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Singapore Ice Skating Association

Registration No. S98SS0168E

Registered office: 6 Temasek Boulevard
#09-05, Suntec Tower 4, Singapore 038986

Annual Report for the Year Ended
31 March 2011

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REPORT OF THE EXECUTIVE COMMITTEE MEMBERS

We, the undersigned Executive Committee Members, submit this annual report to the members together with the audited financial statements of **Singapore Ice Skating Association** for the financial year ended 31 March 2011.

Executive Committee Members

The Executive Committee Members in office at the date of this report are as follows:

| | |
|--------------------------|----------------------|
| Ms Sonja Chong | - President |
| Ms Kaori Zage | - Vice-President |
| Ms Alison Chan Siow Ling | - Secretary General |
| Ms Teresa Hangchi | - Honorary Treasurer |
| Ms Helen Chai | - Executive Member |

Auditors

The auditors, S B Tan & Co, have expressed willingness to accept appointment.

Statement by Executive Committee Members

The Executive Committee Members of **Singapore Ice Skating Association** ("Association"), do hereby state that in our opinion, the accompanying financial statements are drawn up so as to give a true and fair view of the state of affairs of the Council as at 31 March 2011, and of the results and changes in funds and cash flows of the Council for the year ended on that date.



Ms Sonja Chong
President



Ms Teresa Hangchi
Honorary Treasurer

Singapore
18 AUG 2011

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SINGAPORE ICE SKATING ASSOCIATION**

We have audited the accompanying financial statements of **Singapore Ice Skating Association** for the year ended 31 March 2011, which comprise the statements of financial position, comprehensive income, changes in funds and cash flows of the Association, and a summary of significant accounting policies and other explanatory notes. The comparative financial information for the year ended 31 March 2010 was audited by another public accountant who has issued an unqualified of opinion dated 15 July 2010. The Management is responsible for the preparation and fair presentation of these financial statements in accordance with Singapore Financial Reporting Standards ("FRS"). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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, plan and perform the audit to obtain reasonable assurance on 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 misstatements of the financial statements. 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 assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

1. The financial statements of the Association are properly drawn up in accordance with the provisions of the Singapore Financial Reporting Standards and so as to give a true and fair view of the state of affairs of the Association as at 31 March 2011 and of the results and changes in funds and cash flows of the Association for the year ended on that date; and
2. We are satisfied that the funds disbursed by Singapore Sports Council (SSC) have been spent to meet the agreed expenditure. The Association has raised its own funds for expenditure not funded by SSC.



Singapore
18 AUG 2011

Statement of Financial Position
As at 31 March 2011

| | Note | 2011 \$ | 2010 \$ |
|--|------|----------------|----------------|
| Fixed Assets | 3 | 717 | 1,433 |
| Current Assets | | | |
| Debtors, deposit and prepayment | 4 | 18,405 | 41,530 |
| Cash and bank balances | | 223,901 | 215,646 |
| | | 242,306 | 257,176 |
| Current Liabilities | | | |
| Creditors and accrual | 5 | 9,127 | 26,446 |
| Provision for taxation | | 4,725 | 7,762 |
| | | 13,852 | 34,208 |
| Net Current Assets | | 228,454 | 222,968 |
| Net Assets | | <u>229,171</u> | <u>224,401</u> |
| <i>Representing:</i> | | | |
| Unrestricted Fund | | | |
| Accumulated Fund | | 227,571 | 222,801 |
| Restricted Fund | | | |
| Singapore Ice Skating Association (SISA) | 6 | 1,600 | 1,600 |
| Scholastic Award Fund | | | |
| | | <u>229,171</u> | <u>224,401</u> |

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income
For the year ended 31 March 2011**

| | Note | 2011 \$ | 2010 \$ |
|--|------|---------------------|----------------------|
| Revenue | 7 | 170,228 | 178,775 |
| Other income | | - | 1,319 |
| | | <u>170,228</u> | <u>180,094</u> |
| <i>Less Expenditure</i> | | | |
| Depreciation of fixed assets | 3 | 716 | 717 |
| Events and functions | | 68,958 | 46,970 |
| Professional and legal fees | | 18,833 | 12,445 |
| Staff costs - CPF contribution | | 2,518 | - |
| - others | | 20,288 | 36,588 |
| Transport and travelling | | 13,054 | 2,907 |
| Other operating expenditure | | 39,223 | 21,370 |
| | | <u>(163,590)</u> | <u>(120,997)</u> |
| Surplus before taxation | | <u>6,638</u> | <u>59,097</u> |
| Taxation | 10 | (1,868) | (4,476) |
| Surplus after taxation / Total comprehensive income for the year | | <u><u>4,770</u></u> | <u><u>54,621</u></u> |

