

S B Tan Audit PAC

Public Accountants & Chartered Accountants

Reg no. 201709525H
118 Aljunied Avenue 2 #06-104
Singapore 380118
Tel: 6844 8626 Fax: 6844 8627
E-mail: admin@sbtan.com
<http://www.sbtan.com>

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 2018

Contents	Page(s)
Report of the Executive Committee Members	1
Independent Auditors' Report	2 -3
Statement of Financial Position	4
Statement of Comprehensive Income	5
Statement of Changes in Funds	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 18

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 2018.

Executive Committee Members

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

Mrs Sonja Tan Mee Sim	- President
Ms Alicia Tan Gek Cheng	- Vice-President
Mr David Chandra	- Honorary Secretary
Mr Gary Sng Han Wei	- Honorary Treasurer
Ms Kam Ming Nie	- Committee Member

Auditors

The auditors, S B Tan Audit PAC, have expressed their willingness to accept re-appointment.

Statement by Executive Committee Members

The Executive Committee of **Singapore Ice Skating Association** is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act, Chapter 311, Charities Act, Chapter 37 and Singapore Financial Reporting Standards (FRS). This responsibility includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

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 Association as at 31 March 2018, and of the results, changes in funds and cash flows of the Association for the year ended on that date in accordance with the provisions of the Acts and FRS.

The Executive Committee Members have, on the date of this statement, authorised these financial statements for issue.

On behalf of the Executive Committee



Mrs Sonja Tan
President



Mr Gary Sng
Honorary Treasurer

Singapore

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Singapore Ice Skating Association** (the "Association") which comprises the statement of financial position as at 31 March 2018, the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the Societies Act, Charities Act and Singapore Financial Reporting Standards ("FRS") so as to give a true and fair view of the financial position of the Association as at 31 March 2018 and of the financial performance, changes in funds and cash flows of the Association for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Societies Act ("Act"), Charities Act ("Act") and Singapore Financial Reporting Standards ("FRS"), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Management's responsibilities include overseeing the Association's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Auditors' Responsibility for the Audit of the Financial Statements (continued)

As part of an audit in accordance with SSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Association have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Yong Seet Lee.



S B TAN AUDIT PAC
Public Accountants and
Chartered Accountants
Singapore
17 AUG 2018

Statement of Financial Position
As at 31 March 2018

	Note	2018 \$	2017 \$
Property, Plant and Equipment	3	18,498	13,541
Current Assets			
Trade and other receivables	4	137,128	200,237
Prepayments		8,916	6,773
Cash and cash equivalents	5	133,369	230,732
		<u>279,413</u>	<u>437,742</u>
Current Liabilities			
Trade and other payables	6	125,809	178,812
		<u>125,809</u>	<u>178,812</u>
Net Current Assets		153,604	258,930
Net Assets		<u><u>172,102</u></u>	<u><u>272,471</u></u>
<i>Representing:</i>			
Unrestricted Fund- Accumulated Fund	7	131,729	253,651
Restricted Fund		40,373	18,820
		<u><u>172,102</u></u>	<u><u>272,471</u></u>

The accompanying notes form part of the financial statements

Statement of Comprehensive Income
For the year ended 31 March 2018

	Note	2018 \$	2017 \$
Revenue	11	1,119,816	944,664
Other income		9,790	34,790
		1,129,606	979,454
<i>Less Expenditure</i>			
Depreciation of property, plant and equipment	3	14,598	11,629
Events and functions		698,541	564,922
Professional and legal fees		38,456	38,256
Staff costs - CPF contribution	12	13,798	12,784
- Salaries and other benefits		204,580	161,066
Transport and travelling		120,155	86,471
Other operating expenditure		161,400	143,760
		(1,251,528)	(1,018,888)
Deficit before taxation		(121,922)	(39,434)
Taxation	17	-	-
Deficit after taxation / Total comprehensive expense for the year		(121,922)	(39,434)

The accompanying notes form part of the financial statements

Statement of Changes in Funds
For the year ended 31 March 2018

	2018	2017
	\$	\$
Unrestricted Fund		
Accumulated fund brought forward	253,651	293,085
Deficit after taxation	(121,922)	(39,434)
Accumulated fund carried forward	131,729	253,651
Total unrestricted funds	131,729	253,651
Restricted Funds:		
ISU World Development Trophy Fund		
Balance at beginning of year	18,820	19,200
Fund utilised during the year	(1,069)	(380)
Balance at end of year	17,751	18,820
	8	
SISA Short Track Speed Fund		
Balance at beginning of year	-	-
Donations	20,000	-
Balance at end of year	20,000	-
	9	
SISA Figure Skating (single) Fund		
Balance at beginning of year	-	-
Donations	20,000	-
Less: expenditure	(17,378)	-
Balance at end of year	2,622	-
	10	
Total Restricted Funds	40,373	18,820
Total Funds	172,102	272,471

