

SINGAPORE SEPAKTAKRAW FEDERATION

Registration No.: S60SS0012H

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

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 MARCH 2022

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SINGAPORE SEPAKTAKRAW FEDERATION

Registration No.: S60SS0012H

BOARD MEMBERS' REPORT

For the financial year ended 31 March 2022

We, the undersigned Board Members, submit this annual report to the members together with the audited financial statements of **Singapore Sepaktakraw Federation** for the financial year ended 31 March 2022.

BOARD MEMBERS

The Board Members at the date of this report are as follows:

Mr Mohd Nasri Bin Haron	President
Mr Shahril Bin Abdul Ghani	Deputy President 1
Mr Abdul Sarip Bin Naharawi	Deputy President 2
Mr Raimon Bin Budin	Vice President 1
Mr Faris Bin Ahmad Fauzi	Vice President 2
Mr Zahid Bin Abdul Aziz	Secretary General
Mr Chng Kair Chuan	Deputy Secretary General
Mr Meswan Bin Satin	Treasurer
Mr Roslan Bin Yahya	Assistant Treasurer
Mr Juraime Bin Atan	Chairman's Athlete Commission
Mr Abdul Rahman Bin Iyeit	Internal Auditor 1
Mr Mohamed Muzammil Bin Mohamed	Legal Advisor

STATEMENT BY BOARD MEMBERS

The Board Members of **Singapore Sepaktakraw Federation** is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act, Charities Act and Singapore Financial Reporting Standards ("FRS"). This responsibility includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

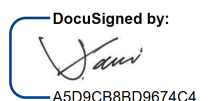
In our opinion, the accompanying financial statements are drawn up so as to give a true and fair view of the state of affairs of the Federation for the financial year ended on that date in accordance with the provisions of the Acts and FRS.

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

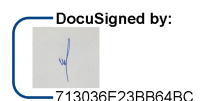
AUDITOR

Helmi Talib LLP has expressed its willingness to accept re-appointment as auditors.

On behalf of the Board Members

DocuSigned by:

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Mr Mohd Nasri Bin Haron
President

DocuSigned by:

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Mr Meswan Bin Satin
Treasurer

Date: 1 September 2022

Helmi Talib LLP



Registration No. (UEN): T20LL1986E
Chartered Accountants of Singapore
An Independent Member Firm of IAPA

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SINGAPORE SEPAKTAKRAW FEDERATION

Report on the Financial Statements

Opinion

We have audited the financial statements of Singapore Sepaktakraw Federation (the "Federation"), which comprises the statement of financial position as at 31 March 2022, and the statement of comprehensive income and 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 Societies Act, Charities Act and Financial Reporting Standards in Singapore so as to give a true and fair view of the financial position of the Federation as at 31 March 2022 and of the financial performance, and cash flows of the Federation 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 Federation 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 Matters

The financial statements of the Federation for the financial year ended 31 March 2021 were audited by another firm of auditors who expressed an unmodified opinion on those statements on 2 September 2021.

Other Information

Management is responsible for the other information. The other information comprises the Board Members' Report 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 that fact. We have nothing to report in this regard.

An Independent Member Firm of:



Helmi Talib LLP is an accounting limited liability partnership [Registration Number (UEN) T20LL1986E] registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A).

Helmi Talib LLP is converted from Helmi Talib & Co [Registration Number (UEN) S92PF0459G] effective from 10 December 2020.

Helmi Talib LLP

Responsibilities of Management and Those Charged with Governance for Financial Statements

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

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

Those charged with governance comprise of the Board Members of the Federation. Their responsibilities include overseeing the Federation's financial reporting process.

Auditors' 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 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Federation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Federation'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 Federation 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 those charged with governance 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.

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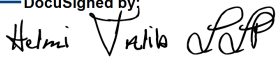
Report on Other Legal and Regulatory Requirements

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

In our opinion, the amount of \$200 present fairly the tax deductible donation income of **Singapore Sepaktakraw Federation** for the financial year from 1 April 2021 to 31 March 2022.