**Statement of Changes in Funds
For the year ended 31 March 2011**

| | | 2011 \$ | 2010 \$ |
|-------------------------------------|---|-----------------------|-----------------------|
| Accumulated Fund | | | |
| Balance at beginning of year | | 222,801 | 167,380 |
| Surplus after taxation | | 4,770 | 54,621 |
| Transfer from SISA Scholastic Award | | - | 800 |
| Balance at end of year | | <u>227,571</u> | <u>222,801</u> |
| SISA Scholastic Award | 6 | | |
| Balance at beginning of year | | 1,600 | 2,400 |
| Transfer to Accumulated Fund | | - | (800) |
| Balance at end of year | | <u>1,600</u> | <u>1,600</u> |
| Total Equity | | <u><u>229,171</u></u> | <u><u>224,401</u></u> |

The accompanying notes form part of the financial statements

Statement of Cash Flows
For the year ended 31 March 2011

| | Note | 2011 \$ | 2010 \$ |
|--|------|-----------------------|-----------------------|
| Cash Flows From Operating Activities: | | | |
| Surplus before taxation | | 6,638 | 59,097 |
| <i>Adjustments for:</i> | | | |
| Depreciation of fixed assets | 3 | 716 | 717 |
| Operating cash flow before working capital changes | | <u>7,354</u> | <u>59,814</u> |
| <i>Change in operating assets and liabilities:</i> | | | |
| Debtors, deposit and prepayment | | 23,125 | (41,070) |
| Creditors and accrual | | (17,319) | (10,725) |
| Net cash from from operating activities | | <u>13,160</u> | <u>8,019</u> |
| Tax paid | | (4,905) | (3,650) |
| Net cash from operating activities | | <u><u>8,255</u></u> | <u><u>4,369</u></u> |
| Cash Flows From Investing Activities: | | | |
| Purchase of fixed assets | 3 | - | (2,150) |
| Net cash outflow from investing activities | | <u>-</u> | <u>(2,150)</u> |
| Net increase in cash and cash equivalents | | 8,255 | 2,219 |
| Cash and cash equivalents at beginning of year | | 215,646 | 213,427 |
| Cash and cash equivalents at end of year | | <u><u>223,901</u></u> | <u><u>215,646</u></u> |

The accompanying notes form part of the financial statements

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

1 General

Singapore Ice Skating Association (the "Association") is registered in the Republic of Singapore under the Singapore Societies Act, Cap 311 and Singapore Charities Act Cap 37 (from 31 December 2010). The Association has its registered office at 6 Temasek Boulevard, #09-05 Suntec Tower 4, Singapore 038986.

The principal activities of the Association are those relating to the promotion of the game of ice skating in Singapore and to arrange and organise tournaments locally and with other countries.

The financial statements were authorised for issue by the Management Committee on 18 August 2011.

2 Significant Accounting Policies

2.1 Basis of Accounting

The financial statements, expressed in Singapore dollars, are prepared under the historical cost convention and in accordance with Singapore Financial Reporting Standards ("FRS").

The preparation of financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The 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. Judgements made by management in the application of FRS that have a significant effect on the financial statements and in arriving at estimates with a significant risk of material adjustment in the following year are discussed in subsequent note to accounts.

2.2 Changes in Accounting Policies

The accounting policies have been consistently applied by the Association and are consistent with those used in the previous financial year, except for changes resulting from adoption of new FRS.

2.3 New Standards and Interpretations Not Yet Effective

New standards, amendments to standards and interpretations that are not yet effective for the financial year have not been applied in preparing these financial statements. The Management is in the process of assessing the impact of these new standards, amendments and interpretations

The Association has not adopted the following FRS that has been issued but not yet effective:

| | Effective date (annual period beginning on or after) |
|--|---|
| Revised FRS 24 - Related Party Disclosures | 1 January 2011 |

2.4 Revenue Recognition

Revenue is recognised on accrual basis and based on activities conducted for the year.

2.5 Accumulated Fund

The accumulated fund is the Association's operating fund for accounting all financial sources.

