

SINGAPORE RUGBY UNION

(Unique Entity Number: S66SS0003G)

(Registered Under the Charities Act 1994 and Societies Act, Chapter 311)

Statement by Management Committee and Financial Statements

Year Ended 31 March 2022

RSM Chio Lim LLP

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SINGAPORE RUGBY UNION
(Registered Under the Charities Act, Chapter 37 and Societies Act, Chapter 311)

Statement by Management Committee and Financial Statements

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SINGAPORE RUGBY UNION

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

Statement by Management Committee

In the opinion of the management committee,

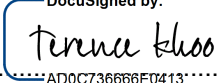
- (a) the accompanying financial statements of Singapore Rugby Union (the "Society") are drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations"), and the Financial Reporting Standards (FRS), so as to present fairly, in all material respects, the state of affairs and the financial activities of the Society as at 31 March 2022 and cash flows of the society for the year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

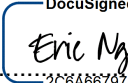
The members of the management committee of the society at the date of this statement are:

President	Khoo Chi Siang Terence
Vice President	David Lim Seng Wai
Vice President	Martin Tudor Ellis Williams
Assistant Honourary Secretary	Shafiq Bin Zulazmi
Honourary Treasurer	Ng Renmao Eric
Member	Leow Zi Wei Jonathan
Member	Miles Elliott Peckham Cooper
Member	George Danaraj Danapal Naidu

The management committee approved and authorised these financial statements for issue.

On behalf of the management committee,

DocuSigned by:

AD0C73666E0413...
Khoo Chi Siang Terence
President

DocuSigned by:

2C8A667978344D9...
Ng Renmao Eric
Honorary Treasurer

28 September 2022

RSM Chio Lim LLP

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**Independent Auditor's Report to the Management Committee of
SINGAPORE RUGBY UNION
(Registered Under the Charities Act 1994 and Societies Act, Chapter 311)**

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Singapore Rugby Union (the "Society"), which comprise the statement of financial position of the society as at 31 March 2022, and the statement of financial activities, statement of changes in funds and statement of cash flows for the reporting year then ended, and a summary of significant accounting policies and other explanatory information.

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 1994 and other relevant regulations (the "Charities Act and Regulations"), and the Financial Reporting Standards ("FRS") so as to present fairly, in all material respects, the state of affairs and the financial activities of the society as at 31 March 2022 and cash flows of the society for the year ended on that date.

Basis for opinion

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

Other information

The management committee is responsible for the other information. The other information comprises the information included in the annual report and the statement by the management committee, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not 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.

**Independent Auditor's Report to the Management Committee of
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Responsibilities of management and 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 FRS, and for such internal control as the management committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

Those charged with governance are 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:

- a) 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.
- b) 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management committee.
- 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.

**Independent Auditor's Report to the Management Committee of
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Auditor's responsibilities for the audit of the financial statements (cont'd)

- e) 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

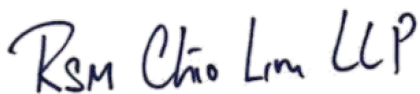
In our opinion,

- (a) the accounting and other records required by the society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- (b) the fund-raising appeals held during the reporting year have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal.

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

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

The engagement partner on the audit resulting in this independent auditor's report is Yeow Thuan Wee.



RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

28 September 2022

SINGAPORE RUGBY UNION

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

**Statements of Financial Activities
Year Ended 31 March 2022**

	<u>Notes</u>	<u>2022</u>			<u>Total</u> \$
		<u>Unrestricted Funds</u>		<u>Restricted Fund</u>	
		<u>General fund</u> \$	<u>Designated fund</u> \$	<u>One Team Singapore Fund</u> \$	
Income	4	1,136,949	-	-	1,136,949
Other income and gains	5	107,985	-	-	107,985
Expenditure					
Coaching and rugby development		(116,595)	-	-	(116,595)
Depreciation of plant and equipment	10	(8,796)	-	-	(8,796)
Depreciation of right-of-use assets	11	(33,235)	-	-	(33,235)
Employee benefits expense	6	(583,645)	-	(12,000)	(595,645)
Other operating expenses	7	(262,423)	-	(5,561)	(267,984)
Finance costs	8	(3,534)	-	-	(3,534)
Total expenditure		(1,008,228)	-	(17,561)	(1,025,789)
Net surplus / (loss) for the year		236,706	-	(17,561)	219,145
Net movement in funds		236,706	-	(17,561)	219,145
Total funds at beginning of the year		(234,267)	185,722	268,148	219,603
Total funds at end of the year		2,439	185,722	250,587	438,748

