

SINGAPORE ATHLETIC ASSOCIATION

UEN: S63SS0015L

(Incorporated in Singapore)

FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

Audit Alliance LLP

Public Accountants and Chartered Accountants Singapore

SINGAPORE ATHLETIC ASSOCIATION

UEN: S63SS0015L

(Incorporated in Singapore)

FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

Contents	Page
Statement by the Board Members	1
Independent Auditor's Report	2 - 4
Statement of Financial Position	5
Statement of Comprehensive Income	6
Statement of Changes in Funds	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 - 31

SINGAPORE ATHLETIC ASSOCIATION
UEN: S63SS0015L

STATEMENT BY THE BOARD MEMBERS

For the financial year ended 31 March 2022

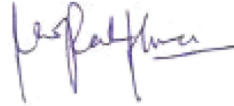
In the opinion of the Board Members,

- (a) the financial statements of Singapore Athletic Association (the “Association”) are drawn up so as to give a true and fair view of the financial position of the Association as at 31 March 2022 and the financial performance, changes in funds and cash flows of the Association for the year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

On behalf of the Board Members,



LIEN CHONG LUEN
President



BELINDA NEO
Honorary Treasurer

Singapore, 24 August 2022

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SINGAPORE ATHLETIC ASSOCIATION**

UEN: S63SS0015L

For the financial year ended 31 March 2022

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Singapore Athletic Association (the "Association") which comprise the Statement of Financial Position of the Association as at 31 March 2022, and the Statement of Comprehensive Income, the Statement of Changes in Funds and the Statement of Cash Flows of the Association for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements are properly drawn up in accordance with provisions of the Singapore Societies Act Cap 311 (the "Societies Act"), the Charities Act Cap 37 (the "Charities Act"), (together, the "Acts") and Singapore Financial Reporting Standards (FRSs) so as to give a true and fair view of the financial position of the Association as at 31 March 2022 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 Auditors' 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.

Other Information

The Board Members is responsible for the other information. The other information comprises of the Statement by the Board Member included on page 1 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Board Members for the Financial Statements

The Board Members is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Acts and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SINGAPORE ATHLETIC ASSOCIATION**

UEN: S63SS0015L

For the financial year ended 31 March 2022

Responsibilities of Board Members for the Financial Statements (continued)

In preparing the financial statements, the Board Members 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 the Board Members either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities 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.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism 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 Board Members.
- Conclude on the appropriateness of Board Members'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 auditors' 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 Board Members 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SINGAPORE ATHLETIC ASSOCIATION**

UEN: S63SS0015L

For the financial year ended 31 March 2022

Report on other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Association have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations.

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

- (a) the Association has not used the donation moneys in accordance with its objective as required under Regulation 11 of the Charities (Institution of a Public Character) Regulations; and
- (b) the Association has not complied with the requirement of Regulation 15 of the Charities (Institution of a Public Character) Regulations.



AUDIT ALLIANCE LLP

Public Accountants and Chartered Accountants

Singapore, **24 AUG 2022**

SINGAPORE ATHLETIC ASSOCIATION
UEN: S63SS0015L

STATEMENT OF FINANCIAL POSITION
As at 31 March 2022

	Note	2022 S\$	2021 S\$
Assets			
Non-current assets			
Plant and equipment	4	248,016	174,575
Right-of-use assets	16	<u>365,354</u>	<u>599,399</u>
		<u>613,370</u>	<u>773,974</u>
Current assets			
Inventories	5	63,958	83,734
Trade receivables	6	70,616	37,366
Other receivables	7	30,611	39,405
Other current assets	8	32,913	9,933
Cash and cash equivalents	9	<u>2,041,546</u>	<u>1,506,003</u>
		<u>2,239,644</u>	<u>1,676,441</u>
Total assets		<u><u>2,853,014</u></u>	<u><u>2,450,415</u></u>
Funds and liabilities			
Funds			
Accumulated funds		1,637,480	1,477,830
Restricted funds	10	<u>29,616</u>	<u>42,000</u>
		<u>1,667,096</u>	<u>1,519,830</u>
Non-current liabilities			
Deferred capital grants	11	171,653	65,154
Lease liabilities	16	<u>141,480</u>	<u>376,340</u>
		<u>313,133</u>	<u>441,494</u>
Current liabilities			
Trade payables	12	71,210	74,516
Other payables	13	564,581	179,124
Deferred income		2,134	6,890
Lease liabilities	16	<u>234,860</u>	<u>228,561</u>
		<u>872,785</u>	<u>489,091</u>
Total liabilities		<u>1,185,918</u>	<u>930,585</u>
Total funds and liabilities		<u><u>2,853,014</u></u>	<u><u>2,450,415</u></u>