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

- (a) tax deductible receipts were issued for donations other than outright cash donations;
- (b) donations for which tax-deductible receipts have been issued were used for activities not in accordance with the objectives of Singapore Sepaktakraw Federation;
- (c) the Federation has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (d) the Federation has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations

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HELMI TALIB LLP
Public Accountants and
Chartered Accountants

Singapore

Partner-in-charge : Suriyati binti Mohamed Yusof
PAB No. : 01627

Date: 1 September 2022

An Independent Member Firm of:



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SINGAPORE SEPAKTAKRAW FEDERATION*Registration No.: S60SS0012H***STATEMENT OF FINANCIAL POSITION***As at 31 March 2022*

	Note	<u>2022</u> \$	<u>2021</u> \$
Property, Plant and Equipment	5	9,378	10,468
CURRENT ASSETS			
Other receivables	6	18,196	4,044
Cash and cash equivalents	7	72,477	94,884
		<u>90,673</u>	<u>98,928</u>
CURRENT LIABILITIES			
Other payables	8	39,513	9,746
Loan payables	9	2,750	-
Lease liabilities	10(b)	1,589	2,018
		<u>43,852</u>	<u>11,764</u>
NET CURRENT ASSETS		<u>46,821</u>	<u>87,164</u>
NON-CURRENT LIABILITIES			
Loan payables	9	5,550	-
Lease liabilities	10(b)	4,981	1,590
		<u>10,531</u>	<u>1,590</u>
NET ASSETS		<u>45,668</u>	<u>96,042</u>
<i>Representing:</i>			
ACCUMULATED FUNDS	16	<u>45,668</u>	<u>96,042</u>

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

SINGAPORE SEPAKTAKRAW FEDERATION*Registration No.: S60SS0012H***STATEMENT OF COMPREHENSIVE INCOME***For the financial year ended 31 March 2022*

	Note	<u>2022</u> \$	<u>2021</u> \$
INCOME			
Revenue	11	138,095	189,628
Other income		54,117	30,813
TOTAL INCOME		<u>192,212</u>	<u>220,441</u>
EXPENDITURE			
Staff costs - Salaries		89,599	54,043
- CPF contributions		8,915	8,810
Events expenditures		27,555	14,836
Coaching expenses		22,210	11,400
Professional and legal fees		8,940	12,080
Depreciation of property, plant and equipment	5	5,582	7,055
Telecommunication		2,769	1,678
Interest on lease liabilities	10(c)	388	269
Other operating expenditure		38,516	21,502
Rental of equipment and facilities		38,112	25,894
Utilities		-	619
TOTAL EXPENDITURES		<u>242,586</u>	<u>158,186</u>
(Loss)/Profit before tax		(50,374)	62,255
Taxation	13	-	-
(Loss)/Profit for the financial year		<u>(50,374)</u>	<u>62,255</u>

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

SINGAPORE SEPAKTAKRAW FEDERATION

Registration No.: S60SS0012H

STATEMENT OF CHANGES IN FUNDS

For the financial year ended 31 March 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
ACCUMULATED FUNDS		
Accumulated funds brought forward	96,042	33,787
(Loss)/Profit before tax	<u>(50,374)</u>	<u>62,255</u>
TOTAL FUNDS	<u>45,668</u>	<u>96,042</u>

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

SINGAPORE SEPAKTAKRAW FEDERATION

Registration No.: S60SS0012H

STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2022

	Note	<u>2022</u> \$	<u>2021</u> \$
Cash flows from operating activities			
Net (loss)/profit before tax		(50,374)	62,255
Adjustments for			
Depreciation of property, plant and equipment	5	5,582	7,055
Adjustments on right-of-use assets		100	-
Interest on lease liabilities	10(b)	388	269
Total adjustments		<u>6,070</u>	<u>7,324</u>
Operating cash flows before working capital changes		<u>(44,304)</u>	<u>69,579</u>
Changes in working capital			
(Increase)/Decrease in other receivables		(14,152)	9,942
Increase/(Decrease) in other payables		29,767	(4,181)
Increase in loan payables	9	8,300	-
Total changes in working capital		<u>23,915</u>	<u>5,761</u>
Cash (used in)/generated from operating activities		<u>(20,389)</u>	<u>75,340</u>
Net cash flows (used in)/generated from operating activities		<u>(20,389)</u>	<u>75,340</u>
Cash flows from financing activities			
Payment of principal portion of lease liabilities		(1,630)	(1,901)
Interest on lease liabilities	10(b)	(388)	(269)
Net cash flows used in financing activities		<u>(2,018)</u>	<u>(2,170)</u>
Net (decrease)/increase in cash and cash equivalents		(22,407)	73,170
Cash and cash equivalents at beginning of financial year		94,884	21,714
Cash and cash equivalents at end of financial year		<u>72,477</u>	<u>94,884</u>