2.6 Foreign Currencies

Items included in the financial statements of the Association are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity. The functional currency of the Association is the Singapore dollar. The financial statements of the Association are presented in Singapore dollars. Foreign currency transactions are translated into Singapore dollars at rates of exchange approximating those ruling at transaction dates. Foreign currency monetary assets and liabilities are translated at the rates ruling at the year-end. The resulting profits and losses on exchange are dealt with through the profit and loss account. Balances in notes are in functional currency unless otherwise stated.

2.7 Deferred Taxation

Deferred taxation is provided, using the liability method, on all significant temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the years on which those temporary differences are expected to be recovered or settled based on tax rates enacted at the balance sheet date. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2.8 Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation and any impairment. Depreciation is calculated on the straight line method to write off the cost of the assets over their estimated useful lives of 3 years.

2.9 Debtors

Receivables are recognised and carried at original invoice amount less provision on any uncollectible amounts.

2.10 Cash and Cash Equivalent

Cash and cash equivalents comprise cash and bank deposits which are readily convertible to cash and which are subject to an insignificant risk of changes in value.

2.11 Creditors

Liabilities for amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.

2.12 Related Party

A related party is defined as one that directly or indirectly is under common control with the Association.

2.13 Employee Benefits

The Association makes contributions to the Central Provident Fund scheme in Singapore. Such contributions are recognised as an expense in the period in which the related service is performed.

2.14 Impairment

The carrying amounts of the Association's assets are reviewed at year-end to determine if there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. All impairment losses are recognised in the profit and loss account. An impairment loss is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognised.

2.15 Financial Instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, and trade and other payables. They are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs.

A financial instrument is recognised if the Association becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Association's contractual rights to the cash flows from the financial assets expire or if the Association transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, ie the date the Association commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Association's obligations specified in the contract expire or are discharged or cancelled.

3 Fixed Assets

| | Computer equipment | Total |
|--------------------------------------|-----------------------|-------|
| | \$ | \$ |
| Cost: | | |
| Additions | 2,150 | 2,150 |
| At 31 March 2010 and 1 April 2010 | 2,150 | 2,150 |
| At 31 March 2011 | 2,150 | 2,150 |
| Accumulated Depreciation: | | |
| Charge for the financial year | 717 | 717 |
| At 31 March 2010 and 1 April 2010 | 717 | 717 |
| Charge for the financial year | 716 | 716 |
| At 31 March 2011 | 1,433 | 1,433 |
| Net Book Value: | | |
| At 31 March 2011 | 717 | 717 |
| At 31 March 2010 | 1,433 | 1,433 |

4 Debtors, Deposit and Prepayment

| | 2011 | 2010 |
|--|---------------|---------------|
| | \$ | \$ |
| Receivable from Singapore Sports Council | - | 13,000 |
| Deferred expenditure | - | 20,681 |
| Deposit | 1,500 | 1,500 |
| Prepayment | 4,423 | 3,995 |
| Sundry debtors | 12,482 | 2,354 |
| | <u>18,405</u> | <u>41,530</u> |

5 Creditors and Accrual

| | 2011 | 2010 |
|------------------|--------------|---------------|
| | \$ | \$ |
| Deferred income | - | 20,000 |
| Sundry creditors | 315 | - |
| Accrual | 8,812 | 6,446 |
| | <u>9,127</u> | <u>26,446</u> |

6 Singapore Ice Skating Association (SISA) Scholastic Award Fund

This fund is used for school-aged SISA members of good standing, who have distinguished themselves both in figure skating and school academics.

7 Revenue

Revenue mainly represent contributions received and receivable for sports activities conducted during the year.

| | 2011 | 2010 |
|---|----------------|----------------|
| | \$ | \$ |
| Donations and grants | 68,347 | 63,732 |
| Registration and affiliation fees | 17,951 | 10,889 |
| Service income | 7,375 | 3,348 |
| Subsidies from Singapore Sports Council | 76,555 | 100,806 |
| | <u>170,228</u> | <u>178,775</u> |

8 Key Management Personnel Costs

There is no key management in remuneration bands for year ending 31 March 2011 and 2010.