SINGAPORE ATHLETIC ASSOCIATION
UEN: S63SS0015L

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 March 2022

	Note	2022 S\$	2021 S\$
Affiliation fees		6,900	6,250
Course, registration and subscription fees		27,850	9,945
Event revenue		138,793	32,995
Grants from Sport Singapore / IAAF			
- Annual funding	14	1,143,572	1,018,714
- Amortisation of deferred capital grants	11	13,397	27,620
Other grant income		105,026	181,102
Sponsorship income and donations		64,110	67,593
Sundry income		12,911	31,070
Total revenue		1,512,559	1,375,289
Amortisation of right-of-use assets	16	234,045	233,221
Consultancy and course fees		8,800	12,600
Depreciation of property, plant and equipment	4	41,443	88,269
Event costs		164,560	55,728
Facilities and equipment		14,927	26,536
Finance costs	16	20,409	12,995
Impairment of inventories	5	19,776	-
Legal and professional fees		-	138,414
Other operating expenditure		108,953	103,907
Provision for doubtful debts	6	1,383	14,069
Staff salaries and related costs	15	632,340	641,870
Sundry costs		534	12,264
Training and development costs		118,123	7,798
Total expenditure		1,365,293	1,347,671
Surplus for the year		147,266	27,618
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year		147,266	27,618

SINGAPORE ATHLETIC ASSOCIATION
UEN: S63SS0015L

STATEMENT OF CHANGES IN FUNDS
For the financial year ended 31 March 2022

	Restricted funds S\$ (Note 10)	Accumulated funds S\$	Total S\$
Balance as at 31 March 2020	-	1,492,212	1,492,212
Total comprehensive income for the year	27,000	618	27,618
Transfer to / (from)	15,000	(15,000)	-
Balance as at 31 March 2021	42,000	1,477,830	1,519,830
Total comprehensive (loss)/income for the year	(12,384)	159,650	147,266
Balance as at 31 March 2022	29,616	1,637,480	1,667,096

STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2022

	Note	2022 S\$	2021 S\$
Cash flows from operating activities			
Surplus before taxation		147,266	27,618
Adjustments for:			
Amortisation of deferred capital grants	11	(13,397)	(27,620)
Amortisation of right-of-use assets	16	234,045	233,221
Depreciation of plant and equipment	4	41,443	88,269
Gain on disposal of property, plant and equipment		(588)	-
Provision of doubtful debts		1,383	-
Impairment for inventories		19,776	-
Interest expense		20,409	12,995
		<u>450,337</u>	<u>334,483</u>
Changes in working capital:			
Inventories		-	(11,657)
Trade receivables		(34,633)	7,123
Other receivables		8,794	281,168
Other current assets		(22,980)	(2,410)
Trade payables		(3,306)	(1,053)
Other payables		385,457	84,614
Deferred income		(4,756)	(930)
Deferred capital grants		119,896	66,987
Net cash generated from operating activities		<u>898,809</u>	<u>758,325</u>
Cash flows from investing activities			
Purchase of plant and equipment	4	(119,896)	(66,984)
Proceed from disposal of plant and equipment		5,600	-
Net cash used in investing activities		<u>(114,296)</u>	<u>(66,984)</u>
Cash flows from financing activities			
Repayment of lease liabilities principal		(228,561)	(235,975)
Interest paid		(20,409)	(12,995)
Net cash used in financing activities		<u>(248,970)</u>	<u>(248,970)</u>
Net increase in cash and cash equivalents		535,543	442,371
Cash and cash equivalents at beginning of financial year		<u>1,506,003</u>	<u>1,063,632</u>
Cash and cash equivalents at end of financial year	9	<u>2,041,546</u>	<u>1,506,003</u>

