

LAWN BOWLS ASSOCIATION FOR THE DISABLED (SINGAPORE)
(UEN No.: T04SS0110B)
(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

LAWN BOWLS ASSOCIATION FOR THE DISABLED (SINGAPORE)
(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

MANAGEMENT COMMITTEE'S STATEMENT AND FINANCIAL STATEMENTS

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LAWN BOWLS ASSOCIATION FOR THE DISABLED (SINGAPORE)
(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

GENERAL INFORMATION

COMMITTEE

James Hsu Jiun Shin - President
Hui Beng Hong - Vice President
James Chia - Vice President
Jadhav Dhananjay Balkrishna - Honorary Secretary
Debbie Ng Kit Kuen - Assistant Honorary Secretary
Desiree Lim Kok Liang - Honorary Treasurer
Vivek Sharma - Assistant Honorary Treasurer
Ashu Kumar - Committee Member
Chin Kim Sen - Committee Member
Lim Poh Tin - Committee Member
Saibal Bhattacharya - Committee Member
Michelle Siew Teok See - Committee Member
Stephen Lim Chin Keong - Committee Member

**REGISTERED OFFICE
AND PLACE OF BUSINESS**

3 Stadium Drive
#01-34
Singapore 397630

AUDITOR

A Garanzia LLP

BANKER

DBS Bank Limited

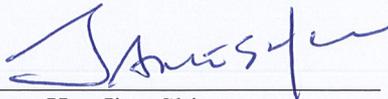
LAWN BOWLS ASSOCIATION FOR THE DISABLED (SINGAPORE)
(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

STATEMENT BY THE MANAGEMENT COMMITTEE

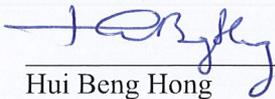
In the opinion of the Management Committee,

- (i) the accompanying statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in funds and statement of cash flows are properly 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 financial year ended on that date; and
- (ii) 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

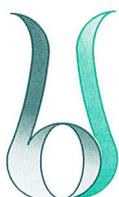


James Hsu Jiun Shin
President



Hui Beng Hong
Vice President

Singapore, **15 AUG 2020**



**INDEPENDENT AUDITOR'S REPORT
TO THE COMMITTEE OF LAWN BOWLS ASSOCIATION FOR THE DISABLED
(SINGAPORE)**

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lawn Bowls Association For The Disabled (Singapore) (the Society), which comprise the statement of financial position as at 31 March 2020, and the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the financial 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 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 financial 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

The Management Committee is responsible for the other information detailed in the Statement by the Management Committee.

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 material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT
TO THE COMMITTEE OF LAWN BOWLS ASSOCIATION FOR THE DISABLED
(SINGAPORE)
(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)
(CONT'D)

Responsibilities of Management Committee for the Financial Statements

The Management Committee 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 determine 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, the Management Committee 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 the Management Committee either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

The Management Committee is responsible for 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 the Management Committee.

**INDEPENDENT AUDITOR'S REPORT
TO THE COMMITTEE OF LAWN BOWLS ASSOCIATION FOR THE DISABLED
(SINGAPORE)**

(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)
(CONT'D)

- Conclude on the appropriateness of the Management Committee'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 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.
- 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.

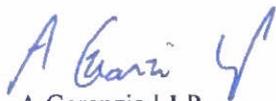
We communicate with the Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required 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.

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



A Garanzia LLP
Public Accountants and
Chartered Accountants
Singapore

15 AUG 2020

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LAWN BOWLS ASSOCIATION FOR THE DISABLED (SINGAPORE)
(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	<u>Note</u>	<u>2020</u> S\$	<u>2019</u> S\$
INCOME	(3)	37,592	50,798
OTHER INCOME	(4)	3,029	60
		40,621	50,858
Less: EXPENDITURE			
Accounting fee		1,926	-
AGM expenses		584	-
Audit fee		2,000	1,824
Bank charges		234	110
Coaching fee expenses		6,900	8,400
Employee compensation			
- CPF contribution		840	70
- Salary		11,136	928
- SDL		24	2
Freight charges		464	-
General expenses		107	2,361
Gift vouchers		90	-
IT expenses		394	-
Other receivable written off		-	230
Printing, stationery and courier		222	297
Purchase of bowling arms		-	727
Purchase of lawn bowl		985	-
Purchase of T-shirt		-	3,332
Purchase of wristbands		681	-
Small asset expense		249	-
Subscriptions		389	-
Tournament events expenses		3,403	30,813
Transportation		21	-
Travelling expenses		1,008	-
Upkeep of equipments		1,350	-
		33,007	49,094
Surplus before income tax		7,614	1,764
Income tax	(5)	-	-
Surplus for the financial year		7,614	1,764
Other comprehensive income for the financial year, net of tax		-	-
Total comprehensive income for the financial year		7,614	1,764

