

NTUC INCOME INSURANCE  
CO-OPERATIVE LIMITED  
- NTUC INCOME FUNDS

FINANCIAL STATEMENTS

*For the financial year ended 31 December 2012*

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2012*

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**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**STATEMENT BY DIRECTORS**

**For the financial year ended 31 December 2012**

On behalf of the Board, the financial statements set out on pages 4 to 52 are prepared, in all material respects, in accordance with the accounting policies set out in Note 2.



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**Tan Suee Chieh**  
**Principal Officer**

Singapore, 25 March 2013

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**INDEPENDENT AUDITOR'S REPORT**

We have audited the accompanying financial statements of NTUC Income Funds (the list of the NTUC Income Funds are set out in Note 1) of NTUC Income Insurance Co-operative Limited (the "Co-operative") set out on pages 4 to 52, which comprise the Balance Sheets as at 31 December 2012, Capital and Income Accounts for the period from 1 January 2012 to 31 December 2012, and Notes to the Financial Statements presented within pages 40 to 52 ("the Statements"). The Statements have been prepared by management based on the accounting policies set out in Note 2.

*Management's Responsibility for the Statements*

The Co-operative's management is responsible for the preparation of the Statements in accordance with the accounting policies set out in Note 2. This includes determining that these accounting policies form an acceptable basis for the preparation of the Statements in the circumstances, and for such internal control as management determines as necessary to enable the preparation of the Statements that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the Statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management as well as evaluating the overall presentation of the 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 Statements of the NTUC Income Funds are prepared, in all material respects, in accordance with the accounting policies set out in Note 2.

*Basis of Accounting and Restriction of Distribution and Use*

Without modifying our opinion, we draw attention to Note 2 to the Statements, which describes the basis of accounting. The Statements are prepared to assist the Co-operative to comply with MAS Notice 307 Investment Linked Life Insurance Policies. As a result, the Statements may not be suitable for another purpose.

Our report is intended solely for the use of the Co-operative and our duties are owed solely to the Co-operative. We do not accept responsibility and we expressly disclaim liability to any third party acting or refraining from acting as a result of our report.

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**INDEPENDENT AUDITOR'S REPORT**

(continued)

*Other matters*

This report relates solely to the Statements of the NTUC Income Funds of the Co-operative and does not extend to the financial statements of the Co-operative taken as a whole.

*Priewatthanasakulchai CP*

**Public Accountants and  
Certified Public Accountants**

Singapore, 25 March 2013

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		Prime Fund	Prime Fund
		2012	2011
	Note	S\$	S\$
Value of fund at 1 January		197,425,248	226,283,967
Premiums	4 (a)	8,062,404	10,846,455
Surrenders	4 (b)	(19,720,719)	(16,433,302)
Net cancellation		(11,658,315)	(5,586,847)
Net investment income / (loss)		28,559,131	(21,929,732)
Management fees and other charges	4 (c)	(1,330,016)	(1,342,140)
		<u>15,570,800</u>	<u>(28,858,719)</u>
<b>Value of fund at 31 December</b>		<b><u>212,996,048</u></b>	<b><u>197,425,248</u></b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		<b>Singapore Managed Fund 2012 S\$</b>	<b>Singapore Managed Fund 2011 S\$</b>
	<b>Note</b>		
Value of fund at 1 January		87,797,093	103,175,240
Premiums	4 (a)	3,342,752	7,344,609
Surrenders	4 (b)	(10,389,838)	(11,632,837)
Net cancellation		(7,047,086)	(4,288,228)
Net investment income / (loss)		13,039,712	(10,483,096)
Management fees and other charges	4 (c)	(591,787)	(606,823)
		<u>5,400,839</u>	<u>(15,378,147)</u>
<b>Value of fund at 31 December</b>		<b><u>93,197,932</u></b>	<b><u>87,797,093</u></b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		Asia Managed Fund	Asia Managed Fund
		2012	2011
	Note	S\$	S\$
Value of fund at 1 January		90,624,096	102,929,278
Premiums	4 (a)	5,288,914	7,519,021
Surrenders	4 (b)	(13,018,797)	(12,113,000)
Net cancellation		(7,729,883)	(4,593,979)
Net investment income / (loss)		14,728,353	(7,528,776)
Management fees and other charges	4 (c)	(181,582)	(182,427)
		6,816,888	(12,305,182)
<b>Value of fund at 31 December</b>		<b>97,440,984</b>	<b>90,624,096</b>



**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		<b>Takaful Fund</b>	<b>Takaful Fund</b>
		<b>2012</b>	<b>2011</b>
	<b>Note</b>	<b>S\$</b>	<b>S\$</b>
Value of fund at 1 January		21,649,725	25,531,311
Premiums	4 (a)	341,216	372,692
Surrenders	4 (b)	(2,760,509)	(3,531,064)
Net cancellation		(2,419,293)	(3,158,372)
Net investment income / (loss)		1,634,025	(488,195)
Management fees and other charges	4 (c)	(216,636)	(235,019)
		(1,001,904)	(3,881,586)
<b>Value of fund at 31 December</b>		<b>20,647,821</b>	<b>21,649,725</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		<b>Global Equity Fund</b>	<b>Global Equity Fund</b>
		<b>2012</b>	<b>2011</b>
	<b>Note</b>	<b>S\$</b>	<b>S\$</b>
Value of fund at 1 January		228,215,743	267,466,116
Premiums	4 (a)	5,178,095	7,233,426
Surrenders	4 (b)	(25,908,022)	(27,225,565)
Net cancellation		(20,729,927)	(19,992,139)
Net investment income / (loss)		29,754,990	(16,665,340)
Management fees and other charges	4 (c)	(2,574,842)	(2,592,894)
		<u>6,450,221</u>	<u>(39,250,373)</u>
<b>Value of fund at 31 December</b>		<b><u>234,665,964</u></b>	<b><u>228,215,743</u></b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

