

Singapore Canoe Federation
(Unique Entity Number: S71SS0035C)

**Statement by Management Committee Members
and Financial Statements
Financial Year Ended 31 March 2020**

KLP LLP
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**Singapore Canoe Federation
General Information and Table of Content**

Members of the Singapore Canoe Federation Management Committee

The members of the Singapore Canoe Federation Committee in office at the date of this report are:

<u>Name</u>	<u>Designation</u>	<u>Date of appointment</u>
Mr Yip Kwan Guan	President	17 August 2019
Dr Zason Chian Lit Khoon	Vice-President	17 August 2019
Mr Sean Chan Sik Lung	Vice-President	17 August 2019
Mr Vincent Wong Heng Choy	Vice-President	17 August 2019
Mr Francis Ng Yong Kiat	Vice-President	17 August 2019
Mr Henry Sim	Honorary Secretary	17 August 2019
Ms Qiu Yunru	Assistant Honorary Secretary	17 August 2019
Mr Richard Lee Cheow Lien	Honorary Treasurer	17 August 2019
Ms Yeung Xintian	Assistant Honorary Treasurer	17 August 2019

The designation and company work of the Singapore Canoe Federation Committee at the date of this report are:

<u>Name</u>	<u>Company</u>	<u>Designation</u>
Mr Yip Kwan Guan	Jurong West Secondary School	Senior Teacher
Dr Zason Chian Lit Khoon	National Institute of Education, Nanyang Technological University	Deputy Head, Senior Lecturer
Mr Sean Chan Sik Lung	Keppel Infrastructure Holdings Pte Ltd	Head of Regulation and Risk Management
Mr Vincent Wong Heng Choy	Republic Polytechnic	Senior Lecturer
Mr Francis Ng Yong Kiat	Attorney-General's Chambers	Deputy Chief Prosecutor
Mr Henry Sim	Tuas Power Generation Pte Ltd	Senior Technician
Ms Qiu Yunru	Rio Tinto Singapore Pte Ltd	Principal Advisor – People and Professional Services
Mr Richard Lee Cheow Lien	System Integration & Technology Pte Ltd	Executive Director
Ms Yeung Xintian	Doctor Anywhere Pte Ltd	Director, Business Development

Name of bank

DBS Bank

Name of auditor

KLP LLP

Singapore Canoe Federation
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**Singapore Canoe Federation
Statement by Management Committee Members
For the financial year ended 31 March 2020**

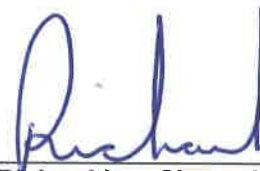
We state that, in the opinion of the Management Committee Members,

- (a) the financial statements of Singapore Canoe Federation (the "Society") are drawn up so as to give a true and fair view of the financial position of the Society as at 31 March 2020 and the financial performance, changes in funds and cash flows of the Society for the year ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

On behalf of the Management Committee Members



Yip Kwan Guan
President



Richard Lee Cheow Lien
Honorary Treasurer

Singapore, 17 AUG 2020

Independent Auditor's Report to the members of Singapore Canoe Federation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Singapore Canoe Federation (the "Society"), which comprise the statement of financial position as at 31 March 2020, 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 provisions of the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, the state of affairs of the Society as at 31 March 2020 and the results, changes in funds and cash flows of the Society 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 Society 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

Management Committee Members are responsible for other information. The other information comprises Statement by Management Committee Members set out on page 1.

Our opinion on the financial statements does not cover the other information and we do 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 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, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Independent Auditor's Report to the members of Singapore Canoe Federation (continued)

Management Committee Members' Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

The Management Committee Members' responsibilities include overseeing the Society'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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management Committee Members.
- Conclude on the appropriateness of Management Committee Members' 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 Society'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 Society to cease to continue as a going concern.

Independent Auditor's Report to the members of Singapore Canoe Federation (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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 Committee 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.

Report on Other Legal and Regulatory Requirements

In our opinion:

- (a) the accounting and other records required to be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- (b) there was no fund-raising event held by the Society during the financial year ended 31 March 2020.