SINGAPORE ATHLETIC ASSOCIATION

UEN: S63SS0015L

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

These notes form an integral part and should be read in conjunction with the accompanying financial statements.

1. General information

Singapore Athletic Association (the “Association”) is a society registered under the Societies Act, Chapter 311 and is domiciled in Singapore.

The registered office and principal place of business of the Association is located at 3 Stadium Drive #01-33, Singapore Sports Hub, Singapore 397630.

The Association was registered as a charity under the Charities Act (Chapter 37) since 1 February 2011 and has been accorded IPC (Institution of a Public Character) status up to 1 February 2024.

The principal activities of the Association are those of governing, promoting and organising track and field, race walking, marathon, cross country and tug-of-war related activities in Singapore.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements are drawn up in accordance with provisions of the Acts and FRSs so as to give a true and fair view of the financial position of the Association as at 31 March 2022 and of the financial performance, changes in funds and cash flows of the Association for the financial year ended on that date.

The financial statements are presented in Singapore Dollar (S\$), which is the Association’s functional currency.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Association has adopted all the new and amended standards which are relevant to the Association and are effective for annual financial periods beginning on or after 1 April 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Association.

2.3 New or amended Standards and Interpretations effective after 1 April 2022

Certain new accounting standards and interpretation have been published that are mandatory for accounting years beginning on 1 April 2022.

The Association is currently assessing the impact on the adoption of the new standards in the period of initial application.

2.4 Functional and presentation currency

The financial statements are presented in Singapore Dollar (“S\$”), which is the functional currency of the Association.

Transactions in foreign currencies are measured in the functional currency of the Association and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

2. Summary of significant accounting policies (continued)

2.4 Functional and presentation currency (continued)

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.5 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 property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated on a straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	<u>Years</u>
Furniture and fittings	10
Office and sports equipment	5-10
Motor vehicle	5

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, 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 de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.6 Impairment of non-financial assets

The Association assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Association makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

2. Summary of significant accounting policies (continued)

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in first-out method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

When necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

2.8 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the Association becomes party to the contractual provisions of the instruments.

At initial recognition, the Association measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Association expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Association's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Association only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Investments in debt instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Association may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Association's right to receive payments is established. For investments in equity instruments which the Association has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

2. Summary of significant accounting policies (continued)

2.8 Financial instruments (continued)

(a) Financial assets (continued)

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Association becomes a party to the contractual provisions of the financial instrument. The Association determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.9 Impairment of financial assets

The Association recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Association expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. Summary of significant accounting policies (continued)

2.9 Impairment of financial assets (continued)

For trade receivables, the Association applies a simplified approach in calculating ECLs. Therefore, the Association does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Association has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Association considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Association may also consider a financial asset to be in default when internal or external information indicates that the Association is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Association. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and short-term bank deposits and are subject to an insignificant risk of changes in value.

2.11 Funds

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.

The preparation of the Association's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

2.12 Provision

Provisions are recognised when the Association has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

2. Summary of significant accounting policies (continued)

2.13 Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

2.14 Employee benefits

Defined contribution plans

The Association makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by the employees up to the reporting date.

2.15 Leases

The Association assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

When the Association is the lessee

The Association applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Association recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Association recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

2. Summary of significant accounting policies (continued)

2.15 Leases (continued)

If ownership of the leased asset transfers to the Association at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.5.

The Association's right-of-use assets are presented within lease (Note 16(a)).

