control measure is conducted half yearly to ensure that the patients in KDF receive the standard of practice and care according to KDF Medical and Nursing Standards. KDF nursing personnel together with the centre infection control staff nurse perform the audit. All centres maintained the overall standards of above 85%.

Systems & Infrastructure

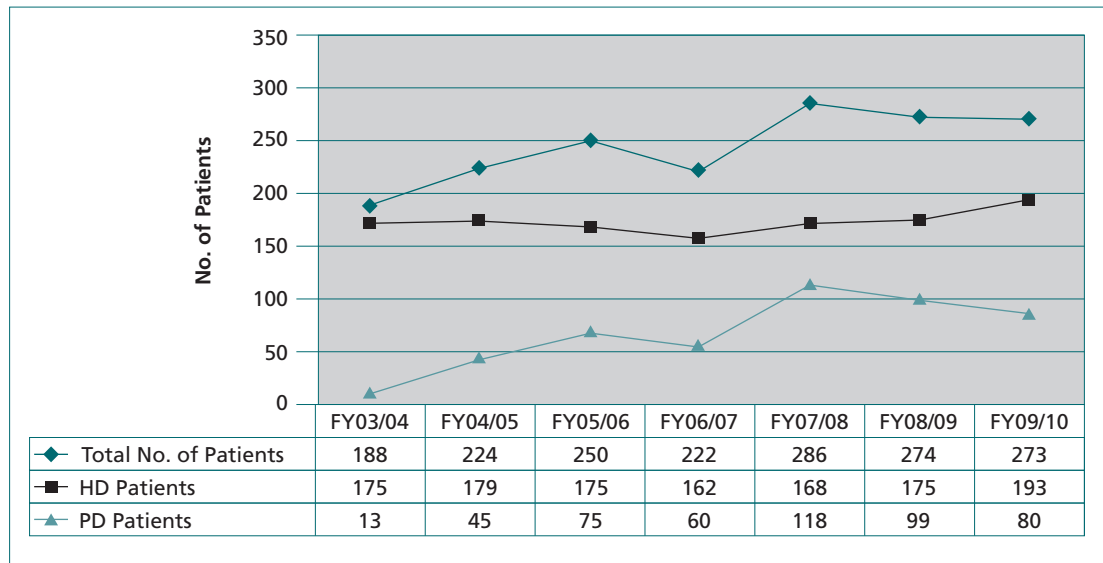
With the system upgrades and enhancements that were systematically implemented from 2008 through to 2010, operational efficiencies were derived from the integration of the operating systems for its charitable activities, fund raising and financial accounting system so that duplication of work processes are eliminated and data are consistently applied.

Patient Profile

Since 1996, KDF has been providing treatment and support to those who are in need as no one should be denied medical treatment due to the lack of funds. Over the years KDF has served more than 556 patients of which 60 have had successful transplants. As at 31 March 2010, KDF's total number of patients was 273, with more than 50% female patients. The number of patients that opted for haemodialysis (HD) is generally higher compared to peritoneal dialysis (PD) and while there are patients from all races being treated at KDF, the majority of patients are from the Chinese ethnic group. As at 31 March 2010, about 94.5% of our patients are above 40 years old and many of them are unemployed due to their illness or hold jobs such as cleaners, hawker assistants, store assistants, taxi drivers, etc.

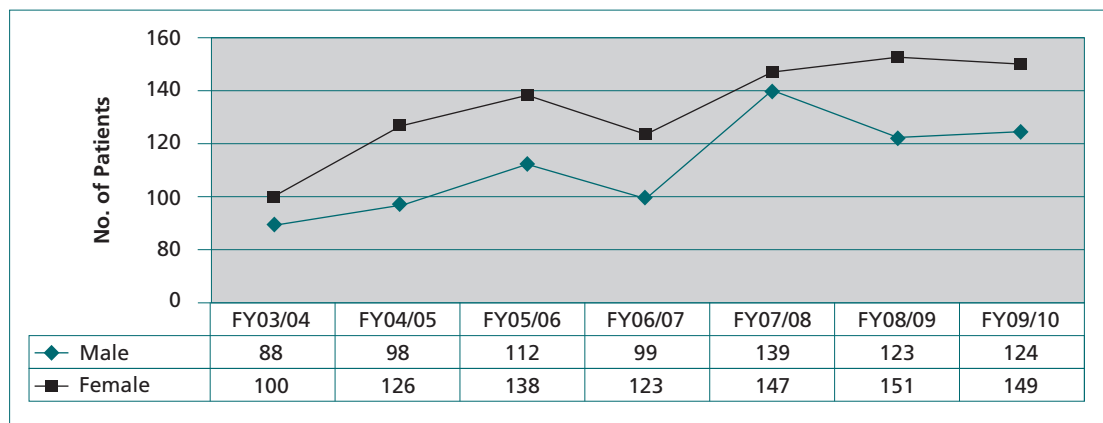
Patient Population

As at 31 March 2010, the total patient number stood at 273. The ratio of HD patients remained higher than the PD patients which is consistent with the previous six years. PD patients constituted approximately 29.3% of the total patient population compared to approximately 36.1% during 31 March 2009.



Gender

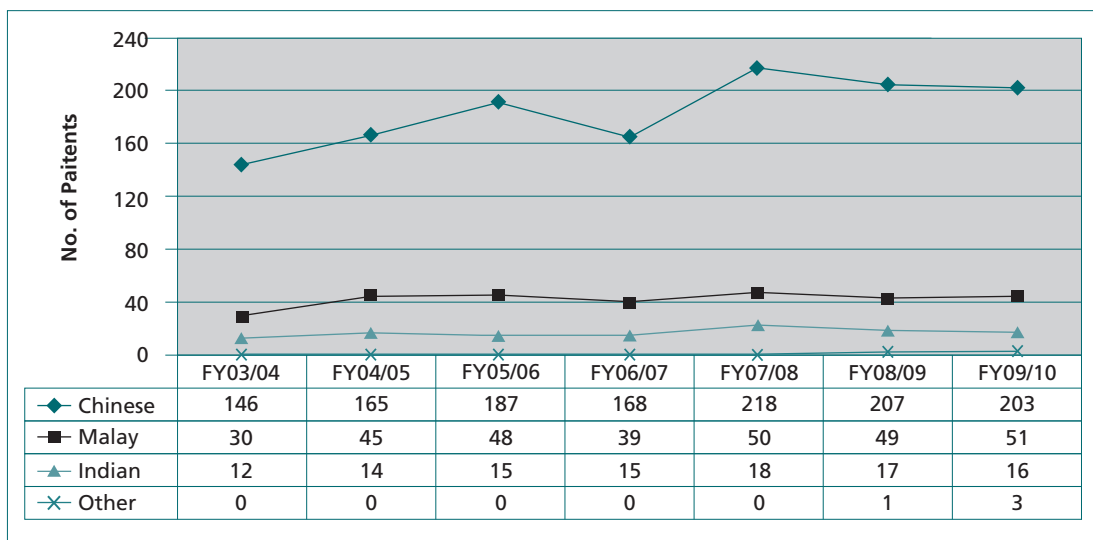
As with the previous 5 years, the ratio of female patients remained higher than that of male patients.



Patient Profile

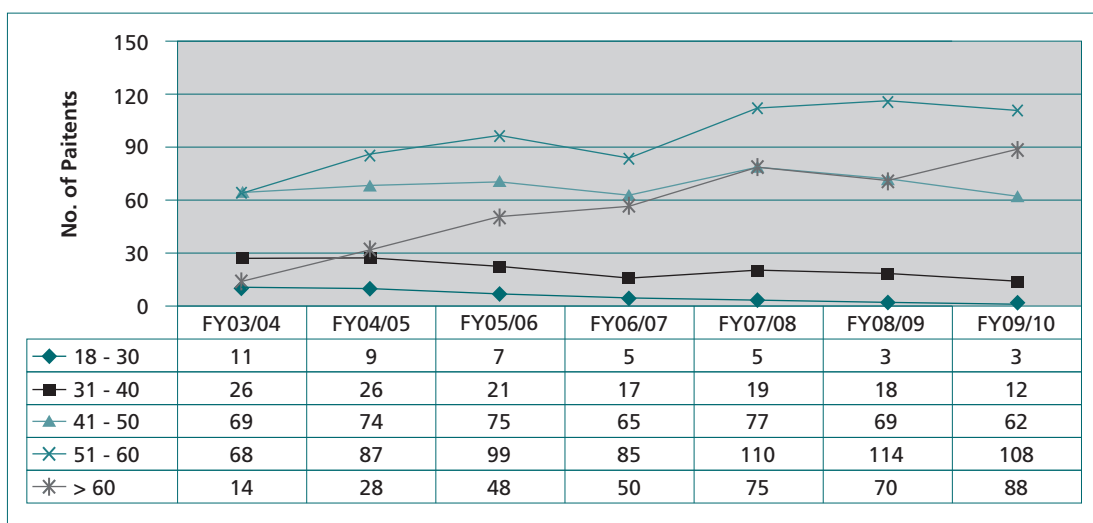
Race

The race distribution profile was relatively unchanged over the last 6 years. As at 31 March 2010, approximately 74.4% of patients were Chinese, 18.7% were Malay, 5.9% were Indian and 1.1% were of other races.



Age

The patients were mainly from the 41 to 60 year-old age group. As at 31 March 2010, this group of patients constituted 62.3% of the total population. The elderly patients (more than 60 years old) represented 32.2% of the total population.





Holistic Patient Care

KDF is continuously playing an active role in providing holistic patient care by not only focusing on our patients' medical treatment but also on our patients' well being and other areas of renal care; such as organizing get-togethers for our patients, promoting education on renal related issues to the medical fraternity, students and patients and providing preventive education for the general public. KDF has a pool of volunteer nephrologists from both the public and private sectors, who review the Foundation's patients at regular intervals. The Foundation endeavors to provide better treatment care for our patients.

Treatment

Subsidized Dialysis Program

KDF was founded with the vision to provide quality and highly subsidized dialysis treatment for needy kidney patients so that they would not perish due to the lack of funds for treatment. For FY09/10, KDF's expenditure for dialysis and auxiliary services amounted to \$5.1 million. In FY09/10, some patients paid as low as \$130 per month out of their pocket, after subsidy and in cases when a patient faces a financial crisis and is unable to afford their treatment, special consideration would be given and KDF would place them under a scheme so that they would not have to pay for the treatment at all. In fact 94% of our patients paid less than \$600 per month in cash, out-of-pocket, for the full monthly treatment cost which is about \$2,000 for total patient care. KDF places strong emphasis on providing holistic patient care. Aside from its subsidized dialysis program, patients are also covered under the subsidized medication program, diet and nutrition program, have regular blood tests, and medical consultations. Patients also benefit from education seminars, as well as social outings that are organized regularly for them.

Subsidized Medication Program

As part of KDF's effort to provide holistic care for the patients, it initiated its first subsidized medication program in 1998. The Subsidized Erythropoietin Injection Program was started to help alleviate the associated problems of anemia such as fatigue, poor appetite and insomnia, enabling patients to lead a normal lifestyle. In 2005, KDF introduced two more subsidized medications; Calcijex and Venofer, to enhance its patients' treatment. As at 31

March 2010, 74.3% of all KDF's patients have benefited from the Subsidized Erythropoietin Injection Program. 11.9% and 19.2% of the haemodialysis patients benefited from the subsidized Calcijex and Venofer medication program respectively. In 2009, KDF introduced another new subsidized medication program to cover Lanthanum Carbonate, a medication prescribed by their primary physicians to help patients manage their dialysis treatment. Another 11.4% of our haemodialysis patients benefited from this new programme. These subsidized medication programs together with a regime of regular blood test and investigations, monthly specialist consultation and regular dialysis treatments provide the patients with quality care, thereby giving the patients an opportunity to have a new lease of life.

