

2010

JAN - DEC



SINGAPORE
ROAD SAFETY
COUNCIL

ANNUAL

REPORT

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Chairman's Message

Chairman's Message

2010 saw an improvement in the fatal and injury accident rate per 10,000 vehicle population compared to 2009. The number of fatalities on the roads is 195, the second lowest in the past 5 years, just behind that of 2009. Nonetheless, one life lost is one too many and we will continue to work towards safer roads in Singapore.

Since the formation of the Singapore Road Safety Council (SRSC) in December 2009, the council has been actively partnering the Traffic Police in their road safety programmes and public outreach efforts including the Road Safety Outreach & Road Courtesy Campaign in July 2010; the Shell Traffic Games in September 2010; the Bukit Batok Driving Centre Ride Safe Campaign in November 2010; and the Anti-Drink Drive Campaign in December 2010.

In addition to the programmes and activities spearheaded by the Traffic Police, the SRSC will also organise its own road safety initiatives. In the coming months, the SRSC will be heavily engaged in the United Nations Decade of Action for Road Safety in Singapore. Partnering the People's Association and supported by the Automobile Association of Singapore, Land Transport Authority and Traffic Police, this initiative aims to collect half a million pledges for road safety in Singapore and create a higher level of awareness on road safety among the public.

Going forward, the SRSC will conduct extensive research on the road safety needs in Singapore. The findings will be used to develop future road safety programmes and initiatives targeted at the various groups of road users including the elderly, children, motorcyclists, pedal cyclists and motorists. The SRSC will also make use of effective new media tools to engage the community.

Finally, I would like to take this opportunity to thank all our supporters, sponsors and council members for their generous contributions towards the SRSC. I am confident that with your continuous support and our unrelenting efforts, we will continually improve safety on our roads.

Bernard Tay PBM

Chairman

Singapore Road Safety Council

About SRSC

About Singapore Road Safety Council

The Singapore Road Safety Council (SRSC) was set up on 9 December 2009 by the Ministry of Home Affairs (MHA), supported by the Ministry of Transport (MOT), Land Transport Authority (LTA) and other road safety-related stakeholders.

The Council is self-funded through sponsorships and donations, and is registered as an official entity with the Registry of Societies (ROS). The Council is also granted 'Charity' and 'Institutions of Public Character (IPC)' status for purposes of managing the sponsorship funds and donations.

Objectives

The key objectives of the Council are as follows:

- i) Foster closer cooperation among local authorities and agencies for a holistic approach in all road accident prevention activities, particularly through campaigns, training and public education;
- ii) Serve as the official body for Singapore to engage with other international road safety councils and programmes in contribution to global road safety outcomes; and
- iii) Serve as a forum for the exchange of ideas on matters pertaining to road safety.

Vision

Towards safer roads in Singapore

Mission

To continually improve safety on our roads by inculcating good safety practices among all road users

Other Information

Address: c/o Traffic Police Department, 10 Ubi Avenue 3, #04-07, Singapore 408865

Date of Establishment: 9 December 2010

Unique Entity No: T09SS0253D

Charity Registration Date: 21 January 2010

Institution of a Public Character (IPC) Registration Date: 21 January 2010

Auditor: KPMG LLP

The Council



CHAIRMAN
Bernard Tay PBM

President
Automobile Association of Singapore



**VICE-CHAIRMAN &
CHAIRMAN OF PUBLIC RELATIONS COMMITTEE**
Gopinath Menon BBM, PBM, PPA(P), PBS

Adjunct Associate Professor
Division of Infrastructure Systems and Maritime Studies
Nanyang Technological University



HONORARY TREASURER
Tan Kheng Hwee

General Manager
Kah Motor Co. Sdn. Bhd.