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

SINGAPORE SEPAKTAKRAW FEDERATION

Registration No.: S60SS0012H

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

1 GENERAL

Singapore Sepaktakraw Federation (the "Federation") is registered in the Republic of Singapore under the Singapore Societies Act, Cap 311 and has its registered office at 11 Bedok North Street, Heartbeat@Bedok, Singapore 469662. The Federation is registered as a charity on 11 November 2011 and is an approved Institution of Public Character ("IPC") for the period from 1 April 2021 to 31 March 2022. The IPC status has been renewed until 24 March 2025.

The principal activities of the Federation are those relating to the promotion of the game of sepak takraw in Singapore and to arrange and organise tournaments locally and with other countries.

The financial statements were authorised for issue by the Board Members on 1 September 2022.

2 SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation**

The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the Societies Act, Charities Act and Financial Reporting Standards in Singapore (FRSs).

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

2.2 Adoption of new and amended standards and interpretations

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

2.3 Standards used but not yet effective

The Federation has not adopted the following standards and interpretations that have been issued but not yet effective:

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to FRS 16 <i>Property, Plant and Equipment</i> : Proceeds before Intended Use	1 January 2022
Amendments to FRS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i> : Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 1: <i>Presentation of Financial Statements</i> : Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 <i>Presentation of Financial Statements</i> and FRS Practice Statement 2: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to FRS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> : Definition of Accounting Estimates	1 January 2023

The Board Members expect that the adoption of the standard above will have no material impact on the financial statements in the year of initial application.

SINGAPORE SEPAKTAKRAW FEDERATION*Registration No.: S60SS0012H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2022***2 SIGNIFICANT ACCOUNTING POLICIES (Continued)****2.4 Functional currency**

The management has determined the currency of the primary economic environment in which the Federation operates i.e. functional currency, to be Singapore Dollar (“SGD”).

2.5 Property, plant and equipment

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

Depreciation is calculated on the straight-line method to write off the cost of the assets over their estimated useful lives as follows:

	<u>Number of years</u>
Sports Equipment	3
Computer	3
Office Equipment	3
Furniture and Fittings	5
Renovation	6

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

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

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

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

2.6 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 Federation measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Federation 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.

SINGAPORE SEPAKTAKRAW FEDERATION*Registration No.: S60SS0012H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2022*

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.6 Financial instruments (Continued)****(a) Financial assets (Continued)***Derecognition*

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

(b) Financial liabilities*Initial recognition and measurement*

Financial liabilities are recognised when, and only when, the Federation becomes a party to the contractual provisions of the financial instrument. The Federation 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 fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

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

2.7 Impairment of financial assets

The Federation 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 Federation 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).

SINGAPORE SEPAKTAKRAW FEDERATION*Registration No.: S60SS0012H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2022*

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.7 Impairment of financial assets (Continued)**

For trade receivables, the Federation applies a simplified approach in calculating ECLs. Therefore, the Federation does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Federation 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.

The Federation considers a financial asset to be in default when internal or external information indicates that the Federation is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Federation. 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 banks which are subject to an insignificant risk of changes in value. Cash and cash equivalents carried in the statement of financial position is classified and accounted for as financial asset at amortised cost under FRS 109.

2.9 Impairment of non-financial assets

The Federation assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Federation 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.

2.10 Provisions

Provisions are recognised when the Federation has a present legal or constructive obligation as a result of past events where it is probable that it will result in an outflow of economic benefits to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits 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.