Portable Subsidy

With an aging patient population, our patients with time can develop multiple medical problems and would hence require more specialized care and close supervision for their treatments. As KDF operates within a community setting, KDF would not be able to offer a more specialized and supervised care by resident specialists for patients with multiple medical problems. Through our portable subsidy program, introduced in 2009, these patients can be assured that they can continue to be treated and dialyzed in a more suitable medical environment.

Education

Patient Orientation and Education

As part of the patient orientation and education program, KDF nursing personnel educates all new patients on their treatment and dialysis process. Each patient is given a patient's handbook. The primary nurse and the dietician will continue to educate the patients on medications and dietary compliance periodically.

Patient Seminars

Anaemia and Kidney Failure

On 31 May 2009, a patient seminar on "Anaemia and Kidney Failure" was held. Dr Roger Tan, Associate Consultant Nephrologist at SGH, was invited to talk on the causes, complications and treatment of anaemia, and also provided tips on how to treat



Holistic Patient Care

and prevent anaemia, such as by doing regular exercise, having enough sleep and taking medicines as prescribed.

Bone Problems in Dialysis Patients

During the second patient seminar of 2009, a lecture on “Bone Problems in Dialysis Patients” was given by Dr Jason Choo, Associate Consultant Nephrologist at SGH, on 8 November 2009. Dr Choo touched on the common causes of bone problems in dialysis patients and the various complications that arise as a result of renal bone disease. He also offered useful tips on how to prevent renal bone problems like doing regular exercise, taking medications as prescribed and dietary restrictions to avoid food high in phosphate.

Family members and patients from KDF, People’s Dialysis Centre and SGH centre attended both of the patient seminar events.

Glucometer Monitoring

This is an on-going training in which the new nursing staffs are trained on how to monitor patients’ blood glucose level using the glucometer, and to assess and act when complications arise. A yearly re-certification test is conducted by the charge nurse to maintain the standard.

Intravenous Administration of Medicines

A yearly re-certification on oral and practical test is conducted to ensure that all registered nurses are equipped and accountable to perform the extended role in the administration of the specific intravenous medicines according to KDF guidelines. KDF’s Medical Director Assoc Prof Lina Choong would endorse the certification. A register of the approved staff for administering intravenous medicines is kept by the KDF nursing personnel and charge nurse of the centres.

An intravenous therapy course was conducted in November 2009 for newly registered nurses and also to existing registered nurses as a refresher course. A pharmacology lecture was facilitated by pharmacist Dr Lou Huei Xin and a practical test was conducted for the 9 registered nurses who attended the course.

Social Support

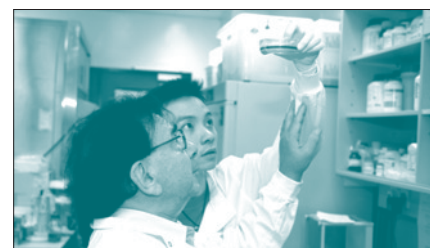
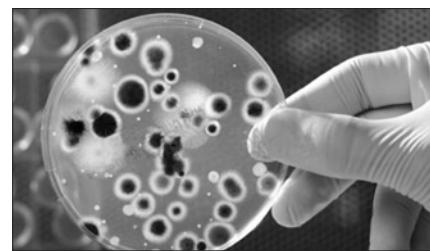
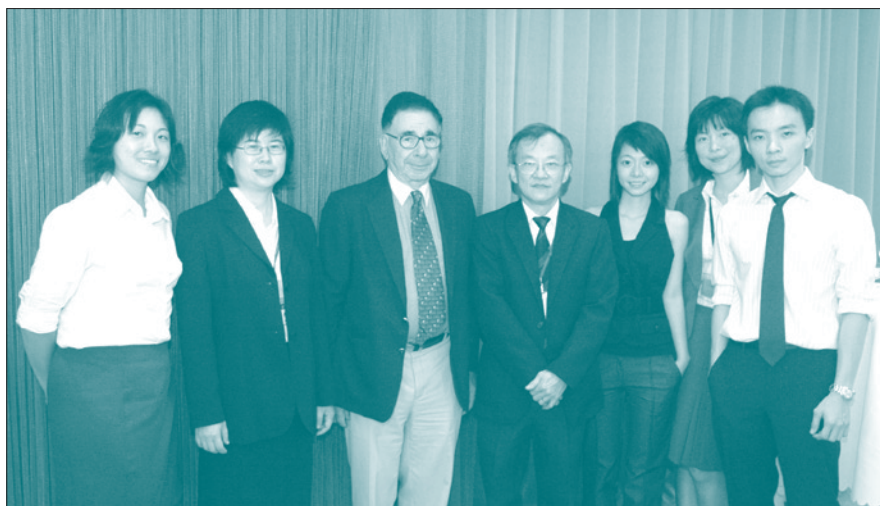
Renal Friends is a patient support group initiated by the Medical Director of KDF, Assoc Prof Lina Choong for all kidney patients and their families in Singapore. With the aim to bring kidney patients together for interaction and mutual sharing, the support group consists of committed and enthusiastic volunteers, including kidney patients themselves. Through the kind support of sponsors, KDF is able to arrange for several excursions for the patients and their families.

Renal Friends Patient Outings & Parties

Annual Patient Party: Together As One

The Renal Friends annual patient party is held every year to celebrate the year that has passed and to welcome the new. The patient party also holds another important meaning– to acknowledge our patients’ perseverance and determination, and for another year gained, giving them the opportunity to spend more time with their loved ones. This helps to remind them that they are not alone, and that they can draw strength from family, friends, fellow patients and volunteers. With this in mind, the theme for the year’s party was “Together As One”.

On 17 January 2010, our patients attended the “Together As One” New Year luncheon party at Kampong Glam Community Centre and were treated to door gifts and singing performances by volunteers and Mr Sheng Wen, an invited performer. There were many games including the Best Dressed Male and Female Award. The winner of the Best Dressed Male Award went to a patient from the People’s Dialysis Centre and the Best Dressed Female Award went to one of KDF’s Ghim Moh patient. The Patient Compliance Awards Ceremony also took place, and patients who have taken care of their health exceptionally well in the past year were awarded. Four patients from both KDF’s Bishan Centre and Peritoneal Dialysis Centre won the award. The Most Improved Patient Award went to a patient from the San Wang Wu Ti Centre.



Research

As part of a long term solution, KDF focuses also on research to prevent and find a cure for kidney diseases. On 27 November 2007, a Memorandum of Understanding was signed with the National University of Singapore (NUS) to boost research in that area. Under the direction of the KDF Research Advisory Committee, the KDF-NUS Selection and Review Committee would assess the viability of projects, select and evaluate the progress of each research project annually for the allocation of funds for these projects.

Diabetes Gene Therapy Research Project

As 50% of new dialysis patients are due to diabetic complication of the kidney, a cure for diabetes will help reduce the need for dialysis drastically. As such, KDF is collaborating with the National University of Singapore to embark on a research project focusing on diabetes, the most common cause of kidney failure in Singapore, and aims to identify a way for cells to regenerate and produce insulin.

The objective of this research project is to investigate new approaches to the treatment of diabetes using the human insulin gene therapy incorporated into a lentivirus (a genus of slow viruses characterized by a long incubation period and can deliver a significant amount of genetic information into the DNA of the host cell) introduced into the liver. The other aim is to improve on the current procedure of viral delivery to make it less invasive.

In the last year, the research team has established the tangential flow filtration (TFF) method of viral production and purification. This method has advantages over our existing viral purification method by ultracentrifugation in terms of larger quantity and purer virus being obtained for our animal experiments. The team members have also learned and practiced the surgical technique

of injection into liver via portal vein. Purified virus carrying human insulin gene was injected into the liver of diabetic rats. Results showed that 4 of the 14 rats injected with virus reverted to having normal blood sugar level. Further research will be conducted on the mechanisms through which the 'cure' has been obtained, and also working on making the technique more efficient and reproducible.

Another area of the team's investigation is on coaxing the adult stem cells such as cells from umbilical cord, fat and bone marrow to produce and release insulin. The team has managed to detect the presence of insulin expression in the cells by sensitive detection method. The team's current method has shown that they are able to obtain insulin expressing cells, and their on-going aim is to improve the protocol so that cells that are more like the islet cells of the pancreas, producing more insulin upon increased glucose level, can be obtained. In addition, the team will study the efficacies of treating diabetic animals with these cells once a method has been established to produce larger numbers of cells for transplantation.

To facilitate collaborations towards improving and translating the protocol in the treatment of diabetic patients, the research team will also work with the other workgroup in Cambridge and other international experts, funded by another charitable fund established by Prof. Calne.

This proactive approach to nip and cure diabetes will help reduce the need for dialysis drastically. Rather than being reactive, struggling to manage kidney failure with expensive dialysis treatment, KDF hopes that this will be a step towards preventing it, and make a great impact on saving and treating the lives of kidney patients.



Community Involvement

Public Forum

In conjunction with World Kidney Day, KDF held a Public Forum on 6 March 2010. Entitled "The Kidney-Heart Connection", this year's forum focused on the detection and prevention of kidney diseases as well as the tight link between chronic kidney disease and cardiovascular disease.

More than 1,300 people attended the free forum and were treated to various health screenings and health exhibitions by participating organizations such as the Singapore Heart Foundation, Health Promotion Board, Hypocol, AWAK Technologies and Baxter. The forum attendees also spent the rest of the day listening to our panel of speakers, comprising of kidney specialists, a heart specialist and a dietician, as they shared knowledge on various kidney and kidney-related diseases as well as health tips and dietary guidelines.

The Public Forum is an annual effort as part of KDF's public outreach program to increase awareness and educate the community at large about the importance of kidney health, and to spread the message that kidney disease is common, harmful, and yet, treatable.

Nanyang Polytechnic Attachment

KDF remains accredited for the Nanyang Polytechnic Post-Advanced Diploma Course (Nephro-Urology). For this year, 15 students attended their one week clinical attachment from April to May 2009 at both Bishan and SWWT centres.

SAJC Fundraising Survey and Interview

In June 2009, a group of students from Saint Andrew's Junior College decided to work with KDF for their research project on the topic of donation shortfall amongst voluntary welfare organizations. Through the partnership with KDF, the students were able to better understand fundraising processes and also investigate issues such as how the economic downturn has affected donations and what could be done to counteract the effects of falling donations.

Collaboration with SMA School Of Management (Murdoch University)

3 final-year students that majored in Public Relations from Murdoch University's Bachelor of Mass Communications course at SMA School of Management collaborated with KDF to come up with a fundraising idea that would help the Foundation raise money for its beneficiaries as well as create awareness for its cause.

Their idea to combine two existing KDF products, a calendar and a recipe book, leveraging on existing assets to create a brand-new product soon materialized into the design for KDF's annual 2010 calendar. At the end of the collaboration, the students were not only exposed to real-life working experiences, they were also able to use their creativity to conceptualize a fundraising tool that became a part of KDF's fundraising initiatives for the year.

Community Aid Project by Singapore Polytechnic

Students from the School of Digital Media and Infocomm in Singapore Polytechnic have collaborated with KDF to produce exclusive KDF animated eCards that are available on our website.

The first eCard series was launched in November 2009 to coincide with the Christmas season and the subsequent series was created for the Lunar New Year. During these festive seasons, the eCards not only help promote awareness about KDF to the general public, but also allow the public to use the greeting cards as it is shared from one person to his or her friends or family.

ST Aerospace Education Bursary

With hopes to encourage the younger generation to achieve academic success despite their family's difficult financial circumstances, ST Aerospace launched a bursary award to support the education of KDF patients' children. In May 2009, 6 of our needy patient's children, ranging from primary school students to university graduates, were selected based on their potential to excel. These children were awarded the ST Aerospace Education bursary so that they can continue with their studies with some financial assistance.