CHAIRMAN OF AUDIT COMMITTEE
Abu Bakar Moosa PPA(S)

Managing Director
Sino Tac Resources Pte Ltd

The Council



CHAIRMAN OF RESEARCH COMMITTEE
Chin Hoong Chor PBS

Associate Professor
Department of Civil Engineering
National University of Singapore



CHAIRMAN OF FUND RAISING COMMITTEE
Poh Kay Ping PBM

Deputy Chief Executive Officer
Poh Tiong Choon Logistics Ltd



MEMBER
Cheang Keng Keong

Commander
Traffic Police
Singapore Police Force



MEMBER
Chia Chor Leong BBM, PBM

Director
Citilegal LLC



MEMBER
Chin Kian Keong

Group Director
Road Operations & Community Partnership
Land Transport Authority



MEMBER
Lau Peet Meng

Senior Director
Policy and Operations Division
Ministry of Home Affairs

Committees & Secretariat

Audit Committee

Chairman

Abu Bakar Moosa
SRSC Member

Member

Chia Chor Leong
SRSC Member

Finance Committee

Chairperson

Tan Kheng Hwee
SRSC Member

Fund Raising Committee

Chairman

Poh Kay Ping
SRSC Member

Members

Lee Wai Mun
Chief Executive Officer, Automobile Association of Singapore

Ng Siew Choo
Deputy Commanding Officer, Road Safety Branch, Traffic Police

Randall Lee

Public Relations Committee

Chairman

Gopinath Menon
SRSC Member

Members

Jelita Md. Ariffin
Senior Executive, Land Transport Authority

John Tan
Assistant Training Manager, ST Kinetics

Len McCully

Soh Wan Khuan
Commanding Officer, Road Safety Branch, Traffic Police

Committees & Secretariat

Research Committee

Chairman

Chin Hoong Chor

SRSC Member

Members

Gopinath Menon

SRSC Member

Eleena Chiam

Head, Research, Planning & Organisational Development Branch, Traffic Police

Kelly Tan

Operations Support Manager, Luxasia

Wilson Phoon

President, Singapore Motor Cycle Trade Association

Secretariat

Lee Chee Chiew

Executive Director

Lyn Wong

Manager

Desmond Ng

Project Executive

Public Outreach Efforts

As a newly formed Council, a lot of effort in 2010 was concentrated on crafting the vision/mission statements, deciding on the logo, setting up a website and formulating proper general and financial procedures. The SRSC was also active in engaging the media when newsworthy items on road safety came up

Road Safety Outreach & Road Courtesy Campaign 2010

The Road Safety Outreach & Road Courtesy Campaign 2010 was launched on 11 July 2010 at the Singapore Expo. The campaign taglines were “For your loved ones. Make it home safely.” and “You are how you drive. Road courtesy let it show” respectively.

Senior Minister of State for Law & Home Affairs, Associate Professor Ho Peng Kee, graced the event as the Guest-of-Honour.

The new Road Courtesy Campaign TV commercial entitled “You Are How You Drive” was launched at the event, which was attended by about 200 invited guests.



Home Team Experience 2010

The Home Team Experience 2010 was held in conjunction with the Launch of Festive Season Crime Prevention Campaign, organised by the National Crime Prevention Council on 6 Nov 2010.

The Singapore Road Safety Council, being one of the four Home Team Councils, was invited to set up an exhibition at the event.

Mr Lui Tuck Yew, Minister for Information, Communications and the Arts, attended the event as the Guest-of-Honour. Mr Lui was invited for a tour to view the exhibits displayed by the 4 Home Team Councils.

Public Outreach Efforts



2010 Shell Traffic Games

The 2010 Shell Traffic Games was held on 3 Sep 2010 at the Road Safety Community Park.

Minister of State for Education & Home Affairs, Mr Masagos Zulkifli, graced the event as the Guest-of-Honour.

The event aims to instill and reinforce the importance of road safety awareness among young children and senior citizens. This year, for the first time, senior citizens were included in the final games. The event was attended by about 1,200 participants.