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

SINGAPORE RUGBY UNION

(Registered Under the Charities Act 1994 and Societies Act, Chapter 311)

**Statements of Financial Activities
Year Ended 31 March 2022**

	<u>Notes</u>	<u>2021</u>			<u>Total</u> \$
		<u>Unrestricted Funds</u>		<u>Restricted Fund</u>	
		<u>General fund</u> \$	<u>Designated fund</u> \$	<u>One Team Singapore Fund</u> \$	
Income	4	1,087,346	–	189,952	1,277,298
Other income and gains	5	149,731	–	–	149,731
Expenditure					
Coaching and rugby development		(238,807)	–	(176)	(238,983)
Depreciation of plant and equipment	10	(8,180)	–	–	(8,180)
Depreciation of right-of-use assets	11	(23,348)	–	–	(23,348)
Employee benefits expense	6	(702,959)	–	(36,000)	(738,959)
Other operating expenses	7	(326,324)	–	(11,235)	(337,559)
Finance costs	8	(1,129)	–	–	(1,129)
Total expenditure		(1,300,747)	–	(47,411)	(1,348,158)
Net (loss) / surplus for the year		(63,670)	–	142,541	78,871
Net movement in funds		(63,670)	–	142,541	78,871
Total funds at beginning of the year		(170,597)	185,722	125,607	140,732
Total funds at end of the year		(234,267)	185,722	268,148	219,603

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

SINGAPORE RUGBY UNION

(Registered Under the Charities Act 1994 and Societies Act, Chapter 311)

**Statement of Financial Position
As at 31 March 2022**

	<u>Notes</u>	<u>2022</u> \$	<u>2021</u> \$
ASSETS			
<u>Non-current assets</u>			
Plant and equipment	10	12,267	19,423
Right-of-use asset	11	53,301	51,777
Total non-current assets		<u>65,568</u>	<u>71,200</u>
<u>Current assets</u>			
Trade and other receivables	12	14,056	250,686
Other non-financial assets	13	–	3,334
Cash and cash equivalents	14	981,801	548,074
Total current assets		<u>995,857</u>	<u>802,094</u>
Total assets		<u>1,061,425</u>	<u>873,294</u>
FUNDS AND LIABILITIES			
<u>Unrestricted funds</u>			
General fund	15	2,439	(234,267)
Designated fund	15	185,722	185,722
Total unrestricted funds		<u>188,161</u>	<u>(48,545)</u>
<u>Restricted fund</u>			
One Team Singapore Fund	15	250,587	268,148
Total restricted fund		<u>250,587</u>	<u>268,148</u>
Total funds		<u>438,748</u>	<u>219,603</u>
<u>Non-current liabilities</u>			
Lease liabilities, non-current	18	18,959	29,706
Total non-current liabilities		<u>18,959</u>	<u>29,706</u>
<u>Current liabilities</u>			
Trade and other payables	16	548,276	579,262
Other non-financial liabilities	17	19,629	22,319
Lease liabilities, current	18	35,813	22,404
Total current liabilities		<u>603,718</u>	<u>623,985</u>
Total liabilities		<u>622,677</u>	<u>653,691</u>
Total funds and liabilities		<u>1,061,425</u>	<u>873,294</u>

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

SINGAPORE RUGBY UNION

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**Statement of Changes in Funds
Financial Year Ended 31 March 2022**

	Unrestricted Funds		Restricted Fund	Total
	General fund	Designated fund	One Team Singapore Fund	
	\$	\$	\$	\$
Current Year:				
Opening balance at 1 April 2021	(234,267)	185,722	268,148	219,603
Changes in fund:				
Net surplus / (loss) for the year	236,706	-	(17,561)	219,145
Closing balance at 31 March 2022	<u>2,439</u>	<u>185,722</u>	<u>250,587</u>	<u>438,748</u>
Previous Year:				
Opening balance at 1 April 2020	(170,597)	185,722	125,607	140,732
Changes in fund:				
Net (loss) / surplus for the year	(63,670)	-	142,541	78,871
Closing balance at 31 March 2021	<u>(234,267)</u>	<u>185,722</u>	<u>268,148</u>	<u>219,603</u>