	Note	Singapore Bond Fund 2012 S\$	Singapore Bond Fund 2011 S\$
Value of fund at 1 January		237,279,472	228,313,345
Premiums	4 (a)	26,962,764	24,848,096
Surrenders	4 (b)	(27,202,445)	(31,751,877)
Net cancellation		(239,681)	(6,903,781)
Net investment income		12,371,174	17,040,998
Management fees and other charges	4 (c)	(1,194,755)	(1,171,090)
		10,936,738	8,966,127
<b>Value of fund at 31 December</b>		<b>248,216,210</b>	<b>237,279,472</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		<b>Global Technology Fund 2012 S\$</b>	<b>Global Technology Fund 2011 S\$</b>
	<b>Note</b>		
Value of fund at 1 January		66,850,459	77,035,869
Premiums	4 (a)	2,955,996	4,412,596
Surrenders	4 (b)	(10,831,935)	(13,847,393)
Net cancellation		(7,875,939)	(9,434,797)
Net investment income		4,867,833	143,956
Management fees and other charges	4 (c)	(812,087)	(894,569)
		(3,820,193)	(10,185,410)
<b>Value of fund at 31 December</b>		<b>63,030,266</b>	<b>66,850,459</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
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**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

	Note	Singapore Equity Fund 2012 S\$	Singapore Equity Fund 2011 S\$
Value of fund at 1 January		181,054,198	223,317,717
Premiums	4 (a)	18,097,565	29,151,723
Surrenders	4 (b)	(36,092,585)	(34,238,932)
Net cancellation		(17,995,020)	(5,087,209)
Net investment income / (loss)		40,789,752	(35,854,925)
Management fees and other charges	4 (c)	(1,297,211)	(1,321,385)
		<u>21,497,521</u>	<u>(42,263,519)</u>
<b>Value of fund at 31 December</b>		<b><u>202,551,719</u></b>	<b><u>181,054,198</u></b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
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**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		<b>Global Bond Fund</b>	<b>Global Bond Fund</b>
		<b>2012</b>	<b>2011</b>
	<b>Note</b>	<b>S\$</b>	<b>S\$</b>
Value of fund at 1 January		126,690,232	132,229,754
Premiums	4 (a)	2,389,705	2,908,116
Surrenders	4 (b)	(15,156,865)	(15,428,438)
Net cancellation		(12,767,160)	(12,520,322)
Net investment income		11,679,245	8,057,167
Management fees and other charges	4 (c)	(1,059,911)	(1,076,367)
		(2,147,826)	(5,539,522)
<b>Value of fund at 31 December</b>		<b>124,542,406</b>	<b>126,690,232</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
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**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		<b>Global Managed Fund (Growth) 2012 S\$</b>	<b>Global Managed Fund (Growth) 2011 S\$</b>
	<b>Note</b>		
Value of fund at 1 January		236,865,406	271,708,841
Premiums	4 (a)	15,391,841	18,339,990
Surrenders	4 (b)	(35,595,452)	(37,254,902)
Net cancellation		(20,203,611)	(18,914,912)
Net investment income / (loss)		29,232,409	(15,928,523)
		9,028,798	(34,843,435)
<b>Value of fund at 31 December</b>		<b>245,894,204</b>	<b>236,865,406</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
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**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		<b>Global Managed Fund (Balanced) 2012</b>	<b>Global Managed Fund (Balanced) 2011</b>
	Note	<b>S\$</b>	<b>S\$</b>
Value of fund at 1 January		182,828,219	207,583,708
Premiums	4 (a)	5,342,222	6,714,445
Surrenders	4 (b)	(23,888,064)	(25,650,117)
Net cancellation		(18,545,842)	(18,935,672)
Net investment income / (loss)		19,730,606	(5,819,817)
		1,184,764	(24,755,489)
<b>Value of fund at 31 December</b>		<b>184,012,983</b>	<b>182,828,219</b>



**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
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**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		<b>Global Managed Fund (Conservative) 2012</b>	<b>Global Managed Fund (Conservative) 2011</b>
	<b>Note</b>	<b>S\$</b>	<b>S\$</b>
Value of fund at 1 January		12,970,600	14,704,248
Premiums	4 (a)	805,297	593,415
Surrenders	4 (b)	(1,962,797)	(2,476,128)
Net cancellation		(1,157,500)	(1,882,713)
Net investment income		1,151,890	149,065
		(5,610)	(1,733,648)
<b>Value of fund at 31 December</b>		<b>12,964,990</b>	<b>12,970,600</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
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**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		Money Market Fund	Money Market Fund
		2012	2011
	Note	S\$	S\$
Value of fund at 1 January		34,633,478	40,854,756
Premiums	4 (a)	107,527,647	47,780,853
Surrenders	4 (b)	(110,095,617)	(54,056,150)
Net cancellation		(2,567,970)	(6,275,297)
Net investment income		442,473	146,602
Management fees and other charges	4 (c)	(82,711)	(92,583)
		(2,208,208)	(6,221,278)
<b>Value of fund at 31 December</b>		<b>32,425,270</b>	<b>34,633,478</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
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**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		<b>Aim Now Fund</b>	<b>Aim Now Fund</b>
	<b>Note</b>	<b>2012</b>	<b>2011</b>
		<b>S\$</b>	<b>S\$</b>
Value of fund at 1 January		29,979,270	13,494,388
Premiums	4 (a)	61,991,044	19,499,724
Surrenders	4 (b)	(3,506,332)	(2,509,139)
Dividend distribution		(2,557,347)	(921,564)
Net creation		55,927,365	16,069,021
Net investment income		3,128,218	544,229
Management fees and other charges	4 (c)	(337,801)	(128,368)
		58,717,782	16,484,882
<b>Value of fund at 31 December</b>		<b>88,697,052</b>	<b>29,979,270</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		Aim 2015 Fund	Aim 2015 Fund
	Note	2012 S\$	2011 S\$
Value of fund at 1 January		1,938,481	1,728,879
Premiums	4 (a)	497,691	572,520
Surrenders	4 (b)	(532,239)	(325,334)
Net (cancellation) / creation		(34,548)	247,186
Net investment income / (loss)		177,675	(24,038)
Management fees and other charges	4 (c)	(15,751)	(13,546)
		127,376	209,602
<b>Value of fund at 31 December</b>		<b>2,065,857</b>	<b>1,938,481</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		<b>Aim 2025 Fund</b>	<b>Aim 2025 Fund</b>
	<b>Note</b>	<b>2012</b>	<b>2011</b>
		<b>S\$</b>	<b>S\$</b>
Value of fund at 1 January		5,275,740	3,672,745
Premiums	4 (a)	1,635,435	2,122,190
Surrenders	4 (b)	(572,651)	(323,361)
Net creation		1,062,784	1,798,829
Net investment income / (loss)		741,479	(155,415)
Management fees and other charges	4 (c)	(53,986)	(40,419)
		<u>1,750,277</u>	<u>1,602,995</u>
<b>Value of fund at 31 December</b>		<b><u>7,026,017</u></b>	<b><u>5,275,740</u></b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		<b>Aim 2035 Fund</b>	<b>Aim 2035 Fund</b>
	<b>Note</b>	<b>2012</b>	<b>2011</b>
		<b>S\$</b>	<b>S\$</b>
Value of fund at 1 January		7,833,096	6,344,867
Premiums	4 (a)	1,981,383	2,702,593
Surrenders	4 (b)	(1,442,536)	(713,421)
Net creation		538,847	1,989,172
Net investment income / (loss)		1,212,381	(433,003)
Management fees and other charges	4 (c)	(80,516)	(67,940)
		1,670,712	1,488,229
<b>Value of fund at 31 December</b>		<b>9,503,808</b>	<b>7,833,096</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**CAPITAL AND INCOME ACCOUNTS**