SINGAPORE SEPAKTAKRAW FEDERATION

Registration No.: S60SS0012H

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Funds

(a) Unrestricted Fund

Unrestricted fund comprises general fund. General fund is used for the general purposes of the Federation as set out in its governing document. 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 Board Members' discretion to apply the fund.

The Federation classifies the following fund as unrestricted fund:

- Accumulated Funds

(b) Restricted Funds

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

Restricted funds may only be utilised in accordance with the purposes established by the sources of such funds whereas unrestricted fund can be used in a manner the Federation sees fit in achieving its institutional purposes.

The Federation do not have any restricted funds.

2.12 Revenue recognition

Tournament fee is recognised when the event takes place.

Sport Singapore grants, general donation and donation-in-kind is recognised upon receipt.

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

2.13 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments. Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

SINGAPORE SEPAKTAKRAW FEDERATION*Registration No.: S60SS0012H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2022*

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.14 Lease**

The Federation 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 Federation applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Federation recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets. The adoption of FRS116 Leases have no significant impact as the property leases of the Federation are fully covered by non cash grant from SportSG.

(a) *Right-of-use assets*

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

If ownership of the leased asset transfers to the Federation at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.9.

The Federation's right-of-use assets are disclosed in Note 10(a).

(b) *Lease liabilities*

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

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

The Federation's lease liabilities are disclosed in Note 10(b).

SINGAPORE SEPAKTAKRAW FEDERATION

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.15 Employee benefits****(a) *Defined contribution plan***

As required by law, the Federation contributes to the employees' Central Provident Fund ("CPF") accounts monthly. CPF contributions are recognised as compensation expenses in the same period as the employment that gives rise to the contribution.

(b) *Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. The undiscounted liability for leave expected to be settled wholly within twelve months from the reporting date is recognised for annual leave as a result of services rendered by employees up to the end of the reporting period. The Federation allows employee leave entitlements to carry forward for a maximum period of twelve months.

2.16 Expenditures

All expenditures are accounted for on an accrual basis, aggregated under the respective areas as soon as there is a legal or constructive obligation committing the Federation to make payment.

2.17 Related party

Related parties include all of the following:

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

- (i) has control or joint control over the Federation;
- (ii) has significant influence over the Federation; or
- (iii) is a governing Board Member, trustee or member of the key management personnel of the Federation or of a parent of the Federation.

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

- (i) the entity and the Federation are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) the entity is an associate or joint venture of the Federation (or an associate or joint venture of a member of a group of which the Federation is a member) and vice versa;
- (iii) the entity and the Federation are joint ventures of the same third party;
- (iv) the entity is a joint venture of a third entity and the Federation is an associate of the third entity and vice versa;
- (v) the entity is controlled or jointly controlled by a person identified in (a); and
- (vi) a person identified in (a)(i) has significant influence over the entity or is a governing Board Member, trustee or member of the key management personnel of the entity (or of a parent of the entity).

(c) Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the Federation and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependants of that person or that person's spouse or domestic partner.

SINGAPORE SEPAKTAKRAW FEDERATION*Registration No.: S60SS0012H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2022***2 SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.17 Related party (Continued)

- (d) A charity and another entity are not related parties simply because they have a governing Board Member, trustee, or other member of key management personnel in common or because the governing Board Member, trustee or other member of key management personnel of the charity has significant influence over the entity and vice versa.

2.18 Conflict of interest policy

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

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. All these judgments, estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may ultimately differ from those estimates.

(i) Judgements made in applying accounting policies

Management is of the opinion that there are no critical judgements (other than those involving estimates) that have a significant effect on the amounts recognised in the financial statements.

(ii) Key sources of estimation 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 Federation 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 Federation. Such changes are reflected in the assumptions when they occur.

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 Federation's property, plant and equipment as at 31 March 2022 is disclosed in Note 5.

SINGAPORE SEPAKTAKRAW FEDERATION

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

4 RELATED PARTY DISCLOSURES

The following are significant transactions between the Federation and related parties that took place during the financial year. The effects of these transactions are reflected in the financial statements on the basis determined between the parties.

Significant related party transactions

During the financial year, the Federation has no significant related party transactions (2021: Nil).