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

LAWN BOWLS ASSOCIATION FOR THE DISABLED (SINGAPORE)
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**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020**

	<u>Note</u>	<u>2020</u> S\$	<u>2019</u> S\$
GENERAL FUND		17,256	9,642
MERLION CHALLENGE FUND		41,500	-
		58,756	9,642
 Represented by:			
CURRENT ASSETS			
Inventories	(6)	912	-
Other receivables	(7)	3,238	1,519
Cash and cash equivalents	(8)	61,034	16,491
		65,184	18,010
LESS: CURRENT LIABILITIES			
Other payables	(9)	6,428	8,368
		6,428	8,368
NET CURRENT ASSETS		58,756	9,642

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

LAWN BOWLS ASSOCIATION FOR THE DISABLED (SINGAPORE)
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**STATEMENT OF CHANGES IN FUNDS
 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	<u>General fund (unrestricted)</u> S\$	<u>Merlion challenge fund (restricted)</u> S\$	<u>Total</u> S\$
Balance at 1 April 2018	7,878	-	7,878
Total comprehensive income for the financial year	1,764	-	1,764
Balance at 31 March 2019	9,642	-	9,642
Donation received – tax deductible	-	41,500	41,500
Total comprehensive income for the financial year	7,614	-	7,614
Balance at 31 March 2020	17,256	41,500	58,756

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

LAWN BOWLS ASSOCIATION FOR THE DISABLED (SINGAPORE)
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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

	<u>2020</u>	<u>2019</u>
	S\$	S\$
Cash flows from operating activities		
Surplus before income tax	7,614	1,764
Adjustment for:		
Other receivable written off	-	230
Operating surplus before working capital changes	7,614	1,994
Increase in inventories	(912)	-
Increase in other receivables	(1,719)	(662)
(Decrease) / increase in other payables	(1,940)	3,131
Funds received	41,500	-
Net cash from operating activities	44,543	4,463
Net increase in cash and cash equivalents	44,543	4,463
Cash and cash equivalents at beginning of the financial year	16,491	12,028
Cash and cash equivalents at end of the financial year (Note 8)	61,034	16,491

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

LAWN BOWLS ASSOCIATION FOR THE DISABLED (SINGAPORE)
(Registered under the Societies Act, Chapter 311 and Charities Act, Chapter 37, Singapore)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

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

1. GENERAL INFORMATION AND ACTIVITIES

The Society is registered in the Republic of Singapore under the Singapore Societies Act and domiciled in Singapore. The Society has been accorded the status of the Institute of Public Character (IPC) and has been renewed for further period until 15 December 2020.

The objectives of the Society are:

- a) To provide support and guidance and to promote sport of Lawn Bowls among the persons of disability in Singapore.
- b) To coordinate and organise championships and other events in Lawn Bowls For The Disabled.

The affairs of the Lawn Bowls Association For The Disabled (Singapore) are administered by the Executive Committee in accordance with its Rules and Regulations and provisions of the Societies Act.

The registered and administrative office of the Lawn Bowls Association For The Disabled (Singapore) is at 3 Stadium Drive #01-34 Singapore 397630.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with the provision of the Societies Act, Chapter 311, the Charities Act, Chapter 37 (the Acts) and Singapore Financial Reporting Standards (FRS).

The financial statements, which are presented in Singapore Dollar (S\$), have been prepared on historical cost basis except as disclosed in the accounting policies below.

The accounting policies have been consistently applied by the Society and are consistent with those used in the previous financial year.

The preparation of financial statements in conformity with FRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of profit or loss during the financial year. Although these estimates are based on the Society's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the accounting policies below.

In the current financial year, the Society has adopted all the new and revised FRS and Interpretations of FRS (INT FRS) that are relevant to its operations and effective for the current financial year.

LAWN BOWLS ASSOCIATION FOR THE DISABLED (SINGAPORE)
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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

The Society has not applied the following new / revised FRS or interpretations that have been issued as of the reporting date but are not yet effective:

<u>Descriptions</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to Reference to the Conceptual Framework in FRS Standards	1 January 2020
FRS 103: Amendments to FRS 103: Definition of a Business	1 January 2020
FRS 1 and FRS 8: Amendments to FRS 1 and FRS 8: Definition of Material	1 January 2020
FRS 109, FRS 107 and FRS 39: Amendments to FRS 109, FRS 39 and FRS 107: Interest Rate Benchmark Reform	1 January 2020
FRS 117: Insurance Contracts	1 January 2021

The Management Committee expects that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

(b) Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial period except that in the current financial period, the Society has adopted all the new and amended standards which are relevant to the Society and are effective for annual financial periods beginning on or after 1 January 2019. Except for the adoption of FRS 116 Lease described below, the adoption of these standards did not have any material effect on the financial performance or position of the Society.