*For the financial year ended 31 December 2012*

		<b>Aim 2045 Fund</b>	<b>Aim 2045 Fund</b>
	<b>Note</b>	<b>2012</b>	<b>2011</b>
		<b>S\$</b>	<b>S\$</b>
Value of fund at 1 January		6,924,805	5,712,469
Premiums	4 (a)	1,566,428	2,820,823
Surrenders	4 (b)	(1,652,866)	(816,082)
Net (cancellation) / creation		(86,438)	2,004,741
Net investment income / (loss)		1,095,704	(730,805)
Management fees and other charges	4 (c)	(70,554)	(61,600)
		<u>938,712</u>	<u>1,212,336</u>
<b>Value of fund at 31 December</b>		<b><u>7,863,517</u></b>	<b><u>6,924,805</u></b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		Prime Fund	Prime Fund
		2012	2011
	Note	S\$	S\$
<b>ASSETS</b>			
Equities		213,169,416	195,652,343
Debt securities		142,169	141,297
Financial derivatives	4 (f)	68	-
Other receivables and assets		121,710	397,126
Cash and cash equivalents		1,006,309	1,368,999
<b>Total assets</b>		<b>214,439,672</b>	<b>197,559,765</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	-	-
Other payables and liabilities		1,443,624	134,517
<b>Total liabilities</b>		<b>1,443,624</b>	<b>134,517</b>
<b>Value of fund</b>		<b>212,996,048</b>	<b>197,425,248</b>
Units in Issue		32,366,837	34,222,862
<b>Net assets per unit (bid price)</b>		<b>6.581</b>	<b>5.769</b>



**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		<b>Singapore Managed Fund 2012 S\$</b>	<b>Singapore Managed Fund 2011 S\$</b>
	<b>Note</b>		
<b>ASSETS</b>			
<b>Financial assets</b>			
Equities		92,708,361	87,309,612
Debt securities		118,083	117,358
Financial derivatives	4 (f)	-	-
Other receivables and assets		167,954	211,846
Cash and cash equivalents		400,145	245,252
<b>Total assets</b>		<b>93,394,543</b>	<b>87,884,068</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	-	-
Other payables and liabilities		196,611	86,975
<b>Total liabilities</b>		<b>196,611</b>	<b>86,975</b>
<b>Value of fund</b>		<b>93,197,932</b>	<b>87,797,093</b>
Units in Issue		36,952,440	39,865,866
<b>Net assets per unit (bid price)</b>		<b>2.522</b>	<b>2.202</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		Asia Managed Fund	Asia Managed Fund
		2012	2011
	Note	S\$	S\$
<b>ASSETS</b>			
<b>Financial assets</b>			
Equities		96,959,696	90,173,256
Debt securities		73,046	72,598
Financial derivatives	4 (f)	-	-
Other receivables and assets		812,746	298,729
Cash and cash equivalents		338,100	233,905
<b>Total assets</b>		<b>98,183,588</b>	<b>90,778,488</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	-	-
Other payables and liabilities		742,604	154,392
<b>Total liabilities</b>		<b>742,604</b>	<b>154,392</b>
<b>Value of fund</b>		<b>97,440,984</b>	<b>90,624,096</b>
Units in Issue		48,259,259	52,373,738
<b>Net assets per unit (bid price)</b>		<b>2.019</b>	<b>1.730</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		<b>Takaful Fund</b>	<b>Takaful Fund</b>
		<b>2012</b>	<b>2011</b>
	<b>Note</b>	<b>S\$</b>	<b>S\$</b>
<b>ASSETS</b>			
<b>Financial assets</b>			
Equities		20,591,703	21,483,004
Financial derivatives	4 (f)	228	-
Other receivables and assets		124,856	120,711
Cash and cash equivalents		227,006	174,606
<b>Total assets</b>		<b>20,943,793</b>	<b>21,778,321</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	-	-
Other payables and liabilities		295,972	128,596
<b>Total liabilities</b>		<b>295,972</b>	<b>128,596</b>
<b>Value of fund</b>		<b>20,647,821</b>	<b>21,649,725</b>
Units in Issue		29,651,837	33,172,501
<b>Net assets per unit (bid price)</b>		<b>0.696</b>	<b>0.653</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		Global Equity Fund	Global Equity Fund
	Note	2012 S\$	2011 S\$
<b>ASSETS</b>			
<b>Financial assets</b>			
Equities		233,529,022	226,859,155
Financial derivatives	4 (f)	15	-
Other receivables and assets		428,211	597,197
Cash and cash equivalents		2,672,263	1,809,488
<b>Total assets</b>		<b>236,629,511</b>	<b>229,265,840</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	-	-
Other payables and liabilities		1,963,547	1,050,097
<b>Total liabilities</b>		<b>1,963,547</b>	<b>1,050,097</b>
<b>Value of fund</b>		<b>234,665,964</b>	<b>228,215,743</b>
Units in Issue		127,374,942	139,140,688
<b>Net assets per unit (bid price)</b>		<b>1.842</b>	<b>1.640</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		<b>Singapore Bond Fund 2012 S\$</b>	<b>Singapore Bond Fund 2011 S\$</b>
	<b>Note</b>		
<b>ASSETS</b>			
<b>Financial assets</b>			
Debt securities		234,501,932	219,606,473
Financial derivatives	4 (f)	-	-
Other receivables and assets		863,517	257,386
Cash and cash equivalents		13,632,930	17,649,600
<b>Total assets</b>		<b>248,998,379</b>	<b>237,513,459</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	-	-
Other payables and liabilities		782,169	233,987
<b>Total liabilities</b>		<b>782,169</b>	<b>233,987</b>
<b>Value of fund</b>		<b>248,216,210</b>	<b>237,279,472</b>
Units in Issue		152,342,660	152,643,185
<b>Net assets per unit (bid price)</b>		<b>1.629</b>	<b>1.554</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		<b>Global Technology Fund 2012 S\$</b>	<b>Global Technology Fund 2011 S\$</b>
	<b>Note</b>		
<b>ASSETS</b>			
<b>Financial assets</b>			
Equities		61,483,378	63,630,227
Financial derivatives	4 (f)	-	-
Other receivables and assets		42	101,002
Cash and cash equivalents		1,898,387	3,344,357
<b>Total assets</b>		<b>63,381,807</b>	<b>67,075,586</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	-	-
Other payables and liabilities		351,541	225,127
<b>Total liabilities</b>		<b>351,541</b>	<b>225,127</b>
<b>Value of fund</b>		<b>63,030,266</b>	<b>66,850,459</b>
Units in Issue		225,226,122	251,879,652
<b>Net assets per unit (bid price)</b>		<b>0.280</b>	<b>0.265</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