Public Outreach Efforts



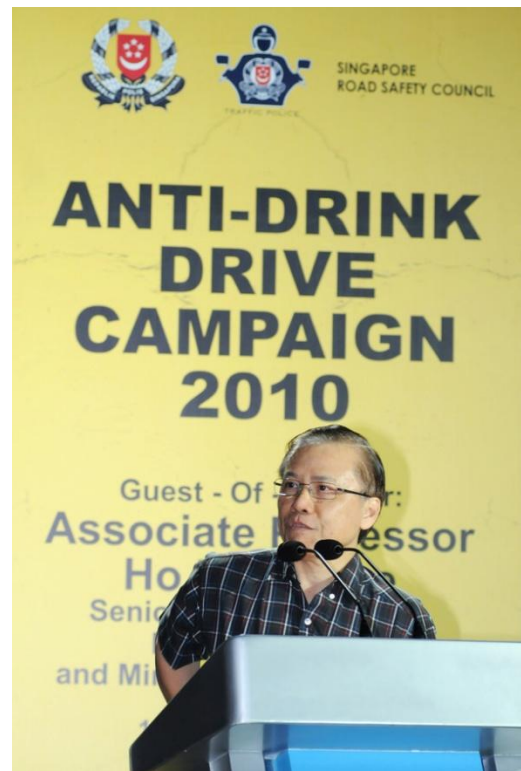
Anti-Drink Drive Campaign 2010

The Anti-Drink Drive Campaign 2010 was held on 10 Dec 2010 at Shanghai Dolly. Senior Minister of State for Law & Home Affairs, Associate Professor Ho Peng Kee, graced the event as the Guest-of-Honour. The event was attended by over 250 sponsors and invited guests.

The 3-month campaign aims to remind the public not to drink and drive during the festive period. The campaign tagline remains as "Don't Drive to Drink and You'll Never Drink and Drive".



The campaign was officially launched by AP Ho Peng Kee, Chairman SRSC, Commissioner of Police, Commander Traffic Police and main sponsors including the Singapore Totalisator Board, Shell Companies in Singapore and Asia Pacific Breweries. A meaningful jingle on anti-drink driving was launched at the same time.



Public Outreach Efforts



BBDC Ride Safe 2010

The BBDC Ride Safe 2010 was held on 13 Nov 2010 at Bukit Batok Driving Centre (BBDC).

The event aims to promote road safety among motorcyclists, educate motorcyclist on good riding technique and encourage motorcyclist to practise defensive riding.

A friendly competition named “The Amazing Ride” was held in the morning. Guest-of-Honour, Minister of State for Education & Home Affairs, Mr Masagos Zulkifli, later flagged off BBDC training vehicles bearing road safety messages.

Vice-Chairman SRSC, received a mock cheque of \$120,000 as the sponsorship for the event from Managing Director of BBDC, Ms Yumiko Unoki.



Talks and Visitors

Chairman and Vice-Chairman were invited speakers at 2 seminars on “Motoring and You” organized by the General Insurance Association of Singapore (GIA) and the Automobile Association of Singapore.

Mr Piyush Tewari from “ SaveLIFE Foundation: Road Safety in India” visited SRSC and met the Vice-Chairman.

Acknowledgements

The Singapore Road Safety Council sincerely thank all sponsors for their generous donations and all who have helped the Council in one way or another.

3M Technologies (Singapore) Pte Ltd	NEC Asia Pacific Pte Ltd
Aik Cheong Metal Engineering Pte Ltd	NTUC Fairprice Cooperative Ltd
Asia Pacific Breweries (Singapore) Pte Ltd	NTUC Income Insurance Co-operative Ltd
Automobile Association of Singapore	Poh Tiong Choon Logistics Limited
AXA Insurance Singapore Pte Ltd	PSC Corporation Ltd
Ban Hock Hin Co Pte Ltd	Serene Land Pte Ltd
Bike Guard Company Pte Ltd	Shell Companies in Singapore
Boon Siew Singapore Pte Ltd	Singapore Motor Trade Association
Bridgestone Tyres Sales Singapore Pte Ltd	Singapore Safety Driving Centre Ltd
Bukit Batok Driving Centre Ltd	Singapore School & Private Hire Bus Owners Association
Certis CISCO Security Pte Ltd	Singapore Tote Board
Che Wein Khor Moral Uplifting Society	Singapore Transport Association
ComfortDelGro Corporation Limited	SMRT Corporation Pte Ltd
General Insurance Association of Singapore	SPCS Consultancy
GN Valet Pte Ltd	ST Kinetics
Hong Leong Holdings Pte Ltd	Super Coffeemix Manufacturing Ltd
Lee Foundation	The Shaw Foundation Pte
Lorong Koo Chye Sheng Hong Temple Association	Vicom Ltd
Loyang Tua Pek Kong	Woodlands Transport Service Pte Ltd
McDonald's Restaurant Pte Ltd	Zhu Yu Gong
Mini Environment Service Pte Ltd	Zouk Management Pte Ltd

Independent auditors' report

Members of the Council
Singapore Road Safety Council

(Registered under the Charities Act, Chapter 37)

Report on the financial statements

We have audited the accompanying financial statements of Singapore Road Safety Council (the Council), which comprise the statement of financial position of the Council as at 31 December 2010, the statement of financial activities, and statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages FS1 to FS12.