5 PROPERTY, PLANT AND EQUIPMENT

	Sport equipment	Computer	Furniture, fittings & office equipment	Renovation	Total
	\$	\$	\$	\$	\$
Cost					
At 31.03.2020	385,547	8,005	22,255	372,924	788,731
Additions	-	10,550	9,758	-	20,308
At 31.03.2021	385,547	18,555	32,013	372,924	809,039
Adjustment during the financial year	-	-	(1,278)	-	(1,278)
At 31.03.2022	385,547	18,555	30,735	372,924	807,761
Accumulated depreciation					
At 31.03.2020	385,547	9,265	24,763	371,941	791,516
Charge for the financial year	-	3,517	2,555	983	7,055
At 31.03.2021	385,547	12,782	27,318	372,924	798,571
Charge for the financial year	-	3,517	2,065	-	5,582
Adjustment during the financial year	-	-	(5,770)	-	(5,770)
At 31.03.2022	385,547	16,299	23,613	372,924	798,383
Net book value					
At 31.03.2022	-	2,256	7,122	-	9,378
At 31.03.2021	-	5,773	4,695	-	10,468

As at the financial year end, copier with a net book value of \$6,410 (2021: \$3,586) is included as right-of-use asset (Note 10(a)).

SINGAPORE SEPAKTAKRAW FEDERATION

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

6 OTHER RECEIVABLES

	<u>2022</u>	<u>2021</u>
	\$	\$
Accrued income	14,704	-
Deposits	3,459	3,459
Other receivables	33	585
	<u>18,196</u>	<u>4,044</u>
Total other receivables	18,196	4,044
Add: Cash and cash equivalents (Note 7)	72,477	94,884
Total financial assets carried at amortised cost	<u>90,673</u>	<u>98,928</u>

Expected credit losses

As at the financial year ended 31 March 2022, the Federation has no allowance for expected credit losses of other receivables computed based on 12 month ECL.

Other receivables are denominated in Singapore Dollar.

7 CASH AND CASH EQUIVALENTS

	<u>2022</u>	<u>2021</u>
	\$	\$
Cash and cash equivalents	<u>72,477</u>	<u>94,884</u>

Cash at banks are held in non-interest bearing accounts.

For the purpose of the statement of cash flows, cash and cash equivalents are made up of the balances as shown above.

Cash and cash equivalents are denominated in Singapore Dollar.

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SINGAPORE SEPAKTAKRAW FEDERATION

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

8 OTHER PAYABLES

	<u>2022</u>	<u>2021</u>
	\$	\$
Unutilised SportSG funds for purchases of COVID-19 test kits	25,031	-
Accruals	6,590	6,040
Interim salary payables	3,946	-
CPF payables	3,946	2,291
Account payables	-	150
Unutilised SportSG funds	-	1,265
	<u>39,513</u>	<u>9,746</u>
Total other payables	39,513	9,746
Add: Loan payables (Note 9)	8,300	-
Total financial liabilities carried at amortised cost	<u>47,813</u>	<u>9,746</u>

Other payables are denominated in Singapore Dollar.

9 LOAN PAYABLES

	<u>2022</u>	<u>2021</u>
	\$	\$
Loan from SportSG	8,300	-
Less: Current portion	<u>(2,750)</u>	-
Non current portion	<u>5,550</u>	-

The interest free loan is denominated in Singapore Dollar and due to SportSG.

The loan is unsecured and repayable in three years.

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SINGAPORE SEPAKTAKRAW FEDERATION

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

10 LEASES

The Federation has a lease contract for its copier as a lessee. The Federation's obligation under this lease is unsecured. The Federation is restricted from assigning and subleasing the leased asset.