	Note	Singapore Equity Fund 2012 S\$	Singapore Equity Fund 2011 S\$
<b>ASSETS</b>			
<b>Financial assets</b>			
Equities		202,439,297	179,188,102
Financial derivatives	4 (f)	-	-
Other receivables and assets		476,799	1,391,275
Cash and cash equivalents		671,583	767,386
<b>Total assets</b>		<b>203,587,679</b>	<b>181,346,763</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	140	7,280
Other payables and liabilities		1,035,820	285,285
<b>Total liabilities</b>		<b>1,035,960</b>	<b>292,565</b>
<b>Value of fund</b>		<b>202,551,719</b>	<b>181,054,198</b>
Units in Issue		72,741,789	79,491,212
<b>Net assets per unit (bid price)</b>		<b>2.785</b>	<b>2.278</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		<b>Global Bond Fund</b>	<b>Global Bond Fund</b>
		<b>2012</b>	<b>2011</b>
	<b>Note</b>	<b>S\$</b>	<b>S\$</b>
<b>ASSETS</b>			
<b>Financial assets</b>			
Debt securities		127,961,697	124,530,163
Financial derivatives	4 (f)	1,477,218	2,830,564
Other receivables and assets		4,627,206	559,041
Cash and cash equivalents		1,593,036	2,217,274
<b>Total assets</b>		<b>135,659,157</b>	<b>130,137,042</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	1,082,648	1,225,032
Other payables and liabilities		10,034,103	2,221,778
<b>Total liabilities</b>		<b>11,116,751</b>	<b>3,446,810</b>
<b>Value of fund</b>		<b>124,542,406</b>	<b>126,690,232</b>
Units in Issue		84,357,439	93,351,313
<b>Net assets per unit (bid price)</b>		<b>1.476</b>	<b>1.357</b>



**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		<b>Global Managed Fund (Growth) 2012 S\$</b>	<b>Global Managed Fund (Growth) 2011 S\$</b>
	<b>Note</b>		
<b>ASSETS</b>			
<b>Financial assets</b>			
Equities		245,767,880	237,033,342
Financial derivatives	4 (f)	-	-
Other receivables and assets		1,575,680	402,288
Cash and cash equivalents		199,890	200,000
<b>Total assets</b>		<b>247,543,450</b>	<b>237,635,630</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	-	-
Other payables and liabilities		1,649,246	770,224
<b>Total liabilities</b>		<b>1,649,246</b>	<b>770,224</b>
<b>Value of fund</b>		<b>245,894,204</b>	<b>236,865,406</b>
Units in Issue		146,664,494	159,187,879
<b>Net assets per unit (bid price)</b>		<b>1.677</b>	<b>1.488</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