Fundraising

Events

Project World Friends

With the objective of collecting foreign currencies as donations for our cause, Project World Friends has steadily gained momentum over the years. Similar to the previous year, the idea of Project World Friends was adopted by nine schools as part of their celebrations for International Friendship Day in April 2009. Participating schools for this project include Hwa Chong Institution, Elias Park Primary School, Huamin Primary School, Pioneer Primary School, Clementi Primary School, Jiemin Primary School, First Toa Payoh Primary School, Jing Shan Primary School and CHIJ Our Lady of Good Counsel.

Project World Friends has also expanded further and made its way into participating organizations, hotels and backpacker's inns where donation boxes were adopted as part of their corporate social responsibility projects. In total, the project has managed to garner \$4,400.69.

Pledge Card

An ongoing fundraising effort that has been a staple over the years was the pledge card project. This project encourages students, volunteers and members of the general public to help raise funds and create awareness of the mission of KDF by raising funds through pledge cards or by giving outright donation.

Amazing Kidney Race

The Amazing Kidney Race 2010 was jointly organized by KDF and Nee Soon South Youth Executive Committee as part of KDF's World Kidney Day celebrations with the objective of raising funds as well as to educate participants on kidney health and diseases, and at the same time, teach the participants simple ways to help them take charge of their own health.

The Race, held on 27 March 2010 at Nee Soon South Community Club, had participants racing in the vicinity of Nee Soon South constituency, solving clues and playing different health-related games at the respective stations. Some of the games that participants took part include charades where they had to guess several health-related idioms, and another game where their nimble chopstick skills were challenged as they had to pick up green beans submerged in red kidney beans signifying the kidneys' filtering function. The event ended on a high note with \$141,688 raised.

Donation Box

With the support of participating partners, more donation boxes were given homes this year. This long-standing project has expanded to more placements of donation boxes in more locations and our partners now include Kopitiam Investment Pte Ltd, S-11 F&B Holdings, Killiney Kopitiam, Novotel Clarke Quay, PSC iEcon outlets, IKEA Tampines and other sole locations. The collection of loose change through these donation boxes raised a total sum of \$21,761.74.

Website

The KDF website has not only been a platform for KDF to educate and connect with the public, but it is also a portal for donations to be made day and night, all week, all year round. KDF is also listed under SG Gives, an online donation portal managed by the National Volunteer & Philanthropy Centre for donors who seek to give to Singapore-registered charities. A total of \$ 96,703 was raised from both KDF website and SG Gives website.

To better engage the online community, KDF has created a profile page on Facebook, a popular social networking site. Search 'Kidney Dialysis Foundation' on Facebook to become a fan. Supporters can now pledge their support towards KDF on the World Wide Web by becoming a fan of KDF on Facebook.



Fundraising

Regular Appeals & Updates

The long-standing and unwavering support from the group of regular donors has always been an integral part of KDF since its inception in 1996. Appeal letters and regular updates of KDF's activities through our newsletters are sent to our supporters and partners. Our newsletter provides health information to the recipients, actively engaging them with articles that are both educational and enriching. Their kindness and generosity has helped KDF continue to fulfill our vision and mission.

Community Involvement

Over the years, KDF has made a conscious effort to increase awareness of the cause and missions of the Foundation among the different communities in Singapore.

The Muslim community was no different. Dialogues and discussions were exchanged with the various Muslim bodies and Malay Associations like MUIS as well as the Singapore Malay Chamber of Commerce with regards to public education as well as possible collaborations.

Whilst the relationship between KDF and the Muslim community is still in its infancy stage, KDF will continue its efforts to strengthen this link with the objective of getting more involvement from the Muslim community as well as to provide this community with an avenue for public education on kidney health and kidney diseases.

Chinese Community

KDF Chinese Community Committee kicked off the annual Lunar Seventh Month event with its traditional Lunar Seventh Month Launching Dinner on 18 July 2009. An auspicious KDF charity icon "Towering Spirit of Wealth and Success" was officially launched by Mr Chan Soo Sen, Member of Parliament for Joo Chiat Constituency, who graced the dinner as Guest of Honour. The auction of three icons and generous donations from the dinner guests raised \$45,840.20 during that night.

"The Towering Spirit of Wealth and Success" icon not only brings the best of luck to all generous donors but it also shows a caring heart of the owner, helping KDF to continue its services in providing quality and affordable dialysis treatment and patient care for the needy kidney patients. Supporting community interest groups and temples also lent a helping hand by allowing KDF to conduct an auction of the icon and table collections during their Lunar Seventh Month dinners.

A total of \$116,616 was raised during the Lunar Seventh Month event, proving that the economic slowdown did not deter the Chinese community from offering helping hands to the poor and needy in the society.

Appeal mailers are also sent to targeted recipients in the Chinese community, as part of KDF's effort to engage the Chinese community in supporting our cause. To date, KDF has garnered a steady support from various Chinese Temples and Religious Associations and Chinese Clan Associations.



Fundraising

3rd Party Projects

Citi-YMCA Youth For Causes 2009

Citi-YMCA Youth for Causes project is an annual program jointly organized by Citibank and the YMCA of Singapore with the objective of cultivating social responsibility and building community leadership within the youths in the community. In 2009, KDF became a part of this program when we were adopted as the beneficiary of one of the participating teams from Pioneer Junior College.

The beaT was made up of four dedicated students who had wanted to create awareness as well as raise funds for KDF. With the seed money given by organizers, the girls managed to fulfill their objectives by conducting street sales; selling postcards that they had personally designed as well as soft toys which they had bought at minimum cost. The students were able to raise \$3,902.50 by the end of the project period.

Collaboration with St Gabriel's Secondary School

Two groups of students adopted KDF as their beneficiary and worked with us on the different ways in which they can create awareness for KDF within their target audience and raise funds for the needy patients at the same time. While one team had chosen to adopt pledge cards to fulfil their objective, the other team organized drinks sales as their main fund-raising initiative. Both teams completed their projects successfully.

Sponsorship

Adopt-A-Patient

The Adopt-A-Patient sponsorship program helps a special group of needy kidney failure patients, who cannot afford to pay out of their pockets, the subsidized dialysis fee due to a sudden change in financial circumstances; i.e. the onslaught of a new illness, loss of employment or the death of a bread winner in the family.

Now, donors can also donate to this program via KDF's profile on SG Gives, an online donation portal managed by the National Volunteer & Philanthropy Centre.

Medical Equipments and Machines

In 2009, our Bishan Centre, which was commissioned in 1997, was slowly upgraded with a new water system to provide effective reverse osmosis water purification with automated heat disinfection in one simple and convenient process. The dialysis machines were also slowly replaced. This would not have been possible without the support of supporting organizations and individuals, who step up to adopt these equipments and machines. Through our appeals for sponsorship for our Bishan Centre, \$145,000 was raised. The key sponsor was Kwan Im Thong Hood Cho Temple who sponsored 7 machines.

San Wang Wu Ti Centre

Since 1997, the San Wang Wu Ti Religious Society has been raising funds through their annual religious festival to build and fund KDF's dialysis centre at Kreta Ayer Road. Opened in 2004, the centre has been named the San Wang Wu Ti Centre in appreciation of the Taoist society's generous contributions. To date, a total of \$4.2 million has been donated to enable the setup and operation of a dialysis centre at Kreta Ayer Road.

Donor Recognition

KDF would like to express its heartfelt gratitude and appreciation to the following organizations and individuals for supporting its works in providing life-saving treatment for its needy kidney patients, public education and research.

Above \$100,000

Kwan Im Thong Hood Cho Temple
Serene Land Pte Ltd

Tan Seo Hiang
Toh Mun Peng
Wong Pui Lun Bonnie
Wong Yee Lih

Tan Yang Guan
Tew Boon Pin
Toh Hong Leong
Wee Lai Huat
Yong Chin Hwee Serene

\$50,000 to \$100,000

Great Malaysia Textile Investments P/L
Koyo Kaiun Asia Pte Ltd
Tee Up Dormitory Pte Ltd
Wing Tai Holdings Ltd
Cheng Helen

\$5,000 to \$9,999

Astra Oil Company Pte Ltd
Baxter Healthcare (Asia) Pte Ltd
Cables International Pte Ltd
Carlton Hotel Singapore Pte Ltd
Golden Watch Gold & Jewellery
Hitech Heat Treatment Services Pte Ltd
Local Engineering Pte Ltd
Kopitiam Investment Pte Ltd
NTUC Fairprice Foundation Ltd
OES Construction Pte Ltd
PSA International Pte Ltd
Roche Singapore Pte Ltd
Sigford Pte Ltd
Source Manufacturing Pte Ltd

\$1,000 to \$4,999

13 Engineering Pte Ltd
328 Katong Laksa
A.I.M Chemical Industries Pte Ltd
AAMI Pte Ltd
Asia Industrial Development (Pte) Ltd
Asia Pacific Breweries (S) Pte Ltd
Aspac Aircargo Services Pte Ltd
Bedok Riviera Pte Ltd
Bedok View Secondary School
Bodynits International Pte Ltd
Calm Services Pte Ltd
Cathay Photo Store (Pte) Ltd
Che Hian Khor Moral Uplifting Society (S)
Chee Bay Hoon Realty Pte Ltd
CitiBank – YMCA Youth for Causes
Civil Aviation Authority of Singapore
ComfortDelGro Corporation Ltd
Common Manufacturers Pte Ltd
Datapulse Technology Limited
DHL Express (Singapore) Pte Ltd
Dou Yee Enterprises (s) Pte Ltd
Double U KTV Lounge
Eng Lee Shipping Company Pte Ltd
EPS Computer Systems Pte Ltd
F J Industrial (S) Pte Ltd
Foamtec (Singapore) Pte Ltd
Franklin Offshore Int'l P/L
Fusion Cosmetics Pte Ltd
Gain City Best-Electric Pte Ltd
Ghim Moh Market & Shop Merchants
Association
Greatland Company Pte Ltd
Guan Ho Construction Co Pte Ltd
Haip Hong Engineering & Trading Pte Ltd
Home Nursing Foundation
Imperial Treasure Restaurant Group P/L

\$20,000 to \$49,999

AM Aerospace Supplies Pte Ltd
Hong Leong Foundation
Le Mercier's Fine Furnishings Pte Ltd
Lee Foundation Singapore
Petra Foods Limited
Raffles Country Club
Quek Koh Kheng
Zung Bei Fan Ronald

\$10,000 to \$19,999

Asiapharm Biotech Pte Ltd
Kuan Im Tng Temple (Joo Chiat)
Overseas Academic Link Pte Ltd
Tote Board Community Healthcare Fund
The Grace Shua and Jacob Ballas
Charitable Trust
The Singapore Buddhist Lodge
R K Instruments (s) Pte Ltd
Sky Blue Aircon Engineering
Antony Gunawan
Chan Wing To
Chew Tuan Moo
Goh Kok Hwee
Goh Siong Kee
Koh Chin Fah
Lee Chin Cheng
Lee Dah Khang
Lim Chang Khoo
Lim Oon Teik Eugene
Ong Mong Siang
Ong Say Teong
Ong Yee Chok

A Ilancheran
Boey Kit Yim
Cheng Jian Fenn
Choo Juan Ming
Chua Hong Thuan
Chua Piang See
Fu Fang Sin
Goh Geok Khim
Hong Eng Chua
Lee Boon Teck
Leong Wah Kheong
Leroy Lau Chee Heong
Lim Kwee Beng
Loh Sin Gee
Low Hwee Chua
Loyang Tua Pek Kong
Michael Chow Cheong
Ng Kair Yeow
Ng Tiong Sun
Seah Wong Chi
Tan Bee Leng
Tan Phek Wan
Tan Siong Chiow