Federation as lessee*(a) Carrying amounts of right-of-use assets presented within property, plant and equipment*

	Furniture, fittings and office equipment
	\$
Cost	
At 31.03.2020 and 31.03.2021	9,356
Adjustment during the financial year	(1,278)
At 31.03.2022	<u>8,078</u>
Accumulated depreciation	
At 31.03.2020	3,898
Charge for the financial year	1,872
At 31.03.2021	<u>5,770</u>
Charge for the financial year	1,668
Adjustment during the financial year	(5,770)
At 31.03.2022	<u>1,668</u>
Net carrying amount	
At 31.03.2021	<u>3,586</u>
At 31.03.2022	<u>6,410</u>

(b) Lease liabilities

The carrying amounts of lease liabilities, the movements during the financial year and the maturity analysis of lease liabilities are disclosed below.

	<u>2022</u>	<u>2021</u>
	\$	\$
Within one financial year	1,896	2,018
Within two to five financial years	<u>5,372</u>	<u>1,590</u>
Total minimum lease payments	7,268	3,608
Financial charges allocated to future periods	(698)	-
Present value of minimum lease payments	<u>6,570</u>	<u>3,608</u>
Present value within one financial year	(1,589)	(2,018)
Present value after one financial year	<u>4,981</u>	<u>1,590</u>

SINGAPORE SEPAKTAKRAW FEDERATION

Registration No.: S60SS0012H

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

10 LEASES (Continued)*Federation as lessee (Continued)*(b) *Lease liabilities (Continued)*

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

	01-Apr-21	Cash flows	Non – cash changes			31-Mar-22
			Adjustment	Accretion of interest	Others	
	\$	\$	\$	\$	\$	\$
Current	2,018	(2,018)	-	388	1,201	1,589
Non current	1,590	-	4,592	-	(1,201)	4,981
Total	3,608	(2,018)	4,592	388	-	6,570

	01-Apr-20	Cash flows	Non – cash changes			31-Mar-21
			Addition	Accretion of interests	Others	
	\$	\$	\$	\$	\$	\$
Current	3,919	(2,170)	(1,590)	269	1,590	2,018
Non current	1,590	-	1,590	-	(1,590)	1,590
Total	5,509	(2,170)	-	269	-	3,608

(c) *Amounts recognised in profit or loss*

	<u>2022</u>	<u>2021</u>
	\$	\$
Depreciation of right-of-use asset	1,668	1,872
Interest expenses on lease liabilities	388	269
Total amount recognised in profit or loss	<u>2,056</u>	<u>2,141</u>

(d) *Total cash outflow*

The Federation had total cash outflows for its leases of \$2,018 as at 31 March 2022 (2021: \$2,170).

11 REVENUE

	<u>2022</u>	<u>2021</u>
	\$	\$
Subsidies from Sport Singapore	134,040	147,371
Registration fees	1,950	1,750
Rental income	1,545	3,895
Course fee income	360	2,160
Donation income	200	20,772
Major events	-	13,680
	<u>138,095</u>	<u>189,628</u>

Revenue mainly represents contributions received and receivable for sport activities conducted during the financial year.

SINGAPORE SEPAKTAKRAW FEDERATION*Registration No.: S60SS0012H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2022***12 REMUNERATION OF KEY MANAGEMENT PERSONNEL AND HIGHEST PAID EMPLOYEES**

Key management personnel consist of the Board Members.

It is not the practice for the Board Members or people connected with them, to receive remuneration, or other benefits, from the Federation for which they are responsible, or from institutions connected with the Federation.

There is no (2021:Nil) compensation paid to the Board Members during the financial year.

During the current financial year, the 2 highest paid employees has received a total annual remuneration within the range of below \$100,000 (2021: 2 employees).

	<u>2022</u>	<u>2021</u>
	\$	\$
Top 2 executives' annual remuneration	<u>68,495</u>	<u>60,599</u>

13 TAXATION

The Federation is a registered charity under the Charities Act, Chapter 37 and is exempted from income tax under Section 13 of the Income Tax Act.

14 TAX-DEDUCTIBLE RECEIPTS

During the financial year, the Federation issued tax-deductible receipts for donations collected amounting to \$200 (2021: \$17,495).

15 FUND RAISING**(a) Fund-raising appeals**

The Federation had no fund-raising event during the financial year (2021:Nil).

(b) Fund-raising efficiency ratio

The Federation does not have any donations arising from public fund-raising activities during the financial year (2021:Nil).