Lease liabilities

At the commencement date of the lease, the Association recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Association and payments of penalties for terminating the lease, if the lease term reflects the Association exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Association uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Association's lease liabilities are disclosed in Note 16(b).

Short-term leases and leases of low-value assets

The Association applies the short-term lease recognition exemption to its short-term leases of machinery (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.16 Revenue recognition

Revenue is measured based on the consideration to which the Association expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Association satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

2. Summary of significant accounting policies (continued)

2.16 Revenue recognition (continued)

Rendering of services

Revenue from rendering of services is recognised over the period in which the services are provided.

Entry and programme fees

Entry and programme fees are recognised when the event takes place (i.e. at a point in time).

Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

Sponsorship income and donation

Sponsorship income is recognised either over time where the performance obligation is satisfied over time, or for specific events is recognised at the point when the event takes place. Donation income is recognised on a receipt basis.

2.17 Taxes

The Association is a tax-exempted institution under the provision of the Income Tax Act (Chapter 132, 2004 Revised Edition).

2.18 Conflict of interest policy

The Board Members are expected to avoid actual and perceived conflicts of interest. Where Board Members have personal interest in business transactions or contracts that the Association may enter into, or have vested interest in other organisations that the Association have dealings with or is considering to enter into joint ventures with, they are expected to declare such interests to the Board Members as soon as possible and abstain from discussion and decision-making on the matter. Where such conflicts exist, the Board Members will evaluate whether any potential conflicts of interest will affect the continuing independence of Board Members and whether it is appropriate for the Board Members to continue to remain on the Board.

3. Significant accounting judgements and estimates

The preparation of the Association's financial statements requires Board Members to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

The Board Members are of the opinion that there are no significant judgements made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

3. Significant accounting judgements and estimates (continued)

3.2 Key sources of estimation of uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Association based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Association. Such changes are reflected in the assumptions when they occur.

(a) Inventory valuation method

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made periodically on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines. The realisable value represents the best estimate of the recoverable amount and is based on the most reliable evidence available and inherently involves estimates regarding the future expected realisable value. The carrying amount of the Association's inventories as at 31 March 2022 was S\$63,958 (2021: S\$83,734). If the future expected realisable value lower by 10% of its carrying amount, the carrying amount of the Association's inventories would have been S\$57,238 lower.

(b) Provision for expected credit losses of trade receivables

The Association's uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Association's historical observed default rates. The Association will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Association historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Association's trade receivables is disclosed in Note 19(a).

The carrying amount of the Association's trade and other receivables as at 31 March 2022 was S\$101,427 (2021: S\$76,771).

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2022

4. Plant and equipment

	Furniture and fittings S\$	Office and sports equipment S\$	Motor vehicle S\$	Total S\$
2022				
Cost				
At 31 March 2021	10,860	731,344	52,957	795,161
Additions	-	119,896	-	119,896
Disposal	-	-	(52,957)	(52,957)
At 31 March 2022	<u>10,860</u>	<u>851,240</u>	<u>-</u>	<u>862,100</u>
Accumulated depreciation				
At 31 March 2021	3,331	570,742	46,513	620,586
Depreciation charge	1,086	38,925	1,432	41,443
Disposal	-	-	(47,945)	(47,945)
At 31 March 2022	<u>4,417</u>	<u>609,667</u>	<u>-</u>	<u>614,084</u>
Net book value				
At 31 March 2022	<u>6,443</u>	<u>241,573</u>	<u>-</u>	<u>248,016</u>
2021				
Cost				
At 1 April 2020	10,860	664,360	52,957	728,177
Additions	-	66,984	-	66,984
At 31 March 2021	<u>10,860</u>	<u>731,344</u>	<u>52,957</u>	<u>795,161</u>
Accumulated depreciation				
At 1 April 2020	2,245	487,854	42,218	532,317
Depreciation charge	1,086	82,888	4,295	88,269
At 31 March 2021	<u>3,331</u>	<u>570,742</u>	<u>46,513</u>	<u>620,586</u>
Net book value				
At 31 March 2021	<u>7,529</u>	<u>160,602</u>	<u>6,444</u>	<u>174,575</u>

5. Inventories

	2022 S\$	2021 S\$
Statement of financial position		
Finished goods	<u>63,958</u>	<u>83,734</u>
Statement of comprehensive income		
Inventories recognised as an expense, inclusive of:		
Impairment of inventories	<u>19,776</u>	<u>-</u>

Inventories comprised mainly sports attire from UA Sports (S.E.A.) Pte Ltd sponsorship.