The accompanying notes form part of the financial statements

Statement of Cash Flows

For the year ended 31 March 2018

	Note	2018 \$	2017 \$
Cash Flows From Operating Activities:			
Deficit before taxation		(121,922)	(39,434)
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment	3	14,598	11,629
Operating cash flow before working capital changes		<u>(107,324)</u>	<u>(27,805)</u>
<i>Change in operating assets and liabilities:</i>			
Trade and other receivables		63,109	(124,027)
Prepayments		(2,143)	17,216
Trade and other payables		(53,003)	60,715
Net cash used in operating activities		<u>(99,361)</u>	<u>(73,901)</u>
Net cash used in operating activities		<u>(99,361)</u>	<u>(73,901)</u>
Cash Flows From Investing Activities:			
Purchase of property, plant and equipment	3	(19,555)	-
Net cash used in investing activities		<u>(19,555)</u>	<u>-</u>
Cash Flows From Financing Activities:			
ISU World Dev Trophy Fund utilised		(1,069)	(380)
SISA Short Track Speed Fund received		20,000	-
SISA Figure Skating (single) Fund received		2,622	-
Net cash generated from /(used in) financing activities		<u>21,553</u>	<u>(380)</u>
Net decrease in cash and cash equivalents		(97,363)	(74,281)
Cash and cash equivalents at beginning of year		230,732	305,013
Cash and cash equivalents at end of year		<u><u>133,369</u></u>	<u><u>230,732</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 Singapore with its registered office at 6 Temasek Boulevard, #09-05 Suntec Tower 4, Singapore 038986. Singapore Ice Skating Association became a charity organisation from 31 December 2010 and is an Institution of a Public Character.

The principal place of operations of the Association is at 3 Stadium Drive, #01-33, Singapore 397630.

The principal activities of the Association is to promote the sports of ice skating.

The financial statements were authorised for issue by the Management Committee on 17 August 2018.

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 the Societies Act, Chapter 311, Charities Act, Chapter 37 and 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 Reserve Policy

The Association maintains unrestricted funds. Funds set up for specific purposes are classified as restricted funds. All income and expenses other than those attributable to restricted funds and common overheads are recorded in the unrestricted fund's statement of comprehensive income.

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Association, the financial statements of the Association are maintained such that the resources for various purposes are classified for accounting and reporting purposes that are in accordance with activities or objectives specified.

2.3 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. The adoption of these standards did not have any significant effect on the financial performance or position of the Association.

2.4 New Standards and Interpretations Not Yet Effective

The Association has not applied the new/revised accounting standards (including its consequential amendments) and interpretations that have been issued as of the date of the statements of financial position but are not yet effective. The initial application of these standards and interpretations is not expected to have any material impact on the Association's financial statements.

The Association has not considered the impact of accounting standards issued after the date of the statements of financial position.

2.5 Revenue Recognition

Membership, coaching and training fee is recognized on accrual basis when due and payable.

Registration fee is recognized when the event takes place.

Sports Singapore, sponsorship and contribution is recognized upon receipt.

Subsidies from government that compensate the Association for expenses incurred are recognized as revenue in the income statement on a systematic basis in the same periods in which the expenses are incurred.

Interest income is recognised as the interest accrues unless collectibility is in doubt.

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 Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Association and the cost of an item can be measured reliably. Property, plant and equipment 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.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.7 Property, Plant and Equipment (cont'd)

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

2.8 Cash and Cash Equivalents

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

2.9 Related Party

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Association if that person:

- (i) Has control or joint control over the Association;
- (ii) Has significant influence over the Association; or
- (iii) Is a member of the key management personnel of the Association or of a parent of the Association.

(b) An entity is related to the Association if any of the following conditions applies:

- (i) The entity and the Association are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Association or an entity related to the Association. If the Association is itself such a plan, the sponsoring employers are also related to the Association;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

2.10 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.

2.11 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.

2.12 **Financial Assets**

i) Classification

The Association classifies its financial assets according to the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date. The Association's only financial assets are loans and receivables.