	Note	Global Managed Fund (Balanced) 2012 S\$	Global Managed Fund (Balanced) 2011 S\$
<b>ASSETS</b>			
<b>Financial assets</b>			
Equities		183,837,573	182,939,086
Financial derivatives	4 (f)	-	-
Other receivables and assets		1,042,259	179,646
Cash and cash equivalents		126,215	200,000
<b>Total assets</b>		<b>185,006,047</b>	<b>183,318,732</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	-	-
Other payables and liabilities		993,064	490,513
<b>Total liabilities</b>		<b>993,064</b>	<b>490,513</b>
<b>Value of fund</b>		<b>184,012,983</b>	<b>182,828,219</b>
Units in Issue		112,119,312	123,955,268
<b>Net assets per unit (bid price)</b>		<b>1.641</b>	<b>1.475</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		<b>Global Managed Fund (Conservative) 2012</b>	<b>Global Managed Fund (Conservative) 2011</b>
	Note	S\$	S\$
<b>ASSETS</b>			
<b>Financial assets</b>			
Equities		12,757,857	12,776,169
Financial derivatives	4 (f)	-	-
Other receivables and assets		971	5,321
Cash and cash equivalents		215,860	237,929
<b>Total assets</b>		<b>12,974,688</b>	<b>13,019,419</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	-	-
Other payables and liabilities		9,698	48,819
<b>Total liabilities</b>		<b>9,698</b>	<b>48,819</b>
<b>Value of fund</b>		<b>12,964,990</b>	<b>12,970,600</b>
Units in Issue		8,224,804	8,989,576
<b>Net assets per unit (bid price)</b>		<b>1.576</b>	<b>1.443</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		Money Market Fund	Money Market Fund
		2012	2011
	Note	S\$	S\$
<b>ASSETS</b>			
<b>Financial assets</b>			
Debt securities		30,076,183	33,480,645
Financial derivatives	4 (f)	28,439	-
Other receivables and assets		3,082,776	1,291,141
Cash and cash equivalents		413,551	1,820,126
<b>Total assets</b>		<b>33,600,949</b>	<b>36,591,912</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	-	185,160
Other payables and liabilities		1,175,679	1,773,274
<b>Total liabilities</b>		<b>1,175,679</b>	<b>1,958,434</b>
<b>Value of fund</b>		<b>32,425,270</b>	<b>34,633,478</b>
Units in Issue		29,001,835	31,135,910
<b>Net assets per unit (bid price)</b>		<b>1.118</b>	<b>1.112</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		Aim Now Fund	Aim Now Fund
		2012	2011
	Note	S\$	S\$
<b>ASSETS</b>			
<b>Financial assets</b>			
Equities		73,305,673	22,650,567
Financial derivatives	4 (f)	33,786	90,323
Other receivables and assets		3,103,997	1,133,363
Cash and cash equivalents		15,741,868	7,070,957
<b>Total assets</b>		<b>92,185,324</b>	<b>30,945,210</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	104,151	110,747
Other payables and liabilities		3,384,121	855,193
<b>Total liabilities</b>		<b>3,488,272</b>	<b>965,940</b>
<b>Value of fund</b>		<b>88,697,052</b>	<b>29,979,270</b>
Units in Issue		92,153,624	31,672,769
<b>Net assets per unit (bid price)</b>		<b>0.962</b>	<b>0.947</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		Aim 2015 Fund	Aim 2015 Fund
		2012	2011
	Note	S\$	S\$
<b>ASSETS</b>			
<b>Financial assets</b>			
Equities		1,852,180	1,629,730
Financial derivatives	4 (f)	1,001	3,999
Other receivables and assets		516	90,305
Cash and cash equivalents		217,616	228,150
<b>Total assets</b>		<b>2,071,313</b>	<b>1,952,184</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	3,872	12,153
Other payables and liabilities		1,584	1,550
<b>Total liabilities</b>		<b>5,456</b>	<b>13,703</b>
<b>Value of fund</b>		<b>2,065,857</b>	<b>1,938,481</b>
Units in Issue		1,860,262	1,884,721
<b>Net assets per unit (bid price)</b>		<b>1.111</b>	<b>1.029</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		Aim 2025 Fund	Aim 2025 Fund
		2012	2011
	Note	S\$	S\$
<b>ASSETS</b>			
<b>Financial assets</b>			
Equities		6,950,837	5,031,787
Financial derivatives	4 (f)	2,316	10,077
Other receivables and assets		22,601	44,797
Cash and cash equivalents		64,244	224,386
<b>Total assets</b>		<b>7,039,998</b>	<b>5,311,047</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	6,781	30,528
Other payables and liabilities		7,200	4,779
<b>Total liabilities</b>		<b>13,981</b>	<b>35,307</b>
<b>Value of fund</b>		<b>7,026,017</b>	<b>5,275,740</b>
Units in Issue		6,226,174	5,234,300
<b>Net assets per unit (bid price)</b>		<b>1.128</b>	<b>1.008</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		Aim 2035 Fund	Aim 2035 Fund
		2012	2011
	Note	S\$	S\$
<b>ASSETS</b>			
<b>Financial assets</b>			
Equities		9,433,107	7,429,423
Financial derivatives	4 (f)	2,635	9,797
Other receivables and assets		15,992	70,486
Cash and cash equivalents		69,376	384,479
<b>Total assets</b>		<b>9,521,110</b>	<b>7,894,185</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	9,166	39,938
Other payables and liabilities		8,136	21,151
<b>Total liabilities</b>		<b>17,302</b>	<b>61,089</b>
<b>Value of fund</b>		<b>9,503,808</b>	<b>7,833,096</b>
Units in Issue		8,313,611	7,818,413
<b>Net assets per unit (bid price)</b>		<b>1.143</b>	<b>1.002</b>



**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**BALANCE SHEETS**

*As at 31 December 2012*

		<b>Aim 2045 Fund</b>	<b>Aim 2045 Fund</b>
		<b>2012</b>	<b>2011</b>
	<b>Note</b>	<b>S\$</b>	<b>S\$</b>
<b>ASSETS</b>			
<b>Financial assets</b>			
Equities		7,827,721	6,646,013
Financial derivatives	4 (f)	1,856	-
Other receivables and assets		92,105	13,339
Cash and cash equivalents		46,697	321,836
<b>Total assets</b>		<b>7,968,379</b>	<b>6,981,188</b>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Financial derivatives	4 (f)	-	31,646
Other payables and liabilities		104,862	24,737
<b>Total liabilities</b>		<b>104,862</b>	<b>56,383</b>
<b>Value of fund</b>		<b>7,863,517</b>	<b>6,924,805</b>
Units in Issue		6,919,685	6,986,433
<b>Net assets per unit (bid price)</b>		<b>1.136</b>	<b>0.991</b>

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**NOTES TO THE FINANCIAL STATEMENTS**  
***For the financial year ended 31 December 2012***

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These notes form an integral part of the financial statements.

**1 General**

The NTUC Income Funds of NTUC Income Insurance Co-operative Limited ("NTUC Income") comprise:

<b>Fund Name</b>	<b>Launch Date</b>	<b>Fund Type</b>
Prime Fund	2 August 1973	Mixed Assets Fund
Singapore Managed Fund	1 May 1994	Mixed Assets Fund
Asia Managed Fund	1 September 1995	Mixed Assets Fund
Takaful Fund	1 September 1995	Equity Global Fund
Global Equity Fund	1 April 1998	Core Fund
Singapore Bond Fund	1 March 2000	Core Fund
Global Technology Fund	1 August 2000	Specialised Fund
Singapore Equity Fund	2 January 2003	Core Fund
Global Bond Fund	2 January 2003	Core Fund
Global Managed Fund (Growth)	2 January 2003	Managed Fund
Global Managed Fund (Balanced)	2 January 2003	Managed Fund
Global Managed Fund (Conservative)	2 January 2003	Managed Fund
Money Market Fund	1 May 2006	Specialised Fund
Aim Now Fund	25 September 2009	Mixed Assets Fund
Aim 2015 Fund	25 September 2009	Target Maturity Fund
Aim 2025 Fund	25 September 2009	Target Maturity Fund
Aim 2035 Fund	25 September 2009	Target Maturity Fund
Aim 2045 Fund	25 September 2009	Target Maturity Fund

A policyholder may invest directly in any of the above Funds. The Managed Funds only invest in units issued by the Core Funds.