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2022

6. Trade receivables

	2022	2021
	S\$	S\$
Trade receivables	86,068	51,435
Less: Allowance for impairment	(15,452)	(14,069)
	<u>70,616</u>	<u>37,366</u>

Trade receivables are non-interest bearing and are generally on 30 day's term.

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

The carrying amounts of current trade and other receivables approximate their fair value.

Trade and other receivables are denominated in Singapore Dollar.

Trade receivables that are due but not impaired

The age analysis of trade receivables that are due at the end of their reporting period but not impaired are as follows:

	2022	2021
	S\$	S\$
Trade receivables due but not impaired:		
Less than 30 days	68,128	36,193
31 to 90 days	2,488	1,173
	<u>70,616</u>	<u>37,366</u>

Trade receivables that were impaired

The Association's trade receivables that were impaired at the reporting date and the movement of the allowance accounts used to record the impairment were as follows:

	2022	2021
	S\$	S\$
Gross amount	15,452	14,069
Less: Allowance for impairment	(15,452)	(14,069)
	<u>-</u>	<u>-</u>
Movement in allowance accounts:		
Beginning of financial year	14,069	15,220
Bad debt written off	-	(15,220)
Addition allowance for impairment	1,383	14,069
End of financial year	<u>15,452</u>	<u>14,069</u>

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2022

6. Trade receivables (continued)

Trade receivables that were determined to be impaired at the reporting date relate to debtors that were in significant financial difficulties and had defaulted on payments. These receivables were not secured by any collateral or credit enhancements.

Trade receivables are dominated in Singapore Dollars.

7. Other receivables

	2022 S\$	2021 S\$
Sundry receivables	8,417	16,691
Refundable deposits	<u>22,194</u>	<u>22,714</u>
	<u>30,611</u>	<u>39,405</u>

Other receivables are dominated in Singapore Dollars.

8. Other current assets

	2022 S\$	2021 S\$
Prepayments	5,909	4,576
Cash advance for overseas events	<u>27,004</u>	<u>5,357</u>
	<u>32,913</u>	<u>9,933</u>

Other current assets are denominated in Singapore Dollars.

9. Cash and cash equivalents

	2022 S\$	2021 S\$
Fixed deposits	765,811	759,159
Cash and bank balances	<u>1,275,735</u>	<u>746,844</u>
	<u>2,041,546</u>	<u>1,506,003</u>

Fixed deposits with banks mature within 12 (2021: 4 to 8) months from the end of the financial year and earn interest at rate of 0.25% to 0.35% (2021: 0.35% to 1.40%) per annum.

Cash and cash equivalents are dominated in the following currencies:

	2022 S\$	2021 S\$
Singapore Dollars	1,940,944	1,401,272
US Dollars	<u>100,602</u>	<u>104,731</u>
	<u>2,041,546</u>	<u>1,506,003</u>

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2022

10. Restricted funds

	2022	2021
	S\$	S\$
OTSF Fund		
Balance at beginning of year	42,000	-
Donations and fund generating activities	21,289	12,000
Matching grants	5,387	15,000
Transfer from accumulated funds	-	15,000
Utilisation of restricted funds	(39,060)	-
Balance at end of year	29,616	42,000

The One Team Singapore Fund (OTSF) was created to enable all supporters of team Singapore to contribute towards strengthening the high-performance sport system. It offers matching grants from the Government for donations channelled towards supporting our high-performance sport system.