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

SINGAPORE RUGBY UNION

(Registered Under the Charities Act 1994 and Societies Act, Chapter 311)

**Statement of Cash Flows
Year Ended 31 March 2022**

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Cash flows from operating activities</u>		
Net surplus for the year	219,145	78,871
Adjustments for:		
Interest income	(277)	(2,287)
Interest on lease liabilities	3,534	1,129
Depreciation of plant and equipment	8,796	8,180
Depreciation of right-of-use assets	33,235	23,348
Operating cash flows before changes in working capital	<u>264,433</u>	<u>109,241</u>
Trade and other receivables	236,630	(179,091)
Other non-financial assets	3,334	11,566
Trade and other payables	(30,986)	144,776
Other non-financial liabilities	(2,690)	1,487
Net cash flows from operating activities	<u>470,721</u>	<u>87,979</u>
<u>Cash flows from investing activities</u>		
Purchase of plant and equipment	(1,640)	(17,280)
Interest received	277	2,287
Net cash flows used in investing activities	<u>(1,363)</u>	<u>(14,993)</u>
<u>Cash flows from financing activities</u>		
Lease liabilities paid	(35,631)	(24,605)
Net cash flows used in financing activities	<u>(35,631)</u>	<u>(24,605)</u>
Net increase in cash and cash equivalents	433,727	48,381
Cash and cash equivalents, beginning balance	<u>548,074</u>	<u>499,693</u>
Cash and cash equivalents, ending balance (Note 14)	<u><u>981,801</u></u>	<u><u>548,074</u></u>

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

SINGAPORE RUGBY UNION

(Registered Under the Charities Act 1994 and Societies Act, Chapter 311)

Notes to the Financial Statements

31 March 2022

1. General

Singapore Rugby Union (the “Society”) is registered in Singapore under the Societies Act, Chapter 311. The financial statements are presented in Singapore dollars. The society is a charity registered under the Charities Act 1994 with effect from 30 November 2010. The society was granted the status of an Institution of a Public Character under the Charities Act 1994, for the period from 28 January 2021 to 27 January 2022.

The management committee approved and authorised these financial statements for issue on the date of the statement by management committee.

The principal activity of the society is that of a Rugby Union and related to the promotion of rugby activities.

The registered office address is: 301 Toa Payoh Lor 6, Toa Payoh Swimming Complex, Singapore 319392. The society is situated in Singapore.

The Covid-19 pandemic:

Management committee has reviewed the estimated potential impact and plausible downside scenarios, along with its responses as a result of the Covid-19 pandemic. No material uncertainties were identified in connection with the Society’s ability to continue in operational existence for the foreseeable future.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (“FRS”) and the related interpretations to FRS (“INT FRS”) as issued by the Singapore Accounting Standards Council. The society is also subject to the provisions of the Charities Act 1994. The society is in compliance with the provision of the Societies Act and Charities Act 1994.

Accounting convention

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

Basic of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management committee to make 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 revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, the management committee has made judgements in the process of applying the society’s accounting policies. The areas requiring the management committee’s most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

SINGAPORE RUGBY UNION

(Registered Under the Charities Act 1994 and Societies Act, Chapter 311)

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Revenue recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

(i) Grant income

Grants to cover a particular expenditure or programme are accounted for as incoming resources upon receipt of notification of the grant award, which normally coincides with the year when the related expenses, for which the grant is intended to cover, are incurred. The corresponding asset (grants receivable account) is also recognised then. A government grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. Grants and government subvention receipts in recognition of specific expenses are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systemic basis. A grant related to depreciable assets is allocated to income over the period in which such assets are used in the project subsidised by the grant. A government grant related to assets, including non-monetary grants at fair value, is presented in the statement of financial position by setting up the grant as deferred income.

(ii) Sponsorship

Sponsorship income is recognised upon the society's performance of an act or service. The society purchases medical supplies from a sponsor at cost price.

(iii) Membership fees and course fees

Membership fees and course fees for activities held are recognised when the services are rendered.

(iv) Donations

Revenue from donations are accounted for when received.

(v) Tournament fee and ticketing sales

Revenue from the organising and managing of tournament, as well as from the sale of tickets, is recognised as the services are provided or when the tournament is completed.

SINGAPORE RUGBY UNION

(Registered Under the Charities Act 1