FRS 116 Leases

FRS 116 supersedes FRS 17 Leases, INT FRS 104 Determining whether an Arrangement contains a Lease, INT FRS 15 Operating Leases-Incentives and INT FRS 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the statement of financial position.

Under FRS 116, the Society can use the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application as an adjustment to the opening balance of retained earnings. The Society elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at 1 April 2019. Instead, the Society applied the standard only to contracts that were previously identified as leases applying FRS 17 and INT FRS 104 at the date of initial application.

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Adoption of new and amended standards and interpretations (cont'd)

FRS 116 Leases (cont'd)

Upon adoption of FRS 116, the Society 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.

The Society applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. There is no cumulative effect of initially applying FRS 116 is recognised at the date of initial application as the organisation did not recognised any right-of-use assets. Therefore, there is no impact on the opening balance of retained earnings and the comparative information was not restated and continues to be reported under FRS 17 and related interpretations.

(c) Functional currency

Items included in the financial statements are measured using the currency best reflects the economic substance of the underlying events and circumstances relevant to the Society (the functional currency). The financial statements of the Society are presented in Singapore Dollar (S\$), which is the functional currency of the Society.

(d) Income

Income 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.

Income 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.

Subscriptions on membership are taken into account as and when received.

Income from donation, subsidy and registration fees for tournament events is recognised in profit or loss as and when received.

Income from coaching is recognised when the services are rendered.

Income from sale of lawn bowl is recognised upon the transfer of risks and rewards of ownership.

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Taxes

(a) Current income tax

With effect from Year of Assessment 2008, all registered charities are exempt from tax without having the need to meet the 80% spending rule. Therefore, the Society is not subject to any tax.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of GST included.

(f) Financial instruments

(a) Financial assets

Initial recognition and measurement

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

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.

LAWN BOWLS ASSOCIATION FOR THE DISABLED (SINGAPORE)
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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Financial instruments (cont'd)

(a) Financial assets (cont'd)

Initial recognition and measurement (cont'd)

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 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 Society'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, FVOCI and FVPL. The Society 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.

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 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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) *Financial instruments (cont'd)*

(b) Financial liabilities (cont'd)

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.

(g) *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).

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.

(h) *Cash and cash equivalents*

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash and bank balances, which are subject to an insignificant risk of change in value.

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Provisions

Provisions are recognised when the Society has a present obligation (legal or constructive), as a result of a past event, and it is probable that an outflow of resources embodying economic benefits and will be required to settle the obligation and a reliable estimate can be established on the amount of the obligation. Provisions are reviewed at each reporting date 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.

(j) Related parties

A related party is defined as follows:

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

- (i) has control or joint control over the Society;
- (ii) has significant influence over the Society; or
- (iii) is a member of the key management personnel of the Society or of a parent of the Society.

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

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

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Funds

General fund is the Society's operating fund available for use at the discretion of the executive committee in furtherance of the general objective of the Society. Merlion challenge fund is the fund reserved for upcoming Merlion Challenge event. Income and expenditures specifically relating to the fund separately set up by the Society is allocated subsequently to that fund.

3. INCOME

	<u>2020</u> S\$	<u>2019</u> S\$
Donations income - tax deductible	15,790	29,670
Subscriptions income	230	450
Subsidy from Singapore Disability Sports Council for coaching fee	6,900	8,400
Subsidy from Singapore Disability Sports Council for tournament	2,672	7,000
Tournament events	-	4,278
Subsidy from Singapore Disability Sports Council for administrator	12,000	1,000
	<u>37,592</u>	<u>50,798</u>

All the incomes are recognised at a point of time.

4. OTHER INCOME

	<u>2020</u> S\$	<u>2019</u> S\$
Sales of lawn bowls	985	-
Sales of T-shirts	40	60
Special Employment Credit	2,004	-
	<u>3,029</u>	<u>60</u>

5. INCOME TAX

The Society is registered as a Charity under the Charities Act, Chapter 37 on 11 November 2016 and is exempted from tax under Section 13 (1) (zm) of the Income Tax Act, Cap. 134.