Donor Recognition

\$1,000 to \$4,999 (CONT'D)

| | | |
|---|---|-------------------------------|
| Industrial Engineering Systems Pte Ltd | Unicorn Marine Services (S) Pte Ltd | Chia Kee Chye |
| Innotech Communication Pte Ltd | Valeside Pte Ltd | Chia Kim Yong |
| Interlocal Exim Pte Ltd | Wellington Development (S) Pte Ltd | Chia Liang Chuan |
| JMB Marine Services Pte Ltd | Women's Health & Fertility Centre Pte Ltd | Chiam Meng Huat Ian |
| Kee Hai Hardware | YS Lau Cardiology Clinic Pte Ltd | Chin Jing Cai |
| Killiney Kopitiam | Zu-Lin Temple Association | Chin Mee Fah |
| Kuang Chee Tng Buddhist Association | YMCA of Singapore | Ching Hak Leong |
| Kwang Peng Electrical & Engineering Pte Ltd | Ying Pte Ltd | Chionh Chye Khye |
| Lai Hong Fruits Pte Ltd | Yee Lee Pte Ltd | Chng Hwee Hong |
| Leong Poh Kee Pte Ltd | Adrian Koh | Choo Chee Hoe Ivan |
| LHS Electronics Enterprise | Akira Nagano | Choo Kien Ann |
| Lorong Koo Chye Sheng Hong Temple Association | Akkermans Cornelis M | Choong Keng Sheong |
| Lorong Lew Lian Lian He Shun Xing She | Ang Eng Hieang | Chow Ween @ Chow Chap Loong |
| LSM Organising Committee | Ang Sok Lian | Chu Ching Chai @ Chow Yit Fei |
| Makino Asia Pte Ltd | Ang Swee Chee | Chua Choon Hong |
| Mangala Vihara (Buddhist Temple) | Ang Swee Chye | Chua Kim Chiu |
| MCAL Pte Ltd | Auw Chor Cheng | Chua Kok Soon |
| ME Electrical Services Pte Ltd | Bay Way Yee | Chua Sim Chye |
| Mecc Alte(FE) Pte Ltd | Boey Siew Fook Michael | Chua Thian Yee |
| Northbrooks Secondary School | Burhanuddin s/o Kamaruddin | Daniel Tan Soon Ping |
| OK2 Pte Ltd | Chan Chee Seng | Doraisamy Daphne Preima |
| PACC Ship Managers Pte Ltd | Chan Lian Chai | Edmund Cheng Wai Wing |
| Pei Hwa Secondary School | Chan Loo Loo | Elias Harry |
| Poh Leng Jie Kwan Inn Buddhist Association | Chan See Mou | Estate of Quah Poh Lian |
| Poh Tiong Choon Logistics Ltd | Chan Siak Yong | Eu It Hai |
| PSC Corporation Ltd | Chan Soo Sen | F. Valleteau de Moulliac |
| QFC Enterprises | Chan Swee Yee | Foo Siew Eng |
| T M Transport Contractor Pte Ltd | Chan Yau Choy | Francis Tan Kok Vui |
| T. M. Corporation Pte Ltd | Chay Oh Moh | Gan Kok Tuan & Family |
| Tak Products & Services Pte Ltd | Chee Hwan Kog Singapore | Gee Kok Kee Henry |
| Roselle Mont-Clair Furnishing Pte Ltd | Chee Teng Hee | Goh Boon Gay |
| S-11 F&B Holdings Pte Ltd | Chen Chiang Chow | Goh Boon Seng |
| Sanji Engineering Pte Ltd | Cheng Kok Hong | Goh Chiu Gak |
| Singapore Totalisator Board | Cheng Siew Hong | Goh Hui Kuan |
| SK Chemical Trading Pte Ltd | Cheong Hock Soon Andy | Goh Keng Lee Terence |
| Skychem Pte Ltd | Cheong Lay Kheng | Goh Khee Kuan |
| SMG-Murphy Pte Ltd | Cheong Sim Eng | Goh Kim Ngee Mona |
| ST Electronics Limited | Cheong Soon Guan | Goh Kwang Soon Joel |
| Stevic Singapore Pte Ltd | Cheong Wing Hong | Goh Lee Hong |
| Straits Rubber & Engineering Plastic Pte Ltd | Chew Chong Lim | Goh Mee See |
| Ray Scientific Pte Ltd | Chew Choo Heng | Goh Sian Yuen |
| Regulus Ship Services Pte Ltd | Chew Geck Lian Irene | Goh Siew Fong |
| Teo Heng Karaoke Music Centre | Chew Kim Guay | Goon Kok Loon |
| Ultra-Flo Pte Ltd | Chew Lean Huat | Gordon Ku |
| | Chew York Whye | Gordon Lee Kok Chan |
| | Chia Gin Sun | Han May Yin |

Donor Recognition

\$1,000 to \$4,999 (CONT'D)

| | | |
|--------------------------|----------------------|----------------------------|
| Hatim Fidahusein Nakhoda | Kwok Yew Kai Colin | Lim Yan Har Joanne |
| Heng Boon Siong | Lai Yock Wah | Lincoln Cheng Ling Ka |
| Heng Seow Ching | Latha E K Mathew | Lo Chin Chai Daniel |
| Heng Wee Juay | Lau Hui Fen | Loh Cheng Song |
| Ho Bak Yam | Lau Nyap Heng | Loh Loon Tong |
| Ho Ching Peng | Lau Pak Soon | Loh Peng Sim |
| Ho Peng Ann | Lee Bin Jin | Loh Ser Eng |
| Ho Poey Wee | Lee Chai Lai | Loh Wai Ching |
| Ho Siew Fei | Lee Geok Chuan | Loke Keng Fai Gloria |
| Ho Wee Beng | Lee Han Chew | Low Kum Choy |
| Ho Weng Foon | Lee Ing Fatt | Low Sue Heng |
| Hong Tuck Meng | Lee Inn Peng | Low Thong Thai |
| Hoon Soon Kwan Anthony | Lee Khee Chow | Lye Yuen Chew |
| Hor Chook Sau | Lee Kheng Chong | Magdalena Massie |
| Hou Jian Hua | Lee Kip Lin | Mak Chui Leng |
| Hu Yee Cheng | Lee Li Ming | Marcus Ong Wei Xiang |
| Hui Kim Hoong Francis | Lee Peng Hoe | Melvyn Koh Thong Cher |
| Inderjeet Singh Rikhraj | Lee Siew Yang Joy | Michael Ng |
| Iris Seet | Lee Sze Yau | Michael Soh Teck Soon |
| Janssen-Cilag | Lee Thiam Hock | Mok Kim Chye |
| Jellisa Soon | Lee Yan Kit | Neo Eng Kee |
| Ji Kai Wen Kenny | Leong Khay Huay Kuan | Neo Lay Yen Hazel |
| Jimmy Tan | Leong Kui Toh Gerard | Neo Soon Hock |
| Jimmy Wong See San | Leong Kwok Sing | Neo Tee Boon |
| Johann Heinrich Jessen | Leong Say Haur | Ng Boon Seng |
| Kam Chew Mun | Leong Shin Loong | Ng Chee Keong |
| Kang Peck Tze | Leong Sin Kwong | Ng Kam Hong |
| Kee Sek Huat | Leow Chin Chww | Ng Lee Huat |
| Kek Lee Phin | Leroy Fong Lee Yong | Ng Luan Sing |
| Khew Kah Leng | Li Xiao Bin | Ng Seng Tat |
| Khoo Choon Tin | Liang Eng Hwa | Ng Siok Ching |
| Khoo Kian Ming Andrew | Liang Kim Poh | Ng Suat Paik Alice |
| Khoo Whee Luan | Lim Ah Swan | Ng Ting Ting |
| Khor Eugene | Lim Chee Hua | Ng Tzer Wee |
| King Christopher | Lim Chin Hock | Ng Wei Yong William |
| Koh Choon Fah | Lim Gim Hwee | Ng Yuet Yin |
| Koh Hue Boo Andrew | Lim Gueh Ee | Ngan Thiam Ooi |
| Koh Kiam Seng | Lim Guek Lan | Ngian Kee Chye |
| Koh Lee Kiow | Lim Hock Beng | Oan Chim Seng |
| Kong Kwok Wei | Lim Hoon Eng | Oh Tiong Beng |
| Kong Yee Fong Yvonne | Lim Hui Hut Patrick | Oli Mohamed Bin K M Yusoff |
| Ku Swee Yong | Lim Jit Soon | Ong Beng Heng |
| Kuah Mui Choo | Lim Meng Huan | Ong Gian Seng |
| Kuek Chong Yeow Richard | Lim Paik See | Ong Lian Kwang |
| Kwan Chong Wah | Lim Soo Noi | Ong Pang Chew |
| Kwek Kok Haw | Lim Wee Tee | Ong Teck Eng |

Donor Recognition

\$1,000 to \$4,999 (CONT'D)

| | | |
|---------------------------------|----------------------------|-------------------------|
| Ong Tze Mien | Tan Guan Pin Clement | Wong Khang Wee |
| Ooi Chee Kar | Tan Ho Tiong | Wong Kiat Kong |
| Ooi Choo Lian | Tan Hock Keong | Wong Lai Siong |
| Ooi Suan Imm | Tan Kah Ban | Wong Siew Lien |
| Paul De Bruijn | Tan Kim Peng | Wong Sze Man |
| Pee Hong Sang | Tan Kuan Guan Derek | Wong Wai Keong |
| Phee Ser Wah Johnny | Tan Lay Hock | Wong Yim Mei |
| Phoon Wai Hoong | Tan Lay Kuan | Woo Kwok Min |
| Phya Teck Lee | Tan Molly | Woon Tai Wee |
| Png Beng Hwee | Tan Puay Yong | Woon Tek Seng |
| Poenar Daniel Puiui | Tan Sieu Lee Amelia | Yam Ah Mee |
| Poh Bee Li | Tan Sing Kwang | Yang Yuen Tsyr Caroline |
| Poh Beng Wee | Tan Sok Huang | Yap Kim Yiau |
| Poh Geok Kiow Renee (Fu Yujiao) | Tan Sok Mong @ Sik Wai Yim | Yeo Chee Hwang |
| Poh Hou Meng | Tan Soo Huat | Yeo Chee Kean |
| Quek Bek Choo | Tan Soon Teck | Yeo Mui Leng |
| Quek Chong Ghee | Tan Teng Chew | Yeo Poh Choo Lisa |
| Quek Gim Pew | Tan Thim Fock | Yeo Shu Fang |
| Quek Koh Chiew | Tan Yang Po | Yeo Siu-Li Heidi |
| Quek Seow Chim | Tan Yee Shu | Yeoh Khwai Hoh Patrick |
| Quek Seow Heon | Tang Ai Chee | Yeow Aik Liang Daniel |
| Ricky Goh Chong Meng | Tang Mun Chee | Yew Kwee Fong |
| Ronald Charles Klyne | Tang See Chim | Yong Chin Chin |
| Sarasvathi P | Tay Jin Ying | Yong Sook Leng |
| Sia Bee Leng | Tay Kwan Hun Stephen | Zenia Tay Lay Bee |
| Sim Piah Chew | Tay Teck Shong | |
| Sim Siah Kwang | Teo Bee Kheng | |
| Sin Hong Wee | Teo Chor Hua | |
| Sio Sit Min | Teo Guan Hoe | |
| Soh Khay Ming | Teo Li Lin | |
| Soh Kim Chye Dave | Tham Keng Chuen | |
| Soh Kin Hoe | Ting Poh King | |
| Soh Neo Bi | Tiong Hin Won Eric | |
| Soh Wee Lian | Tjhin Pick Lan | |
| Soo Tek Lam | Tuan Peak Hin | |
| Soong Gum Chuen | Tze Kong Yuen Simon | |
| Stanley Ang | Veerasingam Prem Kumar | |
| Susan Lee Hwee Kim | Wee Aik Koon | |
| Susie Tan | Wee Liang Chyan | |
| Tan Ai Wah | Weng Chwee Poh | |
| Tan Ai Yun | Widianto Ngadimin | |
| Tan Beng Loo | Winnie Leong | |
| Tan Chay Hoon | Woh Kok Meng | |
| Tan Chin Bock | Wong Boh Pow | |
| Tan Eng Hwa | Wong Cheng Yong | |
| Tan Francis | Wong Gnaw | |

Kidney Dialysis Foundation Limited
(A Company Limited by Guarantee)
Registration Number: 199600830Z

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Directors' Report

We are pleased to submit this annual report to the members of the Foundation together with the audited financial statements of the Foundation for the financial year ended 31 March 2010.