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

- (a) The Society has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulation; and
- (b) The Society has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

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KLP LLP
Public Accountants and
Chartered Accountants

Singapore, **17 AUG 2020**

Singapore Canoe Federation
Statement of Financial Position
As at 31 March 2020

	<u>Note</u>	<u>2020</u> S\$	<u>2019</u> S\$
Assets			
Non-current assets			
Property, plant and equipment	4	123,971	105,689
Current assets			
Trade and other receivables	5	204,285	154,842
Prepayments	6	3,816	27,908
Cash and cash equivalents	7	862,233	844,436
		<u>1,070,334</u>	<u>1,027,186</u>
Total assets		<u>1,194,305</u>	<u>1,132,875</u>
Funds and liabilities			
Funds			
Accumulated fund	8	1,024,083	835,797
Restricted fund		5,492	4,280
Total funds		<u>1,029,575</u>	<u>840,077</u>
Current liabilities			
Trade and other payables	9	164,730	292,798
Total liabilities		<u>164,730</u>	<u>292,798</u>
Total funds and liabilities		<u>1,194,305</u>	<u>1,132,875</u>

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

Singapore Canoe Federation
Statement of Comprehensive Income
For the financial year ended 31 March 2020

	<u>Note</u>	<u>2020</u> <u>S\$</u>	<u>2019</u> <u>S\$</u>
Income	10	2,736,927	2,582,116
Items of expenditure			
Coaching		(304,793)	(353,901)
Contract services		(107,830)	(99,413)
Depreciation of property, plant and equipment	4	(72,008)	(189,958)
Employee benefits expenses	11	(619,378)	(616,051)
Event expenditures		(271,884)	(293,671)
Facilities and equipment		(21,114)	(8,417)
License fee		(39,153)	(41,345)
Overseas and local training and competitions		(541,710)	(557,583)
Rental		(290,897)	(276,107)
Other operating expenses	12	(278,662)	(161,861)
		<u>(2,547,429)</u>	<u>(2,598,307)</u>
Surplus/(Deficit) before income tax		189,498	(16,191)
Income tax expense	13	-	-
Surplus/(Deficit) after income tax		<u>189,498</u>	<u>(16,191)</u>
Surplus/(Deficit) for the year is attributable as follows:			
Unrestricted fund:			
- Accumulated fund		184,086	(5,971)
Restricted fund:			
- One Team Singapore Fund		5,412	(10,220)
		<u>189,498</u>	<u>(16,191)</u>

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

**Singapore Canoe Federation
Statement of Changes in Funds
For the financial year ended 31 March 2020**

	Accumulated fund	Restricted fund	Total funds
	S\$	S\$	S\$
Balance as at 1 April 2018	856,268	-	856,268
Transfer of funds	(14,500)	14,500	-
Total deficit for the year (Note 8)	(5,971)	(10,220)	(16,191)
Balance as at 31 March 2019	835,797	4,280	840,077
Transfer of funds	4,200	(4,200)	-
Total surplus for the year (Note 8)	184,086	5,412	189,498
Balance as at 31 March 2020	1,024,083	5,492	1,029,575

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

Singapore Canoe Federation
Statement of Cash Flows
For the financial year ended 31 March 2020

	2020	2019
	S\$	S\$
Cash flows from operating activities		
Surplus/(Deficit) before income tax	189,498	(16,191)
<i>Adjustments for:</i>		
Impairment loss on trade receivables	-	5,112
Bad debt written-off	677	8,017
Depreciation of property, plant and equipment	72,008	189,958
Operating cash flow before working capital changes	262,183	186,896
<i>Changes in working capital:</i>		
Prepayments	24,092	99,634
Trade and other receivables	(50,120)	746
Trade and other payables	(128,068)	92,145
Net cash flows generated from operating activities	108,087	379,421
Cash flows from investing activity		
Purchase of property, plant and equipment	(90,290)	(59,419)
Net cash flows used in investing activity	(90,290)	(59,419)
Net increase in cash and cash equivalents	17,797	320,002
Cash and cash equivalents at the beginning of financial year	844,436	524,434
Cash and cash equivalents at the end of financial year (Note 7)	862,233	844,436

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

Singapore Canoe Federation
Notes to the Financial Statements
For the financial year ended 31 March 2020

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

1. General

Singapore Canoe Federation (the "Society") is a Society registered in Singapore under Societies Act, Cap. 311. It was granted the status of an Institutions of a Public Character under Charities Act, Chapter 37 from 7 March 2017 to 31 March 2021, subject to renewal.