11. Deferred capital grants

	2022	2021
	S\$	S\$
Cost:		
Beginning of financial year	307,495	240,508
Received during the year	119,896	66,987
End of the financial year	427,391	307,495
Accumulated amortisation:		
Beginning of financial year	242,341	214,721
Income for the year	13,397	27,620
End of the financial year	255,738	242,341
Balance at end of the financial year	171,653	65,154

12. Trade payables

	2022	2021
	S\$	S\$
Non-related parties	71,210	74,516

Trade payables are non-interest bearing and are normally settled on 30 to 60 days' terms.

Trade payables are denominated in Singapore Dollars.

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2022

13. Other payables

	2022	2021
	S\$	S\$
Sundry payables	30,205	36,890
Accrued expenses	215,732	51,184
Unutilised grants received in advance	318,644	91,050
	564,581	179,124

Other payables are denominated in Singapore Dollars.

14. Grant from Sport Singapore

The annual funding recognised as grant income includes actual amount received/receivable by the Association but exclude the non-disbursed grant of S\$340,000 (2021: S\$340,000) relating to the usage of Sport Singapore owned training facilities.

15. Staff salaries and related costs

	2022	2021
	S\$	S\$
Salaries, allowances and bonus	536,884	542,274
Employer's contribution to CPF and SDL	78,746	88,078
Other short-term benefits	16,710	11,518
	632,340	641,870
Average number of employees	9	11

Compensation of key management:

The remunerations of key management personnel of the Association during the financial year were as follows:

	2022	2021
	S\$	S\$
Salaries and other short-term employee benefits	107,994	-
CPF contributions	12,920	-
	120,914	-
No. of executive of the Association in remuneration bands: S\$100,001 – S\$200,000	1	-

A key management personnel of the Association who was seconded to the Association from a government agency in 31 March 2021, has employment contract with the government agency and did not receive any remuneration from the Association.

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2022

16. Leases

Association as a lessee

The Association has lease contracts for office and office equipment. The Association's obligations under these leases are secured by the lessor's title to the leased assets. The Association is restricted from assigning and subleasing the leased assets.

(a) Carrying amounts of right-of-use assets

	Office S\$	Office Equipment S\$	Total S\$
2022			
Cost			
Beginning of financial year	691,702	17,385	709,087
Additions	-	-	-
End of financial year	<u>691,702</u>	<u>17,385</u>	<u>709,087</u>
Accumulated amortisation			
Beginning of financial year	96,070	13,618	109,688
Additions	230,568	3,477	234,045
End of financial year	<u>326,638</u>	<u>17,095</u>	<u>343,733</u>
Net book value			
End of financial year	<u>365,064</u>	<u>290</u>	<u>365,354</u>
2021			
Cost			
Beginning of financial year	776,183	17,385	793,568
Additions	691,702	-	691,702
Remeasurement	(19,377)	-	(19,377)
Disposal	(756,806)	-	(756,806)
End of financial year	<u>691,702</u>	<u>17,385</u>	<u>709,087</u>
Accumulated amortisation			
Beginning of financial year	623,132	10,141	633,273
Additions	229,744	3,477	233,221
Disposal	(756,806)	-	(756,806)
End of financial year	<u>96,070</u>	<u>13,618</u>	<u>109,688</u>
Net book value			
End of financial year	<u>595,632</u>	<u>3,767</u>	<u>599,399</u>

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2022

16. Leases (continued)

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the year are disclosed as follows:

	2022 S\$	2021 S\$
Current	234,860	228,561
Non-current	141,480	376,340
	<u>376,340</u>	<u>604,901</u>

A reconciliation of liabilities arising from financing activities is as follows:

	1 April 2021 S\$	Cash flows S\$	Acquisition S\$	Non cash changes Accretion of interests S\$	Others S\$	31 March 2022 S\$
2022						
Current	228,561	(248,970)	-	20,409	234,860	234,860
Non-current	376,340	-	-	-	(234,860)	141,480
	<u>604,901</u>	<u>(248,970)</u>	<u>-</u>	<u>20,409</u>	<u>-</u>	<u>376,340</u>
	1 April 2020 S\$	Cash flows S\$	Acquisition S\$	Non cash changes Accretion of interests S\$	Others S\$	31 March 2021 S\$
2021						
Current	164,465	(248,970)	90,887	12,995	209,184	228,561
Non-current	4,086	-	600,815	-	(228,561)	376,340
	<u>168,551</u>	<u>(248,970)</u>	<u>691,702</u>	<u>12,995</u>	<u>(19,377)</u>	<u>604,901</u>

(c) Amount recognised in profit or loss

	2022 S\$	2021 S\$
Amortisation of right-of-use assets	234,045	233,221
Interest expense on lease liabilities	20,409	12,995
Total amount recognised in profit or loss	<u>254,454</u>	<u>246,216</u>

(d) Total cash flow

The Association had total cash outflows for leases of S\$248,970 (2021: S\$248,970).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

17. Categories of financial assets and liabilities

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

	2022	2021
	S\$	S\$
<i>Financial assets measured at amortised cost</i>		
Trade receivables	70,616	37,366
Other receivables	30,611	39,405
Cash and cash equivalents	2,041,546	1,506,003
	<u>2,142,773</u>	<u>1,582,774</u>
<i>Financial liabilities measured at amortised cost</i>		
Trade payables	71,210	74,516
Other payables	564,581	179,124
Lease liabilities	376,340	604,901
	<u>1,012,131</u>	<u>858,541</u>

A description of the accounting policies for each category of financial instruments is disclosed in Note 2.8 (Financial instruments). A description of the Association's financial risk management objectives and policies for financial instruments is given in Note 19.

18. Donations

	2022	2021
	S\$	S\$
Tax deductible donation	15,989	10,000
Non-tax deductible donation	5,300	2,000
	<u>21,289</u>	<u>12,000</u>

19. Financial risk management

The Association's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

The Board Members review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Association's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Association's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Association's exposure to these financial risks or the manner in which it manages and measures the risks.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

19. Financial risk management (continued)

a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Association. The Association's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities and cash), the Association minimises credit risk by dealing exclusively with high credit rating counterparties.

The Association has adopted a policy of only dealing with creditworthy counterparties. The Association performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Association considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Association has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Association has developed and maintained the Association's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Association's own trading records to rate its major customers and other debtors. The Association considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Association determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Association categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2022

19. Financial risk management (continued)

a) Credit risk (continued)

The Association's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising ECL
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Association's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	Category	12-month or lifetime ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
<u>31 March 2022</u>						
Trade receivables	5	Note 1	Lifetime ECL (simplified)	86,268	(15,452)	70,816
Other receivables	5	I	12-month ECL	30,611	-	30,611
					<u>(15,452)</u>	
<u>31 March 2021</u>						
Trade receivables	5	Note 1	Lifetime ECL (simplified)	51,435	(14,069)	37,366
Other receivables	5	I	12-month ECL	39,405	-	39,405
					<u>(1,692)</u>	

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

19. Financial risk management (continued)

a) Credit risk (continued)

Trade receivables (Note 1)

For trade receivables, the Association has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Association determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

Exposure to credit risk

The Association has no significant concentration of credit risk of trade receivables. The Association has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Financial assets that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Association. Bank balances are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are past due but not impaired

The Association has trade receivables that are past due at the end of the reporting period for which the Association has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. More information is disclosed in Note 6 of the financial statements.

Other receivables

The Association assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Association measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

b) Liquidity risk

Liquidity risk refers to the risk that the Association will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Association's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Association's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Association finances its working capital requirements through a combination of funds generated from operations and bank borrowings. The directors are satisfied that funds are available to finance the operations of the Association.