Directors

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

Dr Gordon Ku
Cheng Wai Keung
Lee Ching Yen, Stephen
Yeo Thiam Teng
Watson Ong
Yeoh Oon Jin
Peter Tan Sim Cheng
Bernie Poh
Wong Yew Meng (Appointed on 15 Mar 2010)

Principal Activities

The Foundation was incorporated on 1 February 1996 as a company limited by guarantee and is registered as a charity under the Charities Act, Chapter 37.

The principal activities of the Foundation during the financial year have been those relating to the provision of subsidised and/or free medical treatment and dialysis services for patients suffering from kidney and kidney related illnesses. These activities are funded by subsidies from the Government, administered by the Ministry of Health, and donations received from the general public. The Foundation generally does not accept private patients who are financially able to pay for dialysis treatment from private centres. There have been no significant changes in such activities during the financial year.

The Foundation embarked on its secondary strategic mission to identify and support research in the area for the prevention, treatment and cure of kidney and kidney related diseases. The Foundation has signed a memorandum of understanding in November 2007 with The National University of Singapore ("NUS") to collaborate in the area of research for the prevention, treatment and cure of kidney and kidney related diseases. This collaboration with NUS provides the infrastructure and discipline required for the selection, monitoring and reviewing process for research projects to achieve the Foundation's mission and vision.

Directors' Interests

As the Foundation is a company limited by guarantee and has no share capital, the statutory information required to be disclosed by the directors under Section 201 (6) (g) and Section 201 (12) of the Companies Act, Chapter 50 does not apply.

Neither at the end of nor at any time during the financial year was the Foundation a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Foundation to acquire benefits by means of the subscription to or acquisition of debentures of the Foundation or any other body corporate.

Since the end of the last financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Foundation 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.

Directors' Report

Share Options

As the Foundation is a company limited by guarantee and has no share capital, the statutory information required to be disclosed under Section 201 (12) of the Companies Act, Chapter 50 does not apply.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors



Dr Gordon Ku
Director



Peter Tan Sim Cheng
Director

9 July 2010

Statement by Directors

In our opinion:

- (a) the financial statements set out on pages 29 to 46 are drawn up so as to give a true and fair view of the state of affairs of the Foundation as at 31 March 2010 and of the statement of comprehensive income and statement of cash flows of the Foundation for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.

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

On behalf of the Board of Directors



Dr Gordon Ku
Director



Peter Tan Sim Cheng
Director

9 July 2010

Independent Auditor's Report

Members of the Foundation
Kidney Dialysis Foundation Limited
(A Company Limited by Guarantee)

We have audited the financial statements of Kidney Dialysis Foundation Limited (the "Foundation"), which comprise the statement of financial position as at 31 March 2010, the statement of comprehensive income and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 29 to 46.

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, Chapter 50 (the Act) and Singapore Financial Reporting Standards. This responsibility includes:

- (a) 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 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.

Management is also responsible for ensuring that the total relevant fund-raising expenses of the Foundation for the financial period had not exceeded 30% of the total relevant receipts from fund-raising and sponsorships for that financial period as mentioned in Regulation 15(1) of the Charities Act (Institution of a Public Character) (Amendment) Regulations 2008 and the donation monies have not been used in accordance with the objectives of the Foundation as an institution of a public character.

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 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.

Report on other legal and regulatory requirements

During the course of our audit, nothing came to our attention that caused us to believe that:

- (a) the Foundation did not comply with the requirements of Regulation 15(1) of the Charities Act (Institution of a Public Character) (Amendment) Regulations 2008 which states that the total relevant fund-raising expenses of the Foundation for the financial period had not exceeded 30% of the total relevant receipts from fund-raising and sponsorships for that financial period; and

Independent Auditor's Report

- (b) the donation monies have not been used in accordance with the objectives of the Foundation as an institution of a public character.

Opinion

In our opinion:

- (a) the financial statements of the Foundation are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Foundation as at 31 March 2010 and of the statement of comprehensive income and statement of cash flows of the Foundation for the year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Foundation have been properly kept in accordance with the provisions of the Act.



KPMG LLP

*Public Accountants and
Certified Public Accountants*

Singapore

9 July 2010

Statement of Financial Position

As at 31 March 2010

| | Note | 2010 | 2009 |
|---------------------------------|------|-------------------|-------------------|
| | | \$ | \$ |
| Non-Current Assets | | | |
| Plant and equipment | 5 | 749,272 | 661,273 |
| Intangible assets | 6 | 22,906 | 51,337 |
| Investments - Quoted bonds | 7 | 1,999,974 | 2,757,403 |
| Total Non-Current Assets | | <u>2,772,152</u> | <u>3,470,013</u> |
| Current Assets | | | |
| Trade and other receivables | 8 | 343,289 | 386,293 |
| Cash and cash equivalents | 10 | 17,051,081 | 16,024,268 |
| Total Current Assets | | <u>17,394,370</u> | <u>16,410,561</u> |
| Total Assets | | <u>20,166,522</u> | <u>19,880,574</u> |
| Non-Current Liability | | | |
| Deferred capital grants | 11 | - | 8,122 |
| Current Liability | | | |
| Trade and other payables | 12 | 1,122,522 | 1,269,578 |
| Total Liabilities | | <u>1,122,522</u> | <u>1,277,700</u> |
| Net Assets | | <u>19,044,000</u> | <u>18,602,874</u> |
| Funds of the Foundation: | | | |
| Unrestricted Funds | | | |
| General Fund | | 15,084,259 | 14,211,386 |
| Ghim Moh Fund (Designated) | 13 | 3,946,152 | 4,380,163 |
| Restricted Fund | | | |
| Research Fund | 14 | 13,589 | 11,325 |
| Total Funds | | <u>19,044,000</u> | <u>18,602,874</u> |
| Members' Guarantee | 4 | <u>300</u> | <u>300</u> |

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

Statement of Comprehensive Income

(Includes Statement of Financial Activities)
Year Ended 31 March 2010

| | Note | Unrestricted General Fund | | Unrestricted Designated Ghim Moh Fund | | Restricted Fund Research Fund | | Total | |
|---|------|---------------------------|------------|---------------------------------------|-----------|-------------------------------|-----------|------------|------------|
| | | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| Income/Incoming resources | | | | | | | | | |
| <i>Income resources from generated funds</i> | | | | | | | | | |
| Voluntary income | 16 | 2,678,393 | 2,718,289 | - | - | 255,400 | 164,600 | 2,933,793 | 2,882,889 |
| Funds generating activities | 16 | 329,035 | 248,555 | - | - | - | - | 329,035 | 248,555 |
| Investment income | 17 | 173,313 | 262,533 | 15,202 | 47,884 | 96 | 710 | 188,611 | 311,127 |
| Others | | 118,354 | 35,314 | 1,954 | 3,907 | - | - | 120,308 | 39,221 |
| | | 3,299,095 | 3,264,691 | 17,156 | 51,791 | 255,496 | 165,310 | 3,571,747 | 3,481,792 |
| Charitable activities | | | | | | | | | |
| Charitable income | 18 | 1,896,640 | 1,939,745 | 400,012 | 248,671 | - | - | 2,296,652 | 2,188,416 |
| Government subsidies | 19 | 815,805 | 668,754 | 145,196 | 63,959 | - | - | 961,001 | 732,713 |
| | | 2,712,445 | 2,608,499 | 545,208 | 312,630 | - | - | 3,257,653 | 2,921,129 |
| Total income/incoming resources | | 6,011,540 | 5,873,190 | 562,364 | 364,421 | 255,496 | 165,310 | 6,829,400 | 6,402,921 |
| Expenditure/Resources expended | | | | | | | | | |
| <i>Cost of generating funds</i> | | | | | | | | | |
| Cost of generating voluntary income | 20 | 407,606 | 504,770 | - | - | - | - | 407,606 | 504,770 |
| Cost of fund generating activities | | 45,995 | 43,245 | - | - | - | - | 45,995 | 43,245 |
| Investment management cost | | 7,431 | 11,279 | - | 197 | - | - | 7,431 | 11,476 |
| | | 461,032 | 559,294 | - | 197 | - | - | 461,032 | 559,491 |
| Cost of charitable activities | | | | | | | | | |
| Dialysis services and medication cost | 21 | 4,073,783 | 3,947,747 | 996,375 | 752,719 | - | - | 5,070,158 | 4,700,466 |
| Research expenses | | - | - | - | - | 253,232 | 303,685 | 253,232 | 303,685 |
| Other charitable activities | | 80,893 | 89,970 | - | - | - | - | 80,893 | 89,970 |
| | | 4,154,676 | 4,037,717 | 996,375 | 752,719 | 253,232 | 303,685 | 5,404,283 | 5,094,121 |
| Governance cost | 22 | 522,959 | 544,149 | - | - | - | - | 522,959 | 544,149 |
| Total expenditure/ resources expended | | 5,138,667 | 5,141,160 | 996,375 | 752,916 | 253,232 | 303,685 | 6,388,274 | 6,197,761 |
| Net income/loss for the year/ Total comprehensive income for the year/Net incoming/ (outgoing) resources | | 872,873 | 732,030 | (434,011) | (388,495) | 2,264 | (138,375) | 441,126 | 205,160 |
| Reconciliation of funds | | | | | | | | | |
| Total funds brought forward | | 14,211,386 | 13,479,356 | 4,380,163 | 4,768,658 | 11,325 | 149,700 | 18,602,874 | 18,397,714 |
| Total funds carried forward | | 15,084,259 | 14,211,386 | 3,946,152 | 4,380,163 | 13,589 | 11,325 | 19,044,000 | 18,602,874 |

No separate statement of changes in funds have been prepared as the net income/loss for the year/total comprehensive income for the year/net incoming/(outgoing) resources would be the only component of the statement.

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

Statement of Cash Flows

Year Ended 31 March 2010

| | Note | 2010 \$ | 2009 \$ |
|--|------|------------|------------|
| Cash flows from operating activities | | | |
| Net incoming resources for the year | | 441,126 | 205,160 |
| Adjustments for: | | | |
| Amortisation of premium on bonds | 23 | 7,429 | 11,477 |
| Depreciation of plant and equipment | 5 | 395,470 | 415,678 |
| Amortisation of intangible assets | 6 | 26,552 | 31,076 |
| Gain on disposal of plant and equipment | 23 | (22,279) | (537) |
| Interest income | 17 | (188,611) | (311,127) |
| Operating profit before working capital changes | | 659,687 | 351,727 |
| Changes in working capital: | | | |
| Trade and other receivables | | 11,408 | 14,700 |
| Trade and other payables | | (145,177) | (113,166) |
| Deferred capital grant | | (8,122) | (9,461) |
| Cash flows from operating activities | | 517,796 | 243,800 |
| Cash flows from investing activities | | | |
| Purchase of plant and equipment | 5 | (483,690) | (46,068) |
| Purchase of intangible assets | | - | (22,698) |
| Proceeds from redemption of quoted bonds | | 750,000 | 500,000 |
| Proceeds from disposal of plant and equipment | | 22,500 | 2,761 |
| Interest received | | 220,207 | 353,207 |
| Cash flows from investing activities | | 509,017 | 787,202 |
| Net increase in cash and cash equivalents | | | |
| Cash and cash equivalents at beginning of year | | 1,026,813 | 1,031,002 |
| Cash and cash equivalents at end of year | 10 | 16,024,268 | 14,993,266 |
| | | 17,051,081 | 16,024,268 |

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

Notes to the Financial Statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 9 July 2010.