The principal activities of the Society are those of encouraging and promoting of canoeing and kayaking in Singapore.

The registered office is located at 3 Stadium Drive #01-33 Singapore 397630.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Society have been drawn up in accordance with Charities Act, Chapter 37, Societies Act, Chapter 311 and Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar (S\$), which is the Society'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 in the current financial year, the Society has adopted all the new and revised standards which are relevant to the Society and are effective for annual financial periods beginning on or after 1 April 2019. The adoption of the new standards do not have any material effect on the financial performance or position of the Society.

2.3 Standards issued but not yet effective

The Society has not adopted the following standards applicable to the Society that have been issued but not yet effective:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments of References to the Conceptual Framework in FRS Standards	1 January 2020
Amendments to FRS 1 and FRS 8 Definition of Material	1 January 2020

The Management Committee expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 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.

2. Summary of significant accounting policies (continued)

2.4 Property, plant and equipment (continued)

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

	<u>Years</u>
Office and computer equipment	3
Sports equipment	3
Computer software	3

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 useful lives, residual values 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 derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.5 Impairment of non-financial assets

The Society 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 Society 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.

2.6 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes a party to the contractual provisions of the financial instrument.

At initial recognition, the Society measures a financial asset at its fair value plus, in the case of a financial asset not at 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.

2. Summary of significant accounting policies (continued)

2.6 Financial instruments (continued)

(a) Financial assets (continued)

Initial recognition and measurement (continued)

Trade and other receivables are measured at the amount of consideration to which the Society 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 and other receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, the financial asset at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Derecognition

A financial asset is derecognised when 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 has 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 Society becomes a party to the contractual provisions of the financial instrument. The Society 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, cancelled or expires. On derecognition, the difference between the respective carrying amounts and the consideration paid is recognised in profit or loss.

2. Summary of significant accounting policies (continued)

2.7 Impairment of financial assets

The Society 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 Society 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).

For trade receivables, the Society applies a simplified approach in calculating ECLs. Therefore, the Society does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Society 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 Society considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Society may also consider a financial asset to be in default when internal or external information indicates that the Society is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Society. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and are subject to an insignificant risk of changes in value.

2.9 Revenue recognition

Revenue is measured based on the consideration to which the Society 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 Society 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.

(a) Government grant

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis the periods necessary to match them with the related costs that they are intended to compensate.

(b) Storage fee

The Society generates storage fee income from the storage of canoe boats. Storage fee is recognised on receipt basis.

2. Summary of significant accounting policies (continued)

2.9 Revenue recognition (continued)

(c) Course fee

The Society generates course fee income from collecting course registration fees. These payments allow the members to enjoy the benefits from coaching and training course. Course fee is recognised at a point in time on receipt basis.

(d) Event income

The Society received income from the canoe racing and kayaking events held for the members and participants. Revenue from event income is recognised at point in time on receipt basis.

2.10 Gift in kind

A gift in kind (if any) is included in the statement of financial activities based on an estimate of the fair value at the date of the receipt of the gift of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised if the amount of the gift can be measured reliably and there is no uncertainty that it will be received. No value is ascribed to volunteer services.

2.11 Employee benefits

Defined contribution plans

The Society 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.

2.12 Taxes

The Society is a tax-exempted institution under Section 13(1)(zm) of the Income Tax Act, Chapter 134.

2.13 Conflict of interest policy

Management Committee (the "MC") members are expected to avoid actual and perceived conflicts of interest. Where MC members have personal interest in business transactions or contract that the Society may enter into, or have vested interest in the organisation that the Society have dealings with or is considering to enter into joint ventures with, they are expected to declare such interests to the MC as soon as possible and abstain from discussion and decision-making on the matter. Where such conflicts exist, the MC members will evaluate whether any potential conflicts of interest will affect the continuing independence of MC members and whether it is appropriate for the MC member to continue to remain on the MC.

2. Summary of significant accounting policies (continued)

2.14 Funds

Funds balances include funds over which the Society retains full control to use in achieving any of the Society's objectives.

(a) Unrestricted fund

Unrestricted fund comprises general fund and designated fund. General funds are used for the general purposes of the Society as set out in its governing document. These funds are expendable at the discretion of the Management Committees. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the Management Committees' discretion to apply the fund.