Management Committee's responsibility for the financial statements

The Council's Management Committee is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Constitution of the Society (the Constitution), the Charities Act (Chapter 37), the Societies Act (Chapter 311) (the Acts) and Singapore Financial Reporting Standards.

Management Committee has acknowledged that its responsibility includes 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 statement of financial statements and to maintain accountability of assets.

Auditors' 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 about whether the financial position is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the state of affairs of the Council as at 31 December 2010 and the financial activities and cash flows of the Council for the period then ended in accordance with the provisions of the Constitution, the Acts and Singapore Financial Reporting Standards.

Report on other legal and regulatory requirements

In our opinion:

- (a) the accounting and other records required by the regulations enacted under the Societies Act to be kept by the Council have been properly kept in accordance with those regulations; and
- (b) the fund-raising appeals held during the period ended 31 December 2010 have been carried out in accordance with regulation 6 of the Societies Regulations issued under the Societies Act (Chapter 311) and proper accounts and other records have been kept of the fund-raising appeal.

In our opinion, the accounting and other records required by the regulations enacted under the Charities Act to be kept by the Council have been properly kept in accordance with those regulations.

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

- (a) the Council did not comply with the requirements of Regulation 15 (fund-raising expenses) in the Charities (Institutions of a Public Character) Regulations; and
- (b) the donation monies have not been used in accordance with the objectives of the Council as an institution of a public character.

KPMG LLP

*Public Accountants and
Certified Public Accountants*

Singapore

26 May 2011

Statement of financial position
As at 31 December 2010

	Note	2010 \$
Non-current asset		
Equipment	4	<u>8,424</u>
Current assets		
Other receivables and deposits		2,211
Cash and cash equivalents		<u>1,916,904</u>
		<u>1,919,115</u>
Total assets		<u>1,927,539</u>
 Unrestricted fund		 <u>688,654</u>
Current liabilities		
Deferred government grants	5	308,000
Other payables and accruals	6	<u>930,885</u>
Total liabilities		<u>1,238,885</u>
 Total unrestricted fund and liabilities		 <u>1,927,539</u>

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

Statement of financial activities
Period from 4 December 2009 to 31 December 2010

	Note	2010
		\$
Incoming resources		
Donations		1,302,561
Government grants		92,000
Sponsorships		601,423
Other income		2,956
Total incoming resources	8	<u>1,998,940</u>
Resources expended		
Administrative expenses		114,926
Charitable activities expenses		1,195,360
Total resources expended	9	<u>1,310,286</u>
Net surplus for the period		<u><u>688,654</u></u>

No separate statement of changes in unrestricted funds has been prepared as the net surplus would be the only component of the statement.

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

Statement of cash flows
Period from 4 December 2009 to 31 December 2010

	2010
	\$
Cash flows from operating activities	
Cash receipts from:	
- Government grants	400,000
- Donations	1,302,561
- Sponsorships	601,423
- Others	2,956
Cash paid:	
- Administrative activities	(105,684)
- Charitable activities	(274,457)
Net cash from operating activities	<u>1,926,799</u>
Cash flows from investing activities	
Purchase of equipment	<u>(9,895)</u>
Net cash used in investing activities	<u>(9,895)</u>
Net increase in cash and cash equivalents	1,916,904
Cash and cash equivalents at 4 December 2009	–
Cash and cash equivalents at 31 December 2010	<u><u>1,916,904</u></u>

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 Management Committee on 26 May 2011.

1 Domicile and activities

The registered office of the Council is at Traffic Police Department, 10 Ubi Avenue 3, Singapore 408865.