1. Domicile and Activities

The Foundation was incorporated in the Republic of Singapore on 1 February 1996 as a company limited by guarantee and is registered as a charity under the Charities Act, Chapter 37. Its registered office is at Block 333 Kreta Ayer Road, #03-33 Singapore 080333.

The Foundation is a registered member of the Ministry of Health's General Fund. The Foundation has also been granted Institution of a Public Character ("IPC") status since February 1996.

The principal activities of the Foundation are those relating to the provision of subsidised and/or free medical treatment and dialysis services for patients suffering from kidney and related illnesses. These activities are funded by subsidies from the Government, administered by the Ministry of Health, and donations received from the general public. The Foundation generally does not accept private patients who are financially able to pay for dialysis treatment from private centres.

The Foundation's secondary strategic mission is to identify and support research in the area for the prevention, treatment and cure of kidney and kidney related diseases. The Foundation signed a memorandum of understanding in November 2007 with The National University of Singapore ("NUS") to collaborate in the area of research for the prevention, treatment and cure of kidney and kidney related diseases. To achieve this, a Research Fund is set up to solicit donations to support and fund research for the prevention, treatment and cure of kidney and kidney related diseases.

2. Basis of Preparation

2.1 Statement of Compliance

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

2.2 Basis of Measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and financial liabilities which are measured at fair value as described below.

2.3 Functional and Presentation Currency

The financial statements are presented in Singapore dollars which is the Foundation's functional currency.

2.4 Use of Estimates and Judgements

The preparation of financial statements in conformity with FRSs 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.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is described in Note 9 – Trade receivables.

2.5 Changes in Accounting Policies

Overview

Starting as of 1 January 2009 on adoption of new/revised FRSs, the Foundation has changed its accounting policies in relation to the presentation of financial statements.

Notes to the Financial Statements

2. Basis of Preparation (CONT'D)

The Foundation applies revised FRS 1 Presentation of Financial Statements (2008), which became effective as of 1 January 2009. As a result, the Foundation would present in the statement of changes in funds all owner changes in funds, whereas all non-owner changes in funds are presented in the statement of comprehensive income. However, the Foundation does not prepare a separate statement of changes in funds as the net income/loss for the year/total comprehensive income for the year/net incoming/(outgoing) resources would be the only component of the statement.

The change in accounting policy only impacts presentation with no effect on the recognition and measurement of financial statements items.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently by the Foundation to all periods presented in these financial statements, except as stated in Note 2.5.

3.1 Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of the Foundation at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date on which the fair value was determined.

Foreign currency differences arising on translation are recognised in the statement of comprehensive income.

3.2 Financial Instruments

Non-derivative financial assets

The Foundation initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Foundation becomes a party to the contractual provisions of the instrument.

The Foundation derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Foundation is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Foundation has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Foundation's non-derivative financial assets are loans and receivables.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade and other receivables, except prepayments.

Cash and cash equivalents comprise cash balances and bank deposits.

Held-to-maturity investments

If the Foundation has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

Notes to the Financial Statements

3. Significant Accounting Policies (CONT'D)

Non-derivative financial liabilities

The Foundation initially recognises all financial liabilities on the trade date at which the Foundation becomes a party to the contractual provisions of the instrument.

The Foundation derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Foundation has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Foundation's non-derivative financial liabilities are trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

3.3 Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the costs directly attributable to bringing the asset to a working condition for its intended use, and the cost of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Depreciation on plant and equipment is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment.

The estimated useful lives are as follows:

| | | |
|------------------------|---|---------|
| Air-conditioners | - | 4 years |
| Computers | - | 3 years |
| Furniture and fittings | - | 3 years |
| Medical equipment | - | 4 years |
| Office equipment | - | 3 years |
| Renovations | - | 3 years |

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

Property, plant and equipment valued at less than \$1,000 are not capitalised and are expensed to the statement of comprehensive income in the year of acquisition.

3.4 Intangible Assets

Intangible assets acquired by the Foundation and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is calculated over the cost of the asset, less its residual value.

Amortisation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives are as follows:

| | | |
|----------|---|---------|
| Software | - | 3 years |
|----------|---|---------|

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted as appropriate.

Notes to the Financial Statements

3. Significant Accounting Policies (CONT'D)

3.5 Impairment

Impairment of financial assets

A financial asset not carried at fair value through statement of comprehensive income is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Foundation on terms that the Foundation would not consider otherwise, and indications that a debtor or issuer will enter bankruptcy.

The Foundation considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment, the Foundation uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in statement of comprehensive income and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through statement of comprehensive income.

Impairment of non-financial assets

The carrying amounts of the Foundation's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the statement of comprehensive income.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that 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.

3.6 Employee Benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an outgoing resource in the statement of comprehensive income as incurred.

Notes to the Financial Statements

3. Significant Accounting Policies (CONT'D)

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus if the Foundation has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.7 Grants

Government grants and contributions from other organisations are recognised at their fair value where there is reasonable assurance that the grant will be received and all required conditions will be complied with.

Government grants received by the Foundation to meet the current year's operating expenses are recognised by the Foundation as income in the year these operating expenses were incurred. Grants received in advance are recorded on the statement of financial position of the Foundation.

Government grants and contributions from other organisations utilised for the purchase/ construction of depreciable assets are taken to the deferred capital grants accounts. Deferred capital grants are recognised in the statement of comprehensive income over the periods necessary to match the depreciation and impairment loss of the assets purchased, with the related grants. Upon the disposal of the plant and equipment, the balance of the related deferred capital grants is recognised in the statement of comprehensive income to match the net book value of the assets written off.

Jobs Credit Scheme

Cash grants received from the Government in relation to the Jobs Credit Scheme are recognised as incoming resources in the statement of comprehensive income when the grant is received.

3.8 Provisions

A provision is recognised if, as a result of a past event, the Foundation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

3.9 Operating Leases

When the Foundation has the use of assets under operating leases, payments made under the leases are recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of comprehensive income as an integral part of the total lease payments made. Contingent rentals are charged to the statement of comprehensive income in the accounting period in which they are incurred. These leased assets are not recognised in the Foundation's statement of financial position.

3.10 Funds Structure

General fund

The general fund is available for use at the discretion of the management in furtherance of the Foundation's general objectives and purposes. The fund is available to apply for general purposes of the Foundation as set out in its governing document.

Income generated from assets held and expenditure incurred in a general fund will be presented as unrestricted general income and expenses, respectively.

Designated fund

The designated fund is available for use at the discretion of the management within particular projects in furtherance of the Foundation's objectives that the management have identified and earmarked.

Notes to the Financial Statements

3. Significant Accounting Policies (CONT'D)

Designated funds are funds which are part of the unrestricted general fund, but earmarked for a particular project. The designation is made for administrative purposes only and does not contain any legal restrictions in relation to the Foundation's discretion to apply the fund. Management of the Foundation will pass a Director Resolution to approve the designation fund for purposes of a particular project earmarked by the Foundation.

Designated fund is accounted for as part of the Foundation's unrestricted designated funds. Income generated from assets and expenditure held in designated funds will be presented as designated general income and expenses, respectively.

Restricted fund

Restricted fund is a fund subject to specific purpose, declared by the donor(s) or with their authority or created through a legal process, but still within the wider objectives of the Foundation. The restricted fund is available for use at the discretion of the management within specified projects in furtherance of the Foundations' objectives that have been identified by donors of the funds or communicated to donors when sourcing for the funds.

Restricted fund may be a restricted income fund, which is expendable at the discretion of the Foundation in furtherance of some particular aspect(s) of the objects of the Foundation, or may be a capital fund, where the assets are required to be invested or retained for actual use, rather than expended.

Restricted fund has to be separately accounted for. Income generated and expenditure incurred from assets held in a restricted fund will be legally subject to the same restriction as the original fund.

Transfer of funds

Generally, transfers of funds within the Foundation involve the transfer of available funds in the unrestricted funds of the Foundation to the unrestricted designated fund at the discretion of management as and when it is deemed appropriate and in furtherance of the objectives and purposes of the designated funds. Approval of transfers is made through a Director Resolution passed by the management of the Foundation. Management's practice is that no fund transfers are made out of the restricted funds to other funds established by the Foundation. However, unrestricted funds may be spent and transferred to the restricted funds to meet any overspending or deficit in the restricted funds, as approved by management of the Foundation.

3.11 Incoming Resources

Donations, voluntary income and funds generating activities

Donations and voluntary income (including direct appeals, fundraising through newsletters and websites, outright donations, sponsorships, memberships and research) are recognised on an accruals basis (recognised when entitled/receivable). Incoming resources from the sale of goods from fund generating raising activities is recognised at the point of sale.

Donations-in-kind (i.e. donated services and facilities) are recognised based on their estimated fair values, with an equivalent amount recognised as an expenditure item or in the relevant asset category upon receipt.

The gross incoming resources in relation to funds raised or collected for the Foundation by individuals not employed or contracted by the Foundation, are the proceeds remitted to the Foundation by the organisers of the event, after deducting their expenses.

Investment income

Investment income comprises interest income on funds invested and is recognised on an accrual basis, using the effective interest method.

Subsidies

Medishield subsidies are recognised when the right to receive payment is established.

Charitable income - Dialysis services and medication

Income from rendering dialysis services and medication is recognised when the services and medication are rendered.

Notes to the Financial Statements

3. Significant Accounting Policies (CONT'D)

3.12 Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the respective categories of incoming resources. Cost comprises direct expenditure including direct staff costs attributable to the relevant category of incoming resources. Where costs cannot be wholly attributable to a category of incoming resources, they have been apportioned on a basis consistent with the use of resources. These include overheads such as utilities, depreciation of renovation and support costs.

(i) Allocation of support costs

Support costs comprise staff costs relating to general management, human resource and administration, budgeting, accounting and finance functions and have been specifically allocated, where possible, to fundraising, charitable activities and governance cost based on the relevant individual cost centres.

(ii) Costs of generating funds

The costs of generating funds are those costs attributable to generating income for the Foundation, other than from undertaking charitable activities.

(iii) Charitable activities

Costs of charitable activities comprise all costs incurred in undertaking its work in the pursuit of the charitable objects of the Foundation. The total costs of charitable expenditure include an apportionment of support costs.

(iv) Governance costs

Governance costs comprise all costs attributable to the general running of the Foundation, associated with the maintenance of the Foundation's governance infrastructure and in ensuring public accountability. These costs include costs related to constitutional and statutory requirements, and include an apportionment of overhead and support costs.

4. Members' Guarantee

The Foundation is a company limited by guarantee whereby each member of the Foundation undertakes to meet the debts and liabilities of the Foundation, in the event of its liquidation, to an amount not exceeding \$100 per member.

As at 31 March 2010, the Foundation has 3 members (2009: 3).