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6. INVENTORIES

	<u>2020</u>	<u>2019</u>
	S\$	S\$
Inventories held for resale, at cost	912	-

7. OTHER RECEIVABLES

Other receivables are not past due and not impaired at the date of statement of financial position.

8. CASH AND CASH EQUIVALENTS

	<u>2020</u>	<u>2019</u>
	S\$	S\$
Cash at bank	60,906	16,473
Cash in hand	128	18
	61,034	16,491

9. OTHER PAYABLES

	<u>2020</u>	<u>2019</u>
	S\$	S\$
Accruals	4,919	5,731
Other payable	1,509	2,637
	6,428	8,368

10. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	<u>2020</u>	<u>2019</u>
	S\$	S\$
<u>Financial assets</u>		
Financial assets measured at amortised cost		
- Other receivables (Note 7)	3,238	1,519
- Cash and cash equivalents (Note 8)	61,034	16,491
	64,272	18,010
<u>Financial liabilities</u>		
Financial liabilities measured at amortised cost		
- Other payables (Note 9)	6,428	8,368

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11. RELATED PARTY TRANSACTIONS

The Society does not have any related party transaction during the financial year except for the donation received from the Management Committee amounting to S\$970.

12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Society is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The committee carried out their financial risks management in accordance with established policies and procedures.

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

(a) Market risk

(i) Currency risk

The Society is not exposed to currency risk as all the balances and transactions are in Singapore Dollar.

(ii) Interest rate risk

The Society is not exposed to interest rate risk as it does not have any interest-bearing assets or liabilities.

(iii) Price risk

The Society is not exposed to price risk as it does not hold any listed securities.

(b) Credit risk

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

	<u>Note</u>	<u>12-month or lifetime ECL</u>	<u>Gross carrying amount</u> S\$	<u>Loss allowance</u> S\$	<u>Net carrying amount</u> S\$
<u>31 March 2020</u>					
Other receivables	(7)	12-month ECL	3,238	-	3,238
<u>31 March 2019</u>					
Other receivables	(7)	12-month ECL	1,519	-	1,519

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12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Credit risk (cont'd)

Other receivables

The Society 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 Society measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

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.

(c) Liquidity risk

Liquidity risk is a risk that the Society will encounter difficulty in meeting financial obligations due to shortage of funds. The Society's exposure to liquidity risk may arise primarily from mismatches of collections and payments timing.

The Society's liquidity risk management policy is to maintain sufficient liquid financial assets to pay for liabilities that are due in the next twelve months.

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>2020 Contractual cash flows</u> S\$	<u>One year or less</u> S\$
<u>Financial assets</u>			
Other receivables	3,238	3,238	3,238
Cash and cash equivalents	61,034	61,034	61,034
Total undiscounted financial assets	64,272	64,272	64,272
<u>Financial liabilities</u>			
Other payables	6,428	6,428	6,428
Total undiscounted financial liabilities	6,428	6,428	6,428
Total net undiscounted financial assets	57,844	57,844	57,844

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12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

	<u>Carrying amount</u> S\$	<u>2019 Contractual cash flows</u> S\$	<u>One year or less</u> S\$
<u>Financial assets</u>			
Other receivables	1,519	1,519	1,519
Cash and cash equivalents	16,491	16,491	16,491
Total undiscounted financial assets	18,010	18,010	18,010
<u>Financial liabilities</u>			
Other payables	8,368	8,368	8,368
Total undiscounted financial liabilities	8,368	8,368	8,368
Total net undiscounted financial assets	9,642	9,642	9,642

(d) Capital management

The management committee considers the capital of the Society to mainly consist of general fund and merlion challenge fund.

The primary objective of the Society's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to continue as going concern while maximising the return to the Society through optimisation of working capital.

(e) 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, other than in a forced or liquidation sale.

The financial instruments that are not carried at fair value and whose carrying amounts are in reasonable approximation of its fair value are as follows:

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.

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13. SUBSEQUENT EVENT

On 11 March 2020, the World Health Organisation declared the 2019 Novel Coronavirus (Covid-19) outbreak a pandemic. The spread of Covid-19 has created a high level of uncertainty to the near-term global economic prospects and caused disruptions to various businesses. The Society is taking precautionary measures to deal with the Covid-19 outbreak in accordance with guidelines provided by the authority. The Covid-19 outbreak is expected to have an immaterial impact on the Society's operations and trading results based on current assessment, nevertheless, it will also depend on how long the outbreak lasts. Management Committee is proactively managing the Society's operations, maintaining vigilance and will take the necessary actions to ensure their long-term sustainability.

14. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the financial year ended 31 March 2020 were authorised for issue in accordance with a resolution of the Management Committee on 15 August 2020.