The objectives of the Council consists of promoting public awareness of and concern about road safety; studying, developing and improving road safety measures suitable for adoption by the public; and encouraging the adoption of these measures by the public.

The Council has been designated as an Institution of Public Character (IPC) under the Income Tax Act, Chapter 134 (the Income Tax Act) since its foundation date. If the Council fails to meet the conditions set for the conferment of IPC status, such IPC status may be revoked without prior notice.

Upon dissolution of the Council, the remaining funds shall be donated to other charitable organisations which have been designated as IPCs under the Income Tax Act and registered under the Charities Act (Chapter 37).

2 Basis of preparation

(a) Statement of compliance

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

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described below.

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with FRS requires the Management Committee to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenditure. 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 estimates are revised and in any future periods affected.

- (e) Funds structure
Unrestricted funds are available for use at the discretion of the Council in furtherance of the Council's objects.
- (f) Comparative information
No comparative information is available as this is the first set of financial statements prepared by the Council since its incorporation.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to the period presented in these financial statements, and have been applied consistently by the Council.

3.1 Plant and equipment

Recognition and measurement

Items of equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of equipment have different useful lives, they are accounted for as separate items (major components) of equipment.

The gain or loss on disposal of an item of equipment is determined by comparing the proceeds from disposal with the carrying amount of equipment, and is recognised net within other income/other expenses in profit or loss.

Subsequent costs

The cost of replacing component of an item of equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Council, and its cost can be measured reliably. The costs of the day-to-day servicing of equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of equipment. The estimated useful lives are as follows:

Office equipment	5 years
Computer	3 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, and adjusted if appropriate.

3.2 Financial instruments

Non-derivative financial assets

The Council initially recognises loans and receivables on the date that they originate. All other financial assets are recognised initially on the trade date, which is the date that the Council becomes a party to the contractual provisions of the instrument.

The Council 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 Council 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 Council 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 Council classifies non-derivative financial assets into loans and receivable category.

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 cash and cash equivalents, and other receivables and deposits.

Cash and cash equivalents comprise cash balances and bank deposits

Non-derivative financial liabilities

The Council initially recognises financial liabilities on the trade date, which is the date the Council becomes a party to the contractual provisions of the instrument.

The Council 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 Council 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 Council classifies non-derivative financial liabilities into the other financial liabilities category.

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.

Non-derivative financial liabilities comprise other payables and accruals.

3.3 Impairment

Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at the end of each reporting period 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 has 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 Council on terms that the Council would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Council.

Loans and receivables

The Council considers evidence of impairment for loans and receivables at a specific asset level. All individual receivables are assessed for specific impairment.

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 profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Council's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU 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 CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of assets recognised in prior periods is 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, if no impairment loss had been recognised.

3.4

Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of financial activities in the periods during which services are rendered by employees.

Short-term benefits

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

A liability is recognised for the amount expected to be paid under the short-term cash bonus if the Council 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.

3.5 Incoming resources

Government grants

Government grants are recognised in the statement of financial position initially as deferred income when there is reasonable assurance that they will be received and that the Council will comply with the conditions attaching to them. Grants that compensate the Council for expenses incurred are recognised as revenue in the profit or loss on a systematic basis in the same periods in which the expenses are incurred.

Donations and sponsorships

Donations and sponsorships are recognised as and when the Council's entitlement to such income is established with certainty and the amount can be measured with sufficient reliability. This normally coincides with the receipt of the donations and sponsorships. Donations and sponsorships received in advance for future programmes are deferred and recognised as incoming resources when the programmes are commenced.

3.6 Resources expended

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to that activity. Cost comprises direct expenditure and indirect expenditure. Where costs cannot be wholly attributed to an activity they have been apportioned on a basis consistent with the use of resources.

3.7 New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2010, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Council.

4 Equipment

	Office equipment \$	Computer \$	Total \$
Cost			
At 4 December 2009	—	—	—
Additions	2,724	7,171	9,895
At 31 December 2010	2,724	7,171	9,895
Accumulated depreciation			
At 4 December 2009	—	—	—
Depreciation charge for the period	276	1,195	1,471
At 31 December 2010	276	1,195	1,471
Carrying amount			
At 4 December 2009	—	—	—
At 31 December 2010	2,448	5,976	8,424

5 Deferred government grants

	2010 \$
At 4 December 2009	—
Grants received	400,000
Amount accreted to profit or loss	(92,000)
At 31 December 2010	308,000

All the above deferred government grants received are for the Anti-Drink Drive programme.