The Society classifies its accumulated fund as unrestricted fund.

(b) Restricted fund

Restricted funds are funds subject to specific funded programmes by government and charity bodies or donors, but still within the wider objects of the Society.

Restricted funds may only be utilised in accordance with the purposes established by the sources of such funds and are in contrast with unrestricted funds over which the Management Committees retains full control to use in achieving its institutional purposes.

The Society classifies its One Team Singapore Fund (OTSF) as a restricted fund.

3. Significant accounting judgments and estimates

The preparation of the Society's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of income, 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 Judgments made in applying accounting policies

The Management Committee is of the opinion that there are no significant judgments made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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 Society 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 Society. Such changes are reflected in the assumptions when they occur.

3. Significant accounting judgments and estimates (continued)

3.2 Key sources of estimation of uncertainty (continued)

(a) Useful lives of property, plant and equipment

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Society's property, plant and equipment as at 31 March 2020 was S\$123,971 (2019: S\$105,689).

(b) Provision for expected credit losses of trade receivables

The Society 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 Society's historical observed default rates. The Society 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 of economic conditions may also not be representative of customer's actual default in the future. The information about the ECL on the Society's trade receivables is disclosed in Note 16.

The carrying amount of the Society's trade receivables as at 31 March 2020 was S\$99,939 (2019: S\$113,577).

Singapore Canoe Federation
Notes to the Financial Statements
For the financial year ended 31 March 2020

4. Property, plant and equipment

	Office and computer equipment	Motor vehicle	Sports equipment	Computer software	Total
	S\$	S\$	S\$	S\$	S\$
Cost					
At 1 April 2018	32,482	13,800	1,629,158	-	1,675,440
Additions	6,669	-	52,750	-	59,419
At 31 March 2019	39,151	13,800	1,681,908	-	1,734,859
Additions	12,403	-	69,887	8,000	90,290
Written-off	-	(13,800)	-	-	(13,800)
At 31 March 2020	51,554	-	1,751,795	8,000	1,811,349
Accumulated depreciation					
At 1 April 2018	23,544	13,800	1,401,868	-	1,439,212
Depreciation	6,564	-	183,394	-	189,958
At 31 March 2019	30,108	13,800	1,585,262	-	1,629,170
Depreciation	8,762	-	61,024	2,222	72,008
Written-off	-	(13,800)	-	-	(13,800)
At 31 March 2020	38,870	-	1,646,286	2,222	1,687,378
Carrying amount					
At 31 March 2019	9,043	-	96,646	-	105,689
At 31 March 2020	12,684	-	105,509	5,778	123,971

5. Trade and other receivables

	2020	2019
	S\$	S\$
Trade receivables	99,939	118,689
Less: Allowance for impairment	-	(5,112)
Trade receivables (net)	99,939	113,577
Deposits	36,578	34,589
Others receivables	67,768	6,676
	204,285	154,842

Trade receivables are unsecured, non-interest bearing and are generally on 30 days terms (2019: 30 days) terms.

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

Trade and other receivables are denominated in Singapore Dollar.

5. Trade and other receivables (continued)

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL was as follows:

	<u>2020</u>	<u>2019</u>
	<u>S\$</u>	<u>S\$</u>
The movement in allowances accounts:		
At 1 April	5,112	-
Allowance made	-	5,112
Reversal of allowance made	(5,112)	-
At 31 March	<u>-</u>	<u>5,112</u>

As at 31 March 2020, there are no allowance for expected credit loss of trade receivables computed based on lifetime ECL.

Trade receivables that were determined to be credit 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.

6. Prepayments

	<u>2020</u>	<u>2019</u>
	<u>S\$</u>	<u>S\$</u>
Insurance	3,816	16,356
Cash advance for Championships	-	10,576
Advances paid to suppliers for events	-	976
	<u>3,816</u>	<u>27,908</u>

Prepayments are denominated in Singapore Dollar.