Notes to the Financial Statements

5. Plant and Equipment

| Cost | Air- conditioners | Computers | Furniture and fittings | Medical equipment | Office equipment | Renovations | Total |
|---------------------------------|------------------------------|------------------|-----------------------------------|------------------------------|-----------------------------|--------------------|--------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| At 1 April 2008 | 80,417 | 149,952 | 267,145 | 1,905,511 | 73,350 | 784,954 | 3,261,329 |
| Additions | 13,100 | - | - | 28,550 | 4,418 | - | 46,068 |
| Disposals | (9,880) | (8,080) | (445) | (63,065) | (2,000) | - | (83,470) |
| Reclassification | - | - | 4,992 | - | - | (4,992) | - |
| At 31 March 2009 | 83,637 | 141,872 | 271,692 | 1,870,996 | 75,768 | 779,962 | 3,223,927 |
| Additions | 3,300 | - | - | 477,800 | 2,590 | - | 483,690 |
| Disposals | (420) | (13,618) | (24,895) | (305,949) | (7,126) | (1,330) | (353,338) |
| At 31 March 2010 | 86,517 | 128,254 | 246,797 | 2,042,847 | 71,232 | 778,632 | 3,354,279 |
| Accumulated depreciation | | | | | | | |
| At 1 April 2008 | 34,118 | 88,804 | 179,011 | 1,338,939 | 46,954 | 540,396 | 2,228,222 |
| Depreciation for the year | 13,640 | 26,419 | 38,966 | 209,152 | 14,901 | 112,600 | 415,678 |
| Disposals | (7,916) | (8,080) | (185) | (63,065) | (2,000) | - | (81,246) |
| Reclassification | - | - | 2,635 | - | - | (2,635) | - |
| At 31 March 2009 | 39,842 | 107,143 | 220,427 | 1,485,026 | 59,855 | 650,361 | 2,562,654 |
| Depreciation for the year | 17,801 | 23,573 | 37,209 | 208,113 | 10,133 | 98,641 | 395,470 |
| Disposals | (245) | (13,618) | (24,849) | (305,949) | (7,126) | (1,330) | (353,117) |
| At 31 March 2010 | 57,398 | 117,098 | 232,787 | 1,387,190 | 62,862 | 747,672 | 2,605,007 |
| Carrying amount | | | | | | | |
| At 1 April 2008 | 46,299 | 61,148 | 88,134 | 566,572 | 26,396 | 244,558 | 1,033,107 |
| At 31 March 2009 | 43,795 | 34,729 | 51,265 | 385,970 | 15,913 | 129,601 | 661,273 |
| At 31 March 2010 | 29,119 | 11,156 | 14,010 | 655,657 | 8,370 | 30,960 | 749,272 |

Notes to the Financial Statements

6. Intangible Assets

| | Software |
|---------------------------------|-----------------|
| | \$ |
| Cost | |
| At 1 April 2008 | 121,766 |
| Additions | 22,698 |
| At 31 March 2009 | 144,464 |
| Net write-off | (1,879) |
| At 31 March 2010 | 142,585 |
| Accumulated amortisation | |
| At 1 April 2008 | 62,051 |
| Amortisation for the year | 31,076 |
| At 31 March 2009 | 93,127 |
| Amortisation for the year | 26,552 |
| At 31 March 2010 | 119,679 |
| Carrying amount | |
| At 1 April 2008 | 59,715 |
| At 31 March 2009 | 51,337 |
| At 31 March 2010 | 22,906 |

7. Investments - Quoted Bonds

| | 2010 | 2009 |
|---|-------------|-------------|
| | \$ | \$ |
| Carrying value at beginning of year | 2,757,403 | 3,268,880 |
| Less: Redemption at carrying value | (750,000) | (500,000) |
| Less: Amortisation of premium during the year | (7,429) | (11,477) |
| Carrying value at end of year | 1,999,974 | 2,757,403 |
| Market value | 2,073,300 | 2,757,950 |

Quoted bonds classified as held-to-maturity, earns fixed interest at rates ranging from 2.16% to 4.15% (2009: 2.16% to 5.07%) per annum and mature in two to four years. They are held to provide an investment return to the Foundation.

All investments of the Foundation originated in Singapore.

8. Trade and Other Receivables

| | Note | 2010 | 2009 |
|-----------------------|-------------|-------------|-------------|
| | | \$ | \$ |
| Trade receivables | 9 | 166,217 | 162,209 |
| Interest receivable | | 37,438 | 69,034 |
| Other receivables | | 82,182 | 92,524 |
| Deposits | | 51,681 | 55,311 |
| Loans and receivables | | 337,518 | 379,078 |
| Prepayments | | 5,771 | 7,215 |
| | | 343,289 | 386,293 |

Other receivables comprise grant receivables of \$21,440 (2009: nil).

Notes to the Financial Statements

9. Trade Receivables

| | 2010 | 2009 |
|--|----------------|----------------|
| | \$ | \$ |
| Trade receivables | 168,030 | 164,557 |
| Less: Impairment loss in relation to trade receivables | (1,813) | (2,348) |
| | <u>166,217</u> | <u>162,209</u> |

The change in impairment loss in respect of trade receivables during the year is as follows:

| | 2010 | 2009 |
|--------------------------------|--------------|--------------|
| | \$ | \$ |
| At 1 April | 2,348 | 6,472 |
| Allowance utilised | - | (6,149) |
| Allowance written back | (535) | (323) |
| Allowance made during the year | - | 2,348 |
| At 31 March | <u>1,813</u> | <u>2,348</u> |

The ageing of loans and receivables at the reporting date is:

| | <----- | 2010 | -----> | <----- | 2009 | -----> |
|----------------------------|----------------|--------------|--------------|----------------|--------------|--------------|
| | Gross | Impairment | losses | Gross | Impairment | losses |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Not past due | 322,396 | - | - | 357,028 | - | - |
| Past due 0 – 30 days | 8,660 | - | - | 5,567 | - | - |
| Past due 31 – 60 days | 3,094 | - | - | 6,580 | - | - |
| Past due 61 – 90 days | 128 | - | - | 4,274 | - | - |
| Past due more than 90 days | 5,053 | 1,813 | - | 7,977 | 2,348 | - |
| | <u>339,331</u> | <u>1,813</u> | <u>1,813</u> | <u>381,426</u> | <u>2,348</u> | <u>2,348</u> |

The Foundation's primary exposure to credit risk arises through its trade and other receivables. As at 31 March 2010, concentration of credit risk mainly relates to amounts receivable from insurance providers which accounts for approximately 43% (2009: 34%) of loans and receivables. The Foundation's historical experience in the collection of loans and receivables falls within the recorded allowances. Due to these factors, management believes that no additional credit risk beyond the amounts provided for collection losses is inherent in the Foundation's receivables.

Source of estimation uncertainty

The Foundation evaluates whether there is any objective evidence that loans and receivables are impaired, and determines the amount of impairment loss as a result of the inability of debtors to make required payments. The Foundation determines the collectability of amounts receivable by reviewing the ageing of receivables, credit-worthiness of debtors and historical write-off experience. If the financial conditions of the debtors were to deteriorate, actual write-offs would be higher than estimated.

10. Cash and Cash Equivalents

| | 2010 | 2009 |
|---------------------------|-------------------|-------------------|
| | \$ | \$ |
| Fixed deposits | 15,766,455 | 15,133,623 |
| Cash at bank and in hand | 1,284,626 | 890,645 |
| Cash and cash equivalents | <u>17,051,081</u> | <u>16,024,268</u> |

The effective interest rates per annum relating to fixed deposits at the balance sheet date range from 0.1% to 0.49% (2009: 0.18% to 1.77%) per annum.

Cash and fixed deposits are placed with banks and financial institutions in Singapore which are regulated.

Notes to the Financial Statements

11. Deferred Capital Grants

| | 2010 | 2009 |
|---------------------------|-------------|-------------|
| | \$ | \$ |
| At 1 April | 8,122 | 17,583 |
| Additions during the year | - | 6,782 |
| Accretion during the year | (8,122) | (16,243) |
| At 31 March | - | 8,122 |

12. Trade and Other Payables

| | 2010 | 2009 |
|----------------------------|------------------|------------------|
| | \$ | \$ |
| Trade payables | 341,570 | 282,261 |
| Other payables | 372,845 | 504,659 |
| Output GST | 12,026 | 8,628 |
| Accrued operating expenses | 379,215 | 461,035 |
| Unutilised annual leave | 16,866 | 12,995 |
| | <u>1,122,522</u> | <u>1,269,578</u> |

The expected contractual undiscounted cash outflows of trade and other payables are expected to occur within one year and are equivalent to their carrying amounts.

Accrued operating expenses include grant payable to NUS for research funding amounting to \$250,000 (2009: \$300,000). Please see Note 14 for description of the fund.

13. Ghim Moh Fund (Designated)

The Ghim Moh Fund was set up in August 2006 with a donation received from the Khoo Foundation for the development of a new haemodialysis centre in Ghim Moh ("GMDC"). The donation received of \$5,000,000 has been allocated by the directors as follows: \$1,300,000 for the development of GMDC and the balance of \$3,700,000 for the operation of the GMDC. The fund also consists of income generated mainly through the provision of dialysis services at established centre and receipt of government subsidies. The fund is currently used to meet the operating costs of the GMDC.

14. Research Fund

The Research Fund consist of donations solicited and received by the Foundation for the purpose of supporting and funding research in the area for the prevention, treatment and cure of kidney and kidney related diseases. In the memorandum of understanding with The National University of Singapore, the Foundation has identified research projects which will be funded from donations from the Research Fund. Donations from the Research Fund will be channelled to the KDF-NUS Research Fund. The Foundation has pledged a total of \$900,000 towards the KDF-NUS Research Fund over a period of three years commencing from the financial year ended 31 March 2008, of which \$250,000 (2009: \$300,000) is payable to NUS as at reporting date.

15. Restriction on Distribution of Reserves

The Foundation's Memorandum of Association provides that no portion of the income and property of the Foundation shall be paid by way of dividend, bonus or otherwise to the members of the Foundation.

16. Incoming Resources from Generated Funds

Included in voluntary income and income from fund generating activities are donations for which tax-exempt receipts have been issued amounting to \$3,193,746 (2009: \$2,800,661).

Donated services

The Foundation receives professional services from doctors and lawyers on a voluntary basis. No remuneration is paid to these parties for the services received.

Notes to the Financial Statements

17. Investment Income

| | 2010 | 2009 |
|-----------------------------|----------------|----------------|
| | \$ | \$ |
| Interest income: | | |
| - cash and cash equivalents | 102,374 | 195,192 |
| - quoted bonds | 86,237 | 115,935 |
| | <u>188,611</u> | <u>311,127</u> |

18. Charitable Income

| | 2010 | 2009 |
|----------------------------------|------------------|------------------|
| | \$ | \$ |
| Donations | 45,708 | 131,004 |
| Dialysis services and medication | 2,250,944 | 2,057,412 |
| | <u>2,296,652</u> | <u>2,188,416</u> |

19. Government Subsidies

The Foundation receives government subsidies on dialysis services provided to patients who meet the Ministry of Health's criteria for subsidised haemodialysis and peritoneal dialysis. During the financial year, the Foundation received from the Ministry of Health an amount of \$307,200 from MOH VVO Contingency Fund which was used to meet operating expenditure.

Amounts received under these subsidies are recognised in the statement of comprehensive income in the same period as the related expenditure.

20. Costs of Generating Voluntary Income

| | 2010 | 2009 |
|------------------------------|----------------|----------------|
| | \$ | \$ |
| Direct mail materials | 208,730 | 292,580 |
| Staff costs | 172,777 | 171,110 |
| Admin and operating expenses | 26,099 | 41,080 |
| | <u>407,606</u> | <u>504,770</u> |

21. Costs of Charitable Activities – Dialysis services and medication cost

| | 2010 | 2009 |
|-------------------------------------|------------------|------------------|
| | \$ | \$ |
| Dialysis and medication fees | 4,143,292 | 3,721,680 |
| Staff costs | 350,072 | 358,644 |
| Depreciation of plant and equipment | 338,104 | 342,007 |
| Amortisation of intangible assets | 11,684 | 12,559 |
| Admin and operating expenses | 227,006 | 265,576 |
| | <u>5,070,158</u> | <u>4,700,466</u> |

22. Governance Cost

| | 2010 | 2009 |
|-------------------------------------|----------------|----------------|
| | \$ | \$ |
| Staff costs | 115,600 | 127,284 |
| Depreciation of plant and equipment | 57,366 | 73,672 |
| Amortisation of intangible assets | 14,868 | 18,517 |
| Admin and operating expenses | 335,125 | 324,676 |
| | <u>522,959</u> | <u>544,149</u> |

Notes to the Financial Statements

23. Net income or loss for the year/Total comprehensive income for the year/ Net incoming or outgoing resources

Net income/(loss) for the year/Total comprehensive income for the year/Net incoming/ (outgoing) resources includes the following:-

| | 2010 | 2009 |
|--|-----------------|-----------------|
| | \$ | \$ |
| Staff costs | | |
| Wages and salaries | 543,629 | 542,488 |
| Contributions to Central Provident Fund | 76,679 | 85,214 |
| | <u>620,308</u> | <u>627,702</u> |
| Amortisation of premium on bonds | 7,429 | 11,477 |
| External audit fees | 27,900 | 20,000 |
| Internal audit fees | 5,000 | 19,500 |
| Bad debts written off | 110 | 777 |
| Depreciation of plant and equipment | | |
| - General fund | 166,255 | 198,961 |
| - Ghim Moh fund | 229,215 | 216,717 |
| Amortisation of intangible assets | | |
| - General fund | 23,550 | 28,074 |
| - Ghim Moh fund | 3,002 | 3,002 |
| Gain on disposal of plant and equipment | (22,279) | (537) |
| Impairment loss in relation to doubtful receivables | - | 2,348 |
| Impairment loss in relation to doubtful receivables written back | (535) | (323) |
| Operating lease expense | 34,377 | 34,361 |
| Job Credit Scheme | <u>(53,525)</u> | <u>(16,204)</u> |

The average number of staff (includes full time, part time and other staff contracted by the Foundation) during the year is 22 (2009: 23).