Loans and receivables

Loan and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables excluding prepayments are presented as "trade and other receivables" and "cash and bank balances" on the balance sheet.

ii) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date - the date on which the Association commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Association has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the net sale proceeds and its carrying amount is recognised in profit or loss. Any amount in the fair value reserve relating to that asset is also transferred to profit or loss.

iii) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit and loss are recognised as expenses.

iv) Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method.

Interest income on financial assets are recognised separately in profit or loss.

2.13 **Financial Liabilities**

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

2.14 **Provisions**

Provisions are recognised when the Association has a present obligation (legal or constructive) where, as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

3 Property, Plant and Equipment

	Sports Equipment	Computer Equipment	Total
Cost:	\$	\$	\$
At 1 April 2016	46,944	14,445	61,389
Disposals	-	(2,150)	(2,150)
At 31 March 2017 and 1 April 2017	46,944	12,295	59,239
Additions	-	19,555	19,555
At 31 March 2018	46,944	31,850	78,794
Accumulated Depreciation:			
At 1 April 2016	25,092	11,127	36,219
Charge for the financial year	9,334	2,295	11,629
Disposals	-	(2,150)	(2,150)
At 31 March 2017 and 1 April 2017	34,426	11,272	45,698
Charge for the financial year	9,389	5,209	14,598
At 31 March 2018	43,815	16,481	60,296
Net Book Value:			
At 31 March 2018	3,129	15,369	18,498
At 31 March 2017	12,518	1,023	13,541

4 Trade and Other Receivables

	2018	2017
	\$	\$
Accounts receivables	6,680	6,998
Grant receivables	21,324	61,861
Deposit	1,308	1,308
Paypal Account	107,816	130,070
	<u>137,128</u>	<u>200,237</u>

Trade receivables are non-interest bearing and are generally on 30 days' terms.

Receivables that are past due but not impaired

The Association has trade debtors amounting to \$NIL (2017: \$NIL) that are past due at the reporting date but not yet impaired. These debts were unsecured and the analysis of their aging at the reporting date was as follows:

4 Trade and Other Receivables (cont'd)

<i>Trade debtors past due but not impaired:</i>	Gross 2018 \$	Impairment 2018 \$	Gross 2017 \$	Impairment 2017 \$
Less than 30 days	-	-	-	-
Past due 31 - 60 days	-	-	-	-
More than 61 days	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Trade receivables that are determined to be impaired at the statement of financial position date relate to debtors that are in financial difficulties and have defaulted on payments. Based on historic default rates, the Association believes that, apart from the above, no impairment allowance is necessary. The allowance account in respect of loans and receivables is used to record impairment losses unless the Association is satisfied that no recovery of the amount owing is possible; at that point, the amounts are considered irrecoverable and are written off against the financial asset directly. At 31 March 2018, the Association's collective impairment on its loans and receivables is \$Nil (31 March 2017: Nil).

5 Cash and Cash Equivalents

	2018 \$	2017 \$
Cash and cash equivalents - restricted in use	17,752	18,821
Cash and cash equivalents - non restricted in use	115,617	211,911
	<u>133,369</u>	<u>230,732</u>

UOB bank is the banker of the Association.

6 Trade and Other Payables

	2018 \$	2017 \$
Advance income	-	72,910
Sundry payables	83,357	-
Accrual	42,452	105,902
	<u>125,809</u>	<u>178,812</u>

7 Unrestricted Funds- Accumulated Funds

	2018	2017
	\$	\$
Unrestricted Funds - Accumulated Fund	131,729	253,651
Annual Operating Expenditure	1,251,528	1,018,888
Ratio of Unrestricted Reserves to Annual Operating Expenditure	0.11	0.25

The reserves of the Association provide financial stability and the means for the development of the Association's activities. The Association intends to maintain the reserves at a level sufficient for its operating needs. The Executive Committee Members review the level of reserves regularly for the Association's continuing obligations.

8 Restricted Funds - ISU World Development Trophy Fund

	2018	2017
	\$	\$
Balance at beginning of year	18,820	19,200
Amortization of funds	(1,069)	(380)
Balance at end of year	<u>17,751</u>	<u>18,820</u>

This represents fund designated to provide funding for the short track equipment.

9 Restricted Funds - SISA Short Track Speed Fund

	2018	2017
	\$	\$
Balance at beginning of year	-	-
Donations	20,000	-
Balance at end of year	<u>20,000</u>	<u>-</u>

This represents fund designated to provide funding for the short track speed skating activities.

10 Restricted Funds - SISA Figure Skating (single) Fund

	2018	2017
	\$	\$
Balance at beginning of year	-	-
Donations	20,000	-
Less: expenditure	(17,378)	-
Balance at end of year	<u>2,622</u>	<u>-</u>

This represents fund designated to provide funding for the figure skating (single) activities.