6 Other payables and accruals

Other payables and accruals by programmes are as follows:

	2010 \$
Anti-Drink Drive	179,273
Road Safety Outreach and Road Courtesy Campaign	695,325
Shell Traffic Games	36,850
Others	19,437
	930,885

7 Taxation

The Council is registered as a charitable institution under the Charities Act and is exempted from taxation with effect from the Year of Assessment 2011.

8 Incoming resources

Incoming resources by programmes are as follows:

	Anti-Drink Drive \$	Road Safety Outreach and Road Courtesy Campaign \$	Shell Traffic Games \$	Ride Safe Campaign \$	Others \$	Total \$
Government grants	92,000	—	—	—	—	92,000
Donations	441,000	343,000	210,000	60,250	248,311	1,302,561
Sponsorships	—	601,423	—	—	—	601,423
Others	—	—	—	—	2,956	2,956
	<u>533,000</u>	<u>944,423</u>	<u>210,000</u>	<u>60,250</u>	<u>251,267</u>	<u>1,998,940</u>

9 Resources expended

Resources expended by natures are as follows:

	Note	2010 \$
Awards for events		12,387
Depreciation of equipment	4	1,471
Design of events places		147,611
Event management		44,004
Food and refreshment		14,980
Marketing expenses		762,735
Materials for events		140,741
Staff costs		83,447
Photography and video		18,840
Professional fees		20,230
Rental expenses for activities		10,893
Setup and teardown		6,934
Transport costs		8,774
Vehicles' decorations		28,997
Others		8,242
		<u>1,310,286</u>

Staff cost comprised of:

Salaries and bonus	72,805
Contributions to defined contribution plan	10,642
Total staff cost	<u>83,447</u>

10 Significant related party transactions

Key management personnel compensation

Key management personnel of the Council are those persons having the authority and responsibility for planning, directing and controlling activities of the Council. Key management personnel of the Council comprise members of the Management Committee. Members of the Management Committee do not receive any reimbursement from the Council for services rendered.

11 Financial risk management

Overview

The Council has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Council's exposure to each of the above risks, the Council's objectives, policies and processes for measuring and managing risk, and the Council's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

Risk management is integral to the whole operation of the Council. The Council has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing risks. The management continuously monitors the council's risk management process to ensure that an appropriate balance between risk and control is achieved.

Credit risk

Credit risk is the risk of financial loss to the Council if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Council's receivables from counterparty.

Cash and cash equivalents are placed with banks which are regulated.

At the reporting date, other than bank balances and deposits placed with a bank, there was no other significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Liquidity risk

Liquidity risk is the risk that the Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Council monitors liquidity risk and maintains a level of cash and cash equivalent deemed adequate by Management Committee to finance the Council's operations and to mitigate effects of fluctuations in cash flows.

The expected contractual undiscounted cash outflows of financial assets and financial liabilities approximate their carrying amounts and are due within one year.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Council's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk

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

Interest rate risk

The Council's exposure to interest rate risk relates primarily to deposits with a bank which are subject to contractual re-pricing at prevailing market interest rates on maturity dates. The Council does not use any financial instruments to hedge its interest rate risk.

The Council has no significant exposure to interest rate risk.

Fair values

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

Financial instruments by category

Set out below is a comparison by category of the carrying amounts of all the Council's financial instruments that are carried in the financial statements.

	Loans and receivables \$	Other financial liabilities \$
31 December 2010		
Assets		
Other receivables and deposits	2,211	—
Cash and cash equivalents	1,916,904	—
	<u>1,919,115</u>	<u>—</u>
Liabilities		
Other payables and accruals	—	<u>(930,885)</u>

12 Commitments

As at 31 December 2010, the Council has committed its funds for the following ongoing/future programmes:

Programme	\$
Road Safety Outreach and Road Courtesy Campaign	44,130
Anti-Drink Drive	599,533
Total commitments	<u>643,663</u>