24. Taxation

The Foundation is registered as a charity under the Charities Act, Chapter 37. With effect from YA2008, all registered charities are not required to file income tax returns and will enjoy automatic income tax exemption without having the need to meet the 80% spending rule. No provision for taxation has been made in the Foundation's financial statements.

Notes to the Financial Statements

25. Related Party Transactions

Key management compensation

Key management personnel, who are the trustees/office bearers, of the Foundation are those persons having the authority and responsibility for planning, directing and controlling the activities of the Foundation. The directors and the Chief Executive Officer are considered as key management personnel of the Foundation. The directors of the Foundation render their services on a voluntary basis and do not receive any remuneration. However, the Chief Executive Officer is a paid staff and received a remuneration that is approved by the Board of Directors.

| | 2010 | 2009 |
|-----------------------|------|------|
| Number of Executives: | | |
| \$50,000 – \$100,000 | 3 | 3 |

During the financial year, no key management personnel received any reimbursement of expenses, allowances or any other forms of payments, except as described in the above paragraph. In addition, there was no employee with remuneration above \$100,000.

Other than the above, there are no other related party transactions during the year.

26. Financial Risk Management

Exposure to credit and interest rates arise in the normal course of the Foundation's business. The Foundation's board of directors reviews and agrees policies for managing the following risks:-

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Foundation.

At 31 March 2010, the following financial assets are exposed to credit risk/settlement risk: quoted bonds, cash and cash equivalents and trade and other receivables.

At the balance sheet date, there is no significant concentration of credit risk, apart from approximately 94% (2009: 86%) of fixed deposits which are placed with a single financial institution. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. Management regularly monitors the recoverability of its financial assets and believes that it has adequately provided for any exposure to potential losses.

Surplus cash and fixed deposits are placed with banks and financial institutions, which are regulated. In a bid to manage its credit/settlement risk exposure, the Foundation only invests in government bonds or organisations with a minimum credit rating of "AAA" (Standard and Poor) or equivalent.

Liquidity risk

The Foundation has minimal exposure to liquidity risk as its operations are funded by government grants and subsidies, as well as donations from corporations and individuals. The Foundation has ensured sufficient liquidity through the holding of highly liquid assets in the form of cash and cash equivalents at all times to meet its financial obligations.

Fixed deposits are placed with reputable financial institutions, which yield better returns than cash at bank. The fixed deposits generally have short-term maturities so as to provide the Foundation with flexibility to meet working capital needs. All fixed deposits mature within one year.

Interest rate risk

The Foundation's exposure to changes in interest rate relates primarily to fixed deposits. The Foundation does not account for any fixed rate financial assets at fair value through the statement of comprehensive income. Therefore a change in interest rates at the reporting date would not affect the statement of comprehensive income.

Notes to the Financial Statements

26. Financial Risk Management (CONT'D)

Foreign currency risk

The financial assets and liabilities of the Foundation are primarily denominated in Singapore dollars. The Foundation has no significant exposure to foreign currency risk.

Capital management

The Foundation defines "capital" to be the unrestricted funds and restricted funds. The primary objective of the Foundation is to ensure that it maintains a healthy capital position through donations and government grants to sustain its operations.

There are no changes in the Foundation's approach to capital management during the year. The Foundation is not subject to any externally imposed capital requirement.

Fair values

The fair value of quoted bonds classified as held to maturity is determined by reference to the quoted bid prices at the reporting date and for disclosure purposes only.

The fair values of other financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are assumed to approximate their fair values because of the short period to maturity.

27. Commitments

At 31 March, the Foundation had commitments for future minimum grant payments under the Research Fund (Note 14) as follows:

| | 2010 | 2009 |
|---------------------------------|---------------|----------------|
| | \$ | \$ |
| Payable:- | | |
| Within 1 year | 50,000 | 250,000 |
| After 1 year but within 5 years | - | 50,000 |
| | <u>50,000</u> | <u>300,000</u> |

28. New Accounting Standards and Interpretations Not Yet Adopted

The Foundation has not applied the following accounting standards (including its consequential amendments) and interpretations that have been issued as of the balance sheet date but are not yet effective:

| | |
|---------------------------|---|
| Amendments to FRS 32 | <i>Financial Instruments: Presentation – Classification of Rights Issues</i> |
| Amendments to FRS 39 | <i>Financial Instruments: Recognition and Measurement – Eligible Hedged Items</i> |
| Amendments to FRS 101 | <i>Amendments Relating to Additional Exemptions for First-time Adopters</i> |
| Amendments to FRS 102 | <i>Share-based Payment – Group cash-settled share-based payment transactions</i> |
| Amendments to FRS 105 | <i>Non-current Assets Held for Sale and Discontinued Operations – Plan to Sell</i> |
| | <i>Controlling Interest in Subsidiary issued as part of Improvements to FRSs 2008</i> |
| Amendments to INT-FRS 114 | <i>Amendments relating to the Prepayment of a Minimum Funding Requirement</i> |
| FRS 24 (revised) | <i>Related Party Disclosures</i> |
| FRS 27 (revised) | <i>Consolidated and Separate Financial Statements</i> |
| FRS 101 (revised) | <i>First-time adoption of FRS (improved structure)</i> |
| INT FRS 117 | <i>Distributions of Non-cash Assets to Owners</i> |
| INT FRS 119 | <i>Extinguishing Financial Liabilities with Equity Instruments</i> |
| FRS 103 (revised) | <i>Business combinations</i> |
| Improvements to FRSs 2009 | |

Management is currently assessing the initial application of these standards (and its consequential amendments) and interpretations. The Foundation has not considered the impact of accounting standards issued after the balance sheet date.

Supplementary Information – Statement of Financial Position

| | Unrestricted General Fund \$ | Unrestricted Designated Ghim Moh Fund \$ | Restricted Research Fund \$ | Total \$ |
|---------------------------------|---|---|--|---------------------|
| 2010 | | | | |
| Non-current assets | | | | |
| Plant and equipment | 535,073 | 214,199 | - | 749,272 |
| Intangible assets | 22,906 | - | - | 22,906 |
| Investment - Quoted bonds | 1,999,974 | - | - | 1,999,974 |
| Total non-current assets | 2,557,953 | 214,199 | - | 2,772,152 |
| Current assets | | | | |
| Trade and other receivables | 288,654 | 54,587 | 48 | 343,289 |
| Cash and cash equivalents | 13,042,630 | 3,744,910 | 263,541 | 17,051,081 |
| Total current assets | 13,331,284 | 3,799,497 | 263,589 | 17,394,370 |
| Total assets | 15,889,237 | 4,013,696 | 263,589 | 20,166,522 |
| Current liabilities | | | | |
| Trade and other payables | 804,978 | 67,544 | 250,000 | 1,122,522 |
| Net assets | 15,084,259 | 3,946,152 | 13,589 | 19,044,000 |
| 2009 | | | | |
| Non-current assets | | | | |
| Plant and equipment | 246,548 | 414,725 | - | 661,273 |
| Intangible assets | 51,337 | - | - | 51,337 |
| Investments - Quoted bonds | 2,757,403 | - | - | 2,757,403 |
| Total non-current assets | 3,055,288 | 414,725 | - | 3,470,013 |
| Current assets | | | | |
| Trade and other receivables | 366,643 | 19,639 | 11 | 386,293 |
| Bank and cash balances | 11,731,859 | 3,981,095 | 311,314 | 16,024,268 |
| Total current assets | 12,098,502 | 4,000,734 | 311,325 | 16,410,561 |
| Total assets | 15,153,790 | 4,415,459 | 311,325 | 19,880,574 |
| Non-current liabilities | | | | |
| Deferred capital grants | 8,122 | - | - | 8,122 |
| Current liabilities | | | | |
| Trade and other payables | 934,282 | 35,296 | 300,000 | 1,269,578 |
| Total liabilities | 942,404 | 35,296 | 300,000 | 1,277,700 |
| Net assets | 14,211,386 | 4,380,163 | 11,325 | 18,602,874 |

47 to 48 do not form part of the Foundation's financial statements.

Supplementary Information – Income Generating Activities and Related Costs

Voluntary Income and Cost of Generating Voluntary Income

| Activity | Income | | Expenses* | |
|---|-----------|-----------|-----------|-----------|
| | 2010 | 2009 | 2010 | 2009 |
| | \$ | \$ | \$ | \$ |
| Direct appeal | 962,752 | 969,536 | (107,722) | (182,459) |
| Communications, such as newsletters and website | 616,880 | 620,869 | (100,797) | (109,838) |
| Outright and sponsorships | 933,425 | 954,952 | (211) | (94) |
| Research | 255,400 | 164,600 | - | - |
| Others | 165,336 | 172,932 | - | (189) |
| Total | 2,933,793 | 2,882,889 | (208,730) | (292,580) |

* Expenses apportioned and allocated to individual activities undertaken by the Foundation for generating voluntary income only relates to direct mail materials. The remaining expenses pertaining to staff costs and administrative and operating expenses are not apportioned and allocated to the individual activities by management.

Funds Generating Activities and Cost of Fund Generating Activities

| Activity | Income | | Expenses | |
|-----------------------------|---------|---------|----------|----------|
| | 2010 | 2009 | 2010 | 2009 |
| | \$ | \$ | \$ | \$ |
| Lunar 7th month | 116,616 | 135,693 | (32,289) | (35,307) |
| Flag day | - | 27,406 | - | (2,860) |
| Amazing kidney race | 141,688 | - | (9,229) | - |
| Donation boxes/Pledge cards | 39,973 | 42,054 | (3,635) | (3,346) |
| Others | 30,758 | 43,402 | (842) | (1,732) |
| Total | 329,035 | 248,555 | (45,995) | (43,245) |

47 to 48 do not form part of the Foundation's financial statements.

Main Office

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Tel: 6559 2630 Fax: 6225 0080
Email: enquiries@kdf.org.sg
Website: www.kdf.org.sg

Haemodialysis Centres

Bishan Centre

Blk 197 Bishan Street 13 #01-575/583
Singapore 570197
Tel: 6254 9514/5 Fax: 6254 9512

Ghim Moh Centre

Blk 6 Ghim Moh Road #01-188
Singapore 270006
Tel: 6469 1178 Fax: 6469 3511

San Wang Wu Ti Centre

Blk 333 Kreta Ayer Road #03-33
Singapore 080333
Tel: 6225 4263 Fax: 6225 2613

Peritoneal Dialysis Centre

Ghim Moh Centre

Blk 6 Ghim Moh Road #01-188
Singapore 270006
Tel: 6538 9291 Fax: 6538 9270