9 Tax-Exempt Receipts

| | 2011 | 2010 |
|--|-------|------|
| | \$ | \$ |
| Tax-exempt receipts issued for donations collected | 5,050 | - |

10 Taxation

The income of the Association is exempted from tax under Section 13 of the Singapore Income Tax Act Cap. 134, with effect from 31 December 2010, except for interest income.

| | 2011 | 2010 |
|---------------------|--------------|--------------|
| | \$ | \$ |
| Current year's tax | - | 4,476 |
| Previous year's tax | 1,868 | - |
| | <u>1,868</u> | <u>4,476</u> |

10 Taxation (cont'd)

A reconciliation between the tax expense and that derived by applying statutory tax rate on book surplus is as follows:

| | 2011 | 2010 |
|---------------------------------------|---------------------|---------------------|
| | \$ | \$ |
| Surplus before taxation | <u>6,638</u> | <u>59,097</u> |
| Tax at statutory rate on book surplus | 1,128 | 10,046 |
| Tax exemption | - | (5,394) |
| Underprovision of previous year's tax | 1,868 | - |
| Items not subject to tax | (1,128) | (244) |
| Others | - | 68 |
| | <u><u>1,868</u></u> | <u><u>4,476</u></u> |

11 Related Party Transactions

| | 2011 | 2010 |
|----------------------------------|------|----------|
| | \$ | \$ |
| Donations received | - | 21,000 |
| Salaries and bonus | - | (36,500) |
| Professional and legal fees paid | - | (9,345) |
| Rental of office premises | - | (2,140) |

12 Financial Risk Management Objectives and Policies

The main risks arising from the Association's financial instruments are liquidity risk and credit risk. The policies for managing each of these risks are summarised as follows:

Liquidity risk

The Association's financing activities are managed by maintaining an adequate level of cash and cash equivalents to finance the operations. Advance from Singapore Sports Council and sponsorship ensure continuity of funding.

Credit risk

Credit risk arises mainly from the risk on counterparties defaulting on the terms of their agreements. The carrying amounts of cash and cash equivalents and debtors represent the Association's maximum exposure to credit risk in relation to financial assets. The Association monitors the exposure to credit risk on an ongoing basis and credit evaluations are performed on parties requiring credit over a certain amount. Cash terms or advance payments are required for parties of lower credit standing. The credit risk on balances of cash and cash equivalents is low as these balances are placed with a reputable bank.

13 Fair Values of Financial Instruments

The carrying value of cash at bank, and amounts receivable and payable approximates fair value due to the relatively short-term maturity of these financial instruments.

14 Accounting Estimates and Judgement in Applying Accounting Policies

The Association makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

Impairment loss on trade receivables

The Association evaluates whether there is any objective evidence that trade receivables are impaired and determine the amount of impairment loss as a result of the inability of the debtors to make required payments. The Association bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the debtors and historical write-off experience. If the financial conditions of the debtors were to deteriorate, actual write-offs would be higher than estimated.

15 Comparative Figures

The comparative financial information for the year ended 31 March 2010 was audited by another firm of accountants.

The following detailed statement of comprehensive income is supplementary and does not form part of the audited accounts

**Detailed Statement of Comprehensive Income
For the year ended 31 March 2011**

| | 2011 \$ | 2010 \$ |
|---|----------------|----------------|
| <i>Income</i> | | |
| Donation income | 65,925 | 23,550 |
| Events and functions | 11,916 | 5,534 |
| Membership fee | 6,035 | 5,355 |
| Subsidy from Singapore Sports Council | 76,555 | 100,806 |
| Services rendered | 7,375 | 3,348 |
| Sponsorship and development funding | 2,422 | 40,182 |
| Other income | - | 1,319 |
| Total income | 170,228 | 180,094 |
| <i>Less Expenditure</i> | | |
| Advertising expenses | - | 535 |
| Affiliation fees | 1,112 | 1,069 |
| Allowances and honorarium | 2,411 | - |
| Bank charges | 455 | 205 |
| Coaching expenses | 2,100 | 5,340 |
| Contributions to CPF Board | 2,518 | - |
| Depreciation of fixed assets | 716 | 717 |
| Equipment expensed off | 3,097 | 775 |
| Events and functions | 68,958 | 46,970 |
| General expenses | 2,157 | 295 |
| Insurance | 5,436 | 1,248 |
| Local accommodation | 5,624 | - |
| Meetings and entertainment | 6,838 | 5,297 |
| Printing, postage and stationery | 5,922 | 3,613 |
| Professional and legal fees | 18,833 | 12,445 |
| Rental | - | 2,140 |
| Repair and maintenance | 114 | - |
| Salaries and bonus | 20,288 | 36,588 |
| Staff training and welfare | 256 | - |
| Telecommunication | 1,231 | 853 |
| Transport and travelling | 13,054 | 2,907 |
| Web design and maintenance | 2,470 | - |
| | (163,590) | (120,997) |
| Surplus for the year before taxation | 6,638 | 59,097 |