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 March 2022

19. Financial risk management (continued)

b) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Association's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount S\$	One year or less S\$	More than one year S\$
<u>As at 31 March 2022</u>			
<i>Financial assets</i>			
Trade receivables	70,616	70,616	-
Other receivables	30,611	30,611	-
Cash and cash equivalent	2,041,546	2,041,546	-
	2,142,773	2,142,773	-
<i>Financial liabilities</i>			
Trade payables	71,210	71,210	-
Other payables	564,581	564,581	-
Lease liabilities	376,340	234,860	141,480
	1,012,131	870,651	141,480
Total net undiscounted financial assets/(liabilities)	1,130,642	1,272,122	(141,480)
<u>As at 31 March 2021</u>			
<i>Financial assets</i>			
Trade receivables	37,366	37,366	-
Other receivables	39,405	39,405	-
Cash and cash equivalent	1,506,003	1,506,003	-
	1,582,774	1,582,774	-
<i>Financial liabilities</i>			
Trade payables	74,516	74,516	-
Other payables	179,124	179,124	-
Lease liabilities	604,901	228,561	376,340
	858,541	482,201	376,340
Total net undiscounted financial assets/(liabilities)	724,233	1,100,573	(376,340)

c) Foreign currency risk

The Association's foreign exchange risk results mainly from cash flow from transactions denominated in foreign currencies. At present, the Association does not have any formal policy for hedging against currency risk. The Association ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Association has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency of the Association, primarily United States Dollar (USD).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

19. Financial risk management (continued)

c) Foreign currency risk (continued)

The Association's currency exposure to the USD were as follows:

	2022	2021
	S\$	S\$
<u>Financial assets</u>		
Currency exposures on cash and cash equivalents	100,602	104,731

A 10% strengthening of Singapore Dollar against the foreign currencies denominated balances as at the reporting date would decrease profit or loss by the following amounts shown below. This analysis assumes that all other variable remains constant.

	Profit or loss (after tax)	
	2022	2021
	S\$	S\$
United States Dollar	8,339	8,693

A 10% weakening of Singapore Dollar against the above currency will have the equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remain constant.

20. Fair values of assets and liabilities

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.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

21. Capital management

The Association's objectives when managing capital are to safeguard the Association's ability to continue as a going concern and to maintain a capital structure which reduces the cost of capital. The capital structure of the Association consists of accumulated funds and Singapore International Marathon funds. In order to maintain or achieve an optimal capital structure, the Association may adjust the affiliation subscription rates or obtain borrowings. The Association's overall strategy remain unchanged during the financial years ended 31 March 2022 and 31 March 2021.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

22. Authorisation of financial statements

The financial statements for the financial year ended 31 March 2022 were authorised for issue by the Board Members on 24 August 2022.

SINGAPORE ATHLETIC ASSOCIATION

UEN: S63SS0015L

CORPORATE DATA

As at 31 March 2022

SINGAPORE ATHLETIC ASSOCIATION

(Incorporated in Singapore)

UEN: S63SS015L

Members of Elected Board Members (appointed on 25 September 2020)

President : Mr Lien Choong Luen
VP Training and Selection : Mr Yeo Foo Ee, Gary
VP Competitions Organising : Mr Yap Choon Joe
VP Finance and Partnerships : Ms Marinda Teo Hway Gee
Honorary Treasurer : Ms Neo Peck Hwee, Belinda
Honorary Secretary : Mr Lin Jintao Arthur
Assistant Honorary Secretary : Mr Ang Kim Hwa Kelvin
Board member : Mr Chen Siyuan
Board member : Mr Jonathan Tan Liong

Members of Non-elected Board Members

Athletes' Commission Representative : Mr Poh Seng Song

Auditor

Audit Alliance LLP
Public Accountants and Chartered Accountants Singapore
10 Anson Road,
#20-16 International Plaza,
Singapore 079903.
Telephone : (65) 6223 6796
Fax : (65) 6220 7808
Partner : Chiew Shang Hui

Registered Office

3 Stadium Drive #01-33 Singapore Sports Hub
Singapore 397630

Principal Banker

DBS Bank Ltd