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2012*

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**1 General (cont'd)**

**Prime Fund**

The Prime Fund is an open ended investment linked fund that invests in the equity markets of Singapore, Hong Kong and Thailand as well as regional bonds. The fund also invests approximately 36% (2011: 37%) in Singapore Bond Fund. The fund is managed by NTUC Income.

**Singapore Managed Fund**

The Singapore Managed Fund is an open ended investment linked fund that invests in Singapore equities and bonds. The fund also invests approximately 37% (2011: 42%) in Singapore Bond Fund. The fund is managed by NTUC Income.

**Asia Managed Fund**

The Asia Managed Fund is an open ended investment linked fund that invests all or substantially all of its assets in the Singapore-domiciled Schroder Asian Growth Fund (managed by Schroder Investment Management) in relation to the equity portion (70%) and in Singapore Bond Fund (managed by NTUC Income) in relation to the fixed income portion (30%).

**Takaful Fund**

The Takaful Fund is an open ended investment linked fund that invests in a diversified global portfolio of equities of companies whose businesses are in compliance with Islamic guidelines. NTUC Income is the investment manager of the fund. Wellington International Management Company Pte Ltd is the sub-investment manager of the fund.

**Global Equity Fund (Core Fund)**

The Global Equity Fund is an open ended investment linked fund that invests in global equities. NTUC Income is the investment manager of the fund. Capital International Management and MFS Investment Management are sub-investment managers of the fund.

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2012*

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**1 General (cont'd)**

**Singapore Bond Fund (Core Fund)**

The Singapore Bond Fund is an open ended investment linked fund that invests in Singapore dollar denominated corporate and sovereign bonds. The fund is managed by NTUC Income.

**Global Technology Fund**

The Global Technology Fund is an open ended investment linked fund that invests in technology-related equities globally. NTUC Income is the investment manager of the fund. Trust Company of the West (TCW) is the sub-investment manager of the fund.

**Singapore Equity Fund (Core Fund)**

The Singapore Equity Fund is an open ended investment linked fund that invests in Singapore equities. The fund is jointly managed by NTUC Income and State Street Global Advisors.

**Global Bond Fund (Core Fund)**

The Global Bond Fund is an open ended investment linked fund that invests in global government bonds, corporate bonds, mortgage-backed securities and asset-backed securities. NTUC Income is the investment manager of the fund. Pacific Investment Management Company LLC (PIMCO LLC) is the sub-investment manager of the fund.

**Global Managed Fund (Growth)**

The Global Managed Fund (Growth) is an open ended investment linked fund that invests in NTUC Income's Core Funds in the following proportions: Singapore Equity Fund (15%), Global Equity Fund (55%), Singapore Bond Fund (10%) and Global Bond Fund (20%).

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2012*

---

**1 General (cont'd)**

**Global Managed Fund (Balanced)**

The Global Managed Fund (Balanced) is an open ended investment linked fund that invests in NTUC Income's Core Funds in the following proportions: Singapore Equity Fund (10%), Global Equity Fund (40%), Singapore Bond Fund (15%) and Global Bond Fund (35%).

**Global Managed Fund (Conservative)**

The Global Managed Fund (Conservative) is an open ended investment linked fund that invests in NTUC Income's core funds in the following proportions: Singapore Equity Fund (5%), Global Equity Fund (25%), Singapore Bond Fund (20%) and Global Bond Fund (50%).

**Money Market Fund**

The Money Market Fund is an open ended investment linked fund that invests in short-term fixed income instruments to achieve a return that is better than short-term deposits while maintaining liquidity and security of capital. The fund is managed by NTUC Income.

**Aim Now Fund**

The Aim Now Fund is an open ended investment linked fund that invests in a diversified portfolio of asset classes including fixed income, equities and alternatives to provide investors with a supplemental source of income that is of low risk profile and volatility. The fund offers a semi-annual payout feature. NTUC Income is the investment manager of the fund. Schroder Investment Management (Singapore) Ltd is the sub-investment manager of the fund.

**Aim 2015 Fund**

The Aim 2015 Fund is an open ended investment linked fund that invests in a diversified portfolio of asset classes including fixed income, equities and alternatives. It is intended for the assets to be switched into the Aim Now portfolio once the portfolio reaches its maturity date in the year 2015. NTUC Income is the investment manager of the fund. Schroder Investment Management (Singapore) Ltd is the sub-investment manager of the fund.

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**NOTES TO THE FINANCIAL STATEMENTS**  
***For the financial year ended 31 December 2012***

---

**1 General (cont'd)**

**Aim 2025 Fund**

The Aim 2025 Fund is an open ended investment linked fund that invests in a diversified portfolio of asset classes including fixed income, equities and alternatives. It is intended for the assets to be switched into the Aim Now portfolio once the portfolio reaches its maturity date in the year 2025. NTUC Income is the investment manager of the fund. Schroder Investment Management (Singapore) Ltd is the sub-investment manager of the fund.

**Aim 2035 Fund**

The Aim 2035 Fund is an open ended investment linked fund that invests in a diversified portfolio of asset classes including fixed income, equities and alternatives. It is intended for the assets to be switched into the Aim Now portfolio once the portfolio reaches its maturity date in the year 2035. NTUC Income is the investment manager of the fund. Schroder Investment Management (Singapore) Ltd is the sub-investment manager of the fund.