7. Cash and cash equivalents

	<u>2020</u>	<u>2019</u>
	<u>S\$</u>	<u>S\$</u>
Cash at bank	862,093	844,361
Cash on hand	140	75
	<u>862,233</u>	<u>844,436</u>

Cash and cash equivalents are denominated in the following currencies:

	<u>2020</u>	<u>2019</u>
	<u>S\$</u>	<u>S\$</u>
Singapore Dollar	862,093	844,361
Australian Dollar	75	75
Other currencies	65	-
	<u>862,233</u>	<u>844,436</u>

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8. Fund account transaction and balances

	Unrestricted Fund	Restricted Fund	
	Accumulated Fund (i)	One Team Singapore Fund (ii)	Total
	S\$	S\$	S\$
2020			
Income			
Affiliation and entrance fees	14,950	-	14,950
Grant from SportSG	1,191,839	127,604	1,319,443
Grant from Singapore Sport Institute	280,427	-	280,427
Rental income	70,340	-	70,340
Sales of certificate and logbooks	29,954	-	29,954
Storage fee	241,650	-	241,650
Sundry income	102,475	-	102,475
Donation and contribution	68,793	127,604	196,397
Course fee	282,198	-	282,198
Event income	129,105	-	129,105
Sponsorship received	69,988	-	69,988
	<u>2,481,719</u>	<u>255,208</u>	<u>2,736,927</u>
Expenses			
Coaching	(304,793)	-	(304,793)
Contract services	(107,830)	-	(107,830)
Depreciation of property, plant and equipment	(72,008)	-	(72,008)
Employee benefits expenses	(619,378)	-	(619,378)
Event expenditures	(271,884)	-	(271,884)
Facilities and equipment	(21,114)	-	(21,114)
License fee	(39,153)	-	(39,153)
Overseas and local training and competitions	(291,914)	(249,796)	(541,710)
Rental	(290,897)	-	(290,897)
Other operating expenses	(278,662)	-	(278,662)
	<u>(2,297,633)</u>	<u>(249,796)</u>	<u>(2,547,429)</u>
Total surplus for the year	<u>184,086</u>	<u>5,412</u>	<u>189,498</u>

8. Fund account transaction and balances (continued)

	Unrestricted Fund	Restricted Fund	
	Accumulated Fund (i)	One Team Singapore Fund (ii)	Total
	S\$	S\$	S\$
2019			
Income			
Affiliation and entrance fees	18,500	-	18,500
Grant from SportSG	930,992	17,740	948,732
Grant from Singapore Sport Institute	580,296	-	580,296
Rental income	62,304	-	62,304
Sales of certificate and logbooks	35,210	-	35,210
Storage fee	249,885	-	249,885
Sundry income	53,836	-	53,836
Donation and contribution	6,520	3,240	9,760
Course fee	316,654	-	316,654
Event income	283,956	-	283,956
Sponsorship received	22,983	-	22,983
	<u>2,561,136</u>	<u>20,980</u>	<u>2,582,116</u>
Expenses			
Coaching	(353,901)	-	(353,901)
Contract services	(99,413)	-	(99,413)
Depreciation of property, plant and equipment	(189,958)	-	(189,958)
Employee benefits expenses	(616,051)	-	(616,051)
Event expenditures	(293,671)	-	(293,671)
Facilities and equipment	(8,417)	-	(8,417)
License fee	(41,345)	-	(41,345)
Overseas and local training and competitions	(526,383)	(31,200)	(557,583)
Rental	(276,107)	-	(276,107)
Other operating expenses	(161,861)	-	(161,861)
	<u>(2,567,107)</u>	<u>(31,200)</u>	<u>(2,598,307)</u>
Total deficit for the year	<u>(5,971)</u>	<u>(10,220)</u>	<u>(16,191)</u>

- (i) Accumulated fund – The accumulated fund of the Society provides financial stability and the means for the development of the Society's activities. The Management Committee Members review the level of reserves regularly for the Society's continuing obligations.
- (ii) One Team Singapore Fund ("OTSF") is a matching grant of one dollar for every donation raised by the Society provided by the Singapore Government to contribute to enhance the High Performance Sport ("HPS") system for Team Singapore athletes. The donations and grant received for this fund are restricted to all HPS projects and initiatives that contribute to the HPS System.

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9. Trade and other payables

	2020	2019
	S\$	S\$
Trade payables	24,123	39,760
Unutilised funds from SportSG	87,183	176,200
	<u>111,306</u>	<u>215,960</u>
Accruals	32,431	25,000
Others payables	20,993	51,838
	<u>164,730</u>	<u>292,798</u>

Trade payables are non-interest bearing and are normally settled on 30 to 90 days terms (2019: 30 to 90 days) terms.