11 Revenue

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

	2018	2017
	\$	\$
Donations and grants	132,029	150,353
Registration and affiliation fees	98,945	53,800
Service income - ice skating practice time	505,837	414,939
Sponsorship and development funding	28,205	26,245
Subsidies from Sports Singapore	354,800	299,327
	<u>1,119,816</u>	<u>944,664</u>

12 Key Management Personnel Costs

	2018	2017
	\$	\$
Top three executives' annual remuneration (including CPF)	<u>167,676</u>	<u>125,129</u>
Number of top three executives in remuneration bands:		
- Below S\$50,000	3	3

13 Tax-Exempt Receipts

	2018	2017
	\$	\$
Tax-exempt receipts issued for donations collected	<u>40,000</u>	<u>40,000</u>

14 Related Party Transactions

The Association had no significant related party transactions for the year.

15 Overseas Expenditure

The Association incurred the following expenses for overseas expenses:

	2018	2017
	\$	\$
Total Overseas travel/accomodation/allowances/training	<u>57,090</u>	<u>14,903</u>

16 Operating Lease Commitments**(i) Operating lease commitments - as lessee**

The Association have commitments for future lease payments under non-cancellable operating leases as follows:

	2018	2017
	\$	\$
Payable:		
- within one year	16,793	16,792
- after one year	33,586	1,399
	<u>50,379</u>	<u>18,191</u>

Leases where the lessor effectively retains substantially all risks and benefits of ownership of the leased items are classified as operating leases.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

17 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.

18 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 Sports Singapore and sponsorship ensure continuity of funding.

	2018	2017
	\$	\$
Trade and other payables		
< 12 months	125,809	105,902
1 - 2 years	-	-
2 - 5 years	-	-
> 5 years	-	-
	<u>125,809</u>	<u>105,902</u>

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.

19 Fair Values of Financial Instruments

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and cash equivalents, other receivables and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Classification of Financial Instruments

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

	2018	2017
	\$	\$
Financial assets (undiscounted)		
Trade and other receivables	144,736	205,702
Cash and cash equivalents	133,369	230,732
	<u>278,105</u>	<u>436,434</u>
Financial liabilities (undiscounted)		
Trade and other payables	125,809	105,902
	<u>125,809</u>	<u>105,902</u>

20 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:

Depreciation of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight-line basis over their respective useful lives. Management estimates the useful lives of this property, plant and equipment to be within 3 years. The carrying amount of the Association's property, plant and equipment is stated in Note 3. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets. Therefore future depreciation charges could be revised and impact the profit in future years.

21 **Capital Management**

The primary objective of the management of the Association's capital structure is to maintain an efficient mix of debt and funds in order to achieve a low cost of funds, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows.

The Management regularly reviews the Association's capital structure and make adjustments to reflect economic conditions, strategies and future commitments.

The Association did not breach any gearing covenants during the financial years ended 31 March 2018 or 31 March 2017. In the same period, no significant changes were made in the objectives, policies or processes relating to the management of the Association's capital structure.

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 2018

	2018	2017
	\$	\$
<i>Income</i>		
Donation income	132,029	150,353
Registration fees	78,560	40,025
Membership fees	20,385	13,775
Subsidy from SportSG	354,800	299,327
Services rendered - ice skating practice time	505,837	414,939
Sponsorship and development funding	28,205	26,245
Sponsorship income in kind	-	17,429
Other income	9,790	17,361
Total income	1,129,606	979,454
<i>Less Expenditure</i>		
Advertising expenses	170	295
Affiliation fees	25	25
Bank charges	612	840
Coaching expenses	37,592	25,739
Contributions to CPF Board	13,798	12,784
Depreciation of property, plant and equipment	14,598	11,629
Equipment expensed off	-	7,461
Events and functions	698,541	564,922
General expenses	34,803	28,158
Insurance	4,817	5,471
Local accommodation	15,173	9,155
Printing, postage and stationery	15,276	7,788
Professional and legal fees	38,456	38,256
Refund to SportSG	9,181	900
Rental	16,792	16,792
Salaries and bonus	204,580	161,066
Spextag	20,950	19,600
Sponsorship expense in kind	-	17,429
Staff training and welfare	907	88
Telecommunication	1,917	2,024
Transport and travelling	120,155	86,471
Web design and maintenance	3,185	1,995
	(1,251,528)	(1,018,888)
Deficit for the year before taxation	(121,922)	(39,434)