**Aim 2045 Fund**

The Aim 2045 Fund is an open ended investment linked fund that invests in a diversified portfolio of asset classes including fixed income, equities and alternatives. It is intended for the assets to be switched into the Aim Now portfolio once the portfolio reaches its maturity date in the year 2045. NTUC Income is the investment manager of the fund. Schroder Investment Management (Singapore) Ltd is the sub-investment manager of the fund.

**2 Significant Accounting Policies**

**(a) Basis of preparation**

The financial statements of the NTUC Income Funds, which are expressed in Singapore Dollars, have been prepared on the historical cost basis, except for investments and derivatives which are stated at fair value.

**(b) Recognition of income and expenses**

Dividend income is recognised when the right to receive payment is established.

Interest income on bank deposits is recognised on a time-proportionate basis using the effective interest method.

Expenses are recognised on an accrual basis.

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**NOTES TO THE FINANCIAL STATEMENTS**  
***For the financial year ended 31 December 2012***

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**(c) Investments**

All purchases of investments are recognised on their trade dates, the date the commitment exists to purchase the investments. The investments are initially recorded at fair value, being the consideration given and excluding acquisition charges associated with the investments. After initial recognition, the unrealised gains or losses on re-measurement to fair value are taken to the Capital and Income Account. The bid price has been adopted for all investments. Unquoted fixed income securities are valued at bid prices quoted by banks, inclusive of accrued interest.

**2 Significant Accounting Policies (cont'd)**

**(d) Realised gains/losses from sale of investments**

All sales of investments are recognised on their trade dates, the date the fund commits to sell the investments.

Realised gains/losses from the sale of investments are taken to the Capital and Income Account.

**(e) Foreign currency transactions**

Foreign currency transactions are translated into Singapore Dollars at exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at the reporting date.

Foreign currency differences are recognised in the Capital and Income Account.

**(f) Derivative financial instruments**

Derivative financial instruments are measured at initial recognition, and subsequently, at fair value and changes in fair value are recognised in the Capital and Income Account. Transaction costs incurred in buying and selling derivative instruments are recognised in the Capital and Income Account when incurred. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The fair value of a derivative financial instrument is determined by reference to its quoted price if quoted prices are regularly available from an exchange, dealer, or broker and there are regularly recurring market transactions in the instrument.

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2012*

**3 Net Asset Value, Units in Issue and Net Asset Value per unit**

For the purpose of the per unit Net Asset Value ("NAV") calculation for issuance and redemption of units, investments are stated at the last available-traded price. In accordance with the accounting policies of the Funds, the investments are valued at current bid prices.

The effect of the changes on the NAV of each Fund in relation to the change in valuation basis from last known traded price to bid price at the balance sheet date is given below:

		Units in Issue	NAV per unit (S\$)
<b>Prime Fund</b>	<b>S\$</b>		
NAV (at last done price)	213,251,075	32,366,837	6.589
Less: Effect of adopting bid prices as fair value	(255,027)		
NAV (at bid price)	<u>212,996,048</u>		
<b>Singapore Managed Fund</b>	<b>S\$</b>		
NAV (at last done price)	93,281,081	36,952,440	2.524
Less: Effect of adopting bid prices as fair value	(83,149)		
NAV (at bid price)	<u>93,197,932</u>		
<b>Asia Managed Fund</b>	<b>S\$</b>		
NAV (at last done price)	97,440,984	48,259,259	2.019
Less: Effect of adopting bid prices as fair value	-		
NAV (at bid price)	<u>97,440,984</u>		
<b>Takaful Fund</b>	<b>S\$</b>		
NAV (at last done price)	20,659,861	29,651,837	0.697
Less: Effect of adopting bid prices as fair value	(12,040)		
NAV (at bid price)	<u>20,647,821</u>		



**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2012*

**3 Net Asset Value, Units in Issue and Net Asset Value per unit (continued)**

<i><b>Global Equity Fund</b></i>	<b>S\$</b>	<b>Units in Issue</b>	<b>NAV per unit (S\$)</b>
NAV (at last done price)	234,755,465	127,374,942	1.843
Less: Effect of adopting bid prices as fair value	(89,501)		
NAV (at bid price)	<u>234,665,964</u>		
 <i><b>Singapore Bond Fund</b></i>	 <b>S\$</b>		
NAV (at last done price)	248,216,210	152,342,660	1.629
Less: Effect of adopting bid prices as fair value	-		
NAV (at bid price)	<u>248,216,210</u>		
 <i><b>Global Technology Fund</b></i>	 <b>S\$</b>		
NAV (at last done price)	63,057,144	225,226,122	0.280
Less: Effect of adopting bid prices as fair value	(26,878)		
NAV (at bid price)	<u>63,030,266</u>		
 <i><b>Singapore Equity Fund</b></i>	 <b>S\$</b>		
NAV (at last done price)	202,794,950	72,741,789	2.788
Less: Effect of adopting bid prices as fair value	(243,231)		
NAV (at bid price)	<u>202,551,719</u>		
 <i><b>Global Bond Fund</b></i>	 <b>S\$</b>		
NAV (at last done price)	124,542,406	84,357,439	1.476
Less: Effect of adopting bid prices as fair value	-		
NAV (at bid price)	<u>124,542,406</u>		

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2012**

**3 Net Asset Value, Units in Issue and Net Asset Value per unit (continued)**

<b><i>Global Managed Fund (Growth)</i></b>	<b>S\$</b>	<b>Units in Issue</b>	<b>NAV per unit (S\$)</b>
NAV (at last done price)	245,894,204	146,664,494	1.677
Less: Effect of adopting bid prices as fair value	-		
NAV (at bid price)	<u>245,894,204</u>		
 <b><i>Global Managed Fund (Balanced)</i></b>	 <b>S\$</b>		
NAV (at last done price)	184,012,983	112,119,312	1.641
Less: Effect of adopting bid prices as fair value	-		
NAV (at bid price)	<u>184,012,983</u>		
 <b><i>Global Managed Fund (Conservative)</i></b>	 <b>S\$</b>		
NAV (at last done price)	12,964,990	8,224,804	1.576
Less: Effect of adopting bid prices as fair value	-		
NAV (at bid price)	<u>12,964,990</u>		
 <b><i>Money Market Fund</i></b>	 <b>S\$</b>		
NAV (at last done price)	32,425,270	29,001,835	1.118
Less: Effect of adopting bid prices as fair value	-		
NAV (at bid price)	<u>32,425,270</u>		
 <b><i>Aim Now Fund</i></b>	 <b>S\$</b>		
NAV (at last done price)	88,698,169	92,153,624	0.963
Less: Effect of adopting bid prices as fair value	(1,117)		
NAV (at bid price)	<u>88,697,052</u>		