Other payables have an average term of 3 months (2019: average 3 months).

Trade and other payables are denominated in Singapore Dollar.

10. Income

Disaggregation of revenue

<u>Timing of transfer of good or service</u>	At a point		Total
	in time	Over time	
	S\$	S\$	S\$
2020			
Affiliation and entrance fees	14,950	-	14,950
Grant from SportSG	1,319,443	-	1,319,443
Grant from Singapore Sport Institute	280,427	-	280,427
Rental income	70,340	-	70,340
Sales of certificate and logbooks	29,954	-	29,954
Storage fee	-	241,650	241,650
Sundry income	102,475	-	102,475
Donation and contribution	196,397	-	196,397
Course fee	282,198	-	282,198
Event income	129,105	-	129,105
Sponsorship received	69,988	-	69,988
	<u>2,495,277</u>	<u>241,650</u>	<u>2,736,927</u>
2019			
Affiliation and entrance fees	18,500	-	18,500
Grant from SportSG	948,732	-	948,732
Grant from Singapore Sport Institute	580,296	-	580,296
Rental income	62,304	-	62,304
Sales of certificate and logbooks	35,210	-	35,210
Storage fee	-	249,885	249,885
Sundry income	53,836	-	53,836
Donation and contribution	9,760	-	9,760
Course fee	316,654	-	316,654
Event income	283,956	-	283,956
Sponsorship received	22,983	-	22,983
	<u>2,332,231</u>	<u>249,885</u>	<u>2,582,116</u>

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10. Income (continued)

During the financial year, the Society received sponsorship in cash amounting to S\$Nil (2019: S\$2,000) and in-kind sponsorship amounting to S\$69,988 (2019: S\$22,983).

11. Employee benefits expenses

	<u>2020</u>	<u>2019</u>
	S\$	S\$
Salaries, bonuses and allowance	533,797	530,771
CPF and SDL	70,936	75,741
Other benefits	14,645	9,539
	<u>619,378</u>	<u>616,051</u>

Number of employees in remuneration bands

	<u>2020</u>	<u>2019</u>
S\$100,001-S\$150,000	1	1
Less than S\$100,000	11	12

12. Other operating expenses

The following items have been included in arriving at other operating expenses:

	<u>2020</u>	<u>2019</u>
	S\$	S\$
Entertainment expenses	19,593	13,542
Insurance expenses	16,215	19,316
Impairment loss on trade receivables	-	5,112
Repair and maintenance expenses	3,540	19,790

13. Taxation

The Society is an approved charity under the Charities Act, Chapter 37. No provision for taxation has been made in the financial statements as the Society is exempt from income tax in accordance with the provisions of the Income Tax Act, Chapter 134.

14. Significant related party transactions

Compensation of key management personnel

There were no compensation, salaries or other form of benefits paid to key management personnel and management committee members during the financial year.

15. Tax exempt donations

The Society enjoys a concessionary tax treatment whereby qualifying donors are granted tax deduction for the donations made to the funds of the Society. The quantum of the tax deduction for each calendar year may vary as announced in the Singapore Budget.

	<u>2020</u>	<u>2019</u>
	S\$	S\$
Tax-exempt donations collected	<u>195,087</u>	<u>9,760</u>

16. Financial risk management

The Society's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk and liquidity risk.

The Management Committee reviews and agrees policies and procedures for the management of these risks, which are executed by the Management Committee. It is, and has been throughout the current and previous financial year, the Society's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Society'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 Society's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

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

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

The Society 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 Society 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.

16. Financial risk management (continued)

Credit risk (continued)

To minimise credit risk, the Society has developed and maintained the Society'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 Society's own trading records to rate its major customers and other debtors. The Society 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 Society 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 Society 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.

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

Category	Definition of category	Basis for recognising expected credit loss (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

Trade receivables (Note 5)

As at 31 March 2020, the Society recorded trade receivable of S\$99,939 (2019: S\$113,577). The Society assessed the impairment loss allowance of these amounts on a 12-month ECL basis consequent to their assessment and conclusion that these receivables are of low credit risk. Using 12-month ECL, the Society determined that the ECL is insignificant.

16. Financial risk management (continued)

Credit risk (continued)

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Society's performance to developments affecting a particular industry.