16 MANAGEMENT OF RESERVES

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

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

SINGAPORE SEPAKTAKRAW FEDERATION*Registration No.: S60SS0012H***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2022***16 MANAGEMENT OF RESERVES (Continued)**

	<u>2022</u>	<u>2021</u>
	\$	\$
Unrestricted Fund - Accumulated Fund	45,668	96,042
Annual Operating Expenditure	242,586	158,186
Ratio of Reserves to Annual Operating Expenditure	<u>0.19</u>	<u>0.61</u>

The reserves of the Federation provide financial stability and the means for the development of the Federation's activities. The Board Members review the level of reserves regularly for the Federation's continuing obligations.

17 FINANCIAL INSTRUMENTS**(a) Financial risk management objectives and policies**

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

Credit risk

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

Liquidity risk

The Federation's financing activities are managed by maintaining an adequate level of cash and cash equivalents to finance the operations. Grants from Sport Singapore and sponsorship ensure continuity of funding.

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

17 FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities

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

		2022			
Note	Carrying amount \$	Contractual cash flows \$	One year or less \$	One to five years \$	
Financial assets					
Other receivables	6	26,496	26,496	26,496	-
Cash and cash equivalents	7	72,477	72,477	72,477	-
Total undiscounted financial assets		98,973	98,973	98,973	-
Financial liabilities					
Other payables	8	39,513	39,513	39,513	-
Loan payables	9	8,300	8,300	2,750	5,550
Lease liabilities	10	6,410	6,570	1,589	4,981
Total undiscounted financial liabilities		54,223	54,383	43,852	10,531
Total net undiscounted financial assets/(liabilities)		44,750	44,590	55,121	(10,531)
		2021			
Note	Carrying amount \$	Contractual cash flows \$	One year or less \$	One to five years \$	
Financial assets					
Other receivables	6	4,044	4,044	4,044	-
Cash and cash equivalents	7	94,884	94,884	94,884	-
Total undiscounted financial assets		98,928	98,928	98,928	-
Financial liabilities					
Other payables	8	9,746	9,746	9,746	-
Lease liabilities	10	2,018	3,608	2,018	1,590
Total undiscounted financial liabilities		11,764	13,354	11,764	1,590
Total net undiscounted financial assets/(liabilities)		87,164	85,574	87,164	(1,590)

SINGAPORE SEPAKTAKRAW FEDERATION

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

17 FINANCIAL INSTRUMENTS (Continued)

(b) Fair value of financial assets and financial liabilities

The fair value of financial asset and financial liabilities reported in the statement of financial position approximates the carrying amounts of those assets and liabilities, as these are short term in nature.

During the financial year, no amount (2021: Nil) has been recognised in profit or loss in relation to the change in fair value of financial assets or financial liabilities, estimated using a valuation technique.

The Federation has no (2021: Nil) fair value measurement recognised on the statement of financial position as at the end of the reporting period.

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SINGAPORE SEPAKTAKRAW FEDERATION

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DETAILED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

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

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Income</u>		
Affiliates fee	1,950	1,750
Course fee income	360	2,160
Donation income	200	20,772
Events income	-	13,680
Rental income	1,545	3,895
Subsidies from Sport Singapore	134,040	147,371
Other income	54,117	30,813
	<u>192,212</u>	<u>220,441</u>
<u>Less: Expenditure</u>		
Salaries and benefits	59,580	54,043
General expenses	54,774	10,601
Events expenditure	27,555	14,836
Coaching fee	22,210	11,400
Professional and legal fees	8,940	12,080
Contributions to CPF Board	8,915	8,810
Depreciation of property, plant and equipment	5,582	7,055
Tournament Fee (Expenses)	4,550	-
Property, plant and equipment expensed	3,247	4,903
Telecommunication	2,769	1,678
Printing and postages	2,698	1,256
Insurance	2,244	974
Food and refreshment	654	346
Lease interest	388	269
Bank charges	290	257
Entertainment	78	512
Affiliation fees	-	2,653
Rental of equipment and facilities	38,112	25,894
Utilities	-	619
	<u>(242,586)</u>	<u>(158,186)</u>
(Loss)/Profit for the year	(50,374)	62,255