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2012*

**3 Net Asset Value, Units in Issue and Net Asset Value per unit (continued)**

<i>Aim 2015 Fund</i>	<b>S\$</b>	<b>Units in Issue</b>	<b>NAV per unit (S\$)</b>
NAV (at last done price)	2,065,890	1,860,262	1.111
Less: Effect of adopting bid prices as fair value	(33)		
NAV (at bid price)	<u>2,065,857</u>		
 <i>Aim 2025 Fund</i>	 <b>S\$</b>		
NAV (at last done price)	7,026,120	6,226,174	1.128
Less: Effect of adopting bid prices as fair value	(103)		
NAV (at bid price)	<u>7,026,017</u>		
 <i>Aim 2035 Fund</i>	 <b>S\$</b>		
NAV (at last done price)	9,503,944	8,313,611	1.143
Less: Effect of adopting bid prices as fair value	(136)		
NAV (at bid price)	<u>9,503,808</u>		
 <i>Aim 2045 Fund</i>	 <b>S\$</b>		
NAV (at last done price)	7,863,637	6,919,685	1.136
Less: Effect of adopting bid prices as fair value	(120)		
NAV (at bid price)	<u>7,863,517</u>		

**4 Other notes on Investment-Linked Policies**

**(a) Premiums**

Premiums represent the net amount received from the policyholder less initial charges (including the bid-offer spread) and for the purchase of units in the NTUC Income Funds.

**(b) Surrenders**

Surrenders represent the net asset values (bid price) of the units paid to policyholders when they surrender their unit-linked policies.

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2012*

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**4 Other notes on Investment-Linked Policies (continued)**

**(c) Management fees**

The annual management charges for each Fund are accrued on a daily basis and payable to NTUC Income.

**(d) Policy fees, administrative fees and other benefit charges**

Policy fees, administrative fees and other benefit charges are charged to the Capital and Income Accounts by way of unit deductions.

**(e) Taxation**

No provision for taxation is made in the financial statements as NTUC Income Insurance Co-operative is exempt from income tax under Section 13(1)(f)(ii) of the Income Tax Act, Cap. 134.

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2012**

**4 Other notes on Investment-Linked Policies (continued)**

**(f) Derivative financial instruments**

Derivative contracts are entered for the purposes of hedging foreign currency and interest risk exposures and efficient portfolio management. The derivative contracts traded include foreign exchange forward contracts, interest rate swaps, currency swaps, currency options and futures. For funds investing into underlying funds, the derivative contracts are reflected at the underlying funds' level.

	<b>Notional Amount S\$</b>	<b>Fair Value Receivable S\$</b>	<b>Payable S\$</b>
<b><u>As at 31 December 2012</u></b>			
<b><i>Global Bond Fund</i></b>			
Forward Foreign Exchange Contracts	233,399,053	316,667	1,026,042
Interest Rate Swaps	36,238,182	1,159,379	56,512
Options	15,757,342	1,172	94
		<u>1,477,218</u>	<u>1,082,648</u>
<b><i>Money Market Fund</i></b>			
Forward Foreign Exchange Contracts	2,963,717	28,439	-
<b><i>Aim Now Fund</i></b>			
Forward Foreign Exchange Contracts	30,279,651	33,786	104,151
<b><i>Aim 2015 Fund</i></b>			
Forward Foreign Exchange Contracts	788,570	1,001	3,872
<b><i>Aim 2025 Fund</i></b>			
Forward Foreign Exchange Contracts	2,091,926	2,316	6,781
<b><i>Aim 2035 Fund</i></b>			
Forward Foreign Exchange Contracts	2,452,759	2,635	9,166
<b><i>Aim 2045 Fund</i></b>			
Forward Foreign Exchange Contracts	1,470,188	1,856	-
<b><i>Global Equity Fund</i></b>			
Forward Foreign Exchange Contracts	5,876	15	-
<b><i>Prime Fund</i></b>			
Forward Foreign Exchange Contracts	102,507	68	-
<b><i>Takaful Fund</i></b>			
Forward Foreign Exchange Contracts	40,027	228	-

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**  
**- NTUC INCOME FUNDS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2012**

**4 Other notes on Investment-Linked Policies (continued)**

**(f) Derivative financial instruments (continued)**

	Notional Amount	Fair Value	
	S\$	Receivable S\$	Payable S\$
<b><u>As at 31 December 2012</u></b>			
<b><i>Singapore Equity Fund</i></b>			
Equity Index Futures	216,200	-	140

	Notional Amount	Fair Value	
	S\$	Receivable S\$	Payable S\$
<b><u>As at 31 December 2011</u></b>			
<b><i>Global Bond Fund</i></b>			
Forward Foreign Exchange Contracts	170,513,345	1,095,307	829,061
Interest Rate Swaps	34,375,064	1,735,257	395,971
		<u>2,830,564</u>	<u>1,225,032</u>
<b><i>Money Market Fund</i></b>			
Forward Foreign Exchange Contracts	3,826,510	-	185,160
<b><i>Aim Now Fund</i></b>			
Forward Foreign Exchange Contracts	8,819,214	90,323	110,747
<b><i>Aim 2015 Fund</i></b>			
Forward Foreign Exchange Contracts	674,111	3,999	12,153
<b><i>Aim 2025 Fund</i></b>			
Forward Foreign Exchange Contracts	1,684,110	10,077	30,528
<b><i>Aim 2035 Fund</i></b>			
Forward Foreign Exchange Contracts	2,096,617	9,797	39,938
<b><i>Aim 2045 Fund</i></b>			
Forward Foreign Exchange Contracts	1,478,588	-	31,646
<b><i>Singapore Equity Fund</i></b>			
Equity Index Futures	487,760	-	7,280