Exposure to credit risk

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

Liquidity risk

Liquidity risk refers to the risk that the Society will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Society'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 Society's objective is to maintain an adequate level of cash and cash equivalents to finance the society's operations. The Society's operations are financed mainly through the funding from SportSG. The management committee members are satisfied that funds are available to finance the operations of the Society.

Analysis of financial instruments by remaining contractual maturities

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

	<u>Carrying amount</u> S\$	<u>Contractual cash flows</u> S\$	<u>One year or less</u> S\$
31 March 2020			
Financial assets:			
Trade and other receivables	204,285	204,285	204,285
Cash and cash equivalents	862,233	862,233	862,233
Total undiscounted financial assets	<u>1,066,518</u>	<u>1,066,518</u>	<u>1,066,518</u>
Financial liabilities:			
Trade and other payables	164,730	164,730	164,730
Total undiscounted financial liabilities	<u>164,730</u>	<u>164,730</u>	<u>164,730</u>
Total net undiscounted financial assets	<u>901,788</u>	<u>901,788</u>	<u>901,788</u>
31 March 2019			
Financial assets:			
Trade and other receivables	154,842	154,842	154,842
Cash and cash equivalents	844,436	844,436	844,436
Total undiscounted financial assets	<u>999,278</u>	<u>999,278</u>	<u>999,278</u>
Financial liabilities:			
Trade and other payables	292,798	292,798	292,798
Total undiscounted financial liabilities	<u>292,798</u>	<u>292,798</u>	<u>292,798</u>
Total net undiscounted financial assets	<u>706,480</u>	<u>706,480</u>	<u>706,480</u>

16. Financial risk management (continued)

Liquidity risk (continued)

Reserve Policy

	2020	2019
	S\$	S\$
Unrestricted fund	1,024,083	835,797
Annual operating expenditure	2,297,633	2,598,307
Ratio of reserves to annual expenditure	0.45:1	0.32:1

The reserve of the Society provides financial stability and the means for the development of the Society's activities. The Society intends to maintain the reserves at a level sufficient for its operating needs. The management committee reviews the level of reserves regularly for the Society's continuing obligations.

17. Fair values

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.

18. Financial instruments by category

At the reporting date, the aggregate carrying amounts of financial assets and financial liabilities at amortised cost were as follows:

	2020	2019
	S\$	S\$
Financial assets measured at amortised cost		
Trade and other receivables (Note 5)	204,285	154,842
Cash and cash equivalents (Note 7)	862,233	844,436
Total financial assets measured at amortised cost	<u>1,066,518</u>	<u>999,278</u>
Financial liabilities measured at amortised cost		
Trade and other payables (Note 9)	164,730	292,798
Total financial liabilities measured at amortised cost	<u>164,730</u>	<u>292,798</u>

19. Fund management

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

The Management regularly review the Society's capital structure and make adjustment to reflect economic conditions, strategies and future commitments.

The Society is not subject to externally imposed capital requirement.

The Society did not breach any gearing covenants during the financial years ended 31 March 2020 or 31 March 2019. In the same period, no significant changes were made in the objectives, policies or processes relating to the management of the Society's capital structure.

20. Events occurring after the reporting period

The Coronavirus Disease (COVID-19) outbreak and the measures taken to contain the spread of the pandemic have created a high level of uncertainty to global economic prospects and this has impacted the Society's activities and its financial performance subsequent to the financial year end.

The Singapore Multi-Ministry Taskforce implemented an elevated set of safe distancing measures as a circuit breaker from 7 April 2020, to pre-empt the trend of increasing local transmission of COVID-19. Except for those providing essential services and selected economic sectors which are critical for our local and the global supply chains, all businesses are required to suspend all in-person activities and activities at the business location. As a result, the Society suspended activities from 7 April 2020 to 24 June 2020. A series of measures to curb the COVID-19 outbreak have been and continue to be implemented by the Society. The Society consider this outbreak as non-adjusting post balance sheet event. Consequently, there is no impact on the recognition and measurement of assets and liabilities as at 31 March 2020.

As the situation continues to evolve with significant level of uncertainty, the Society is unable to reasonably estimate the full financial impact of the COVID-19 outbreak. The Society is monitoring the situation closely and respond proactively to mitigate the impact on the Society's financial performance and financial position.

21. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 March 2020 were authorised for issue by the Management Committee on the date of the Statement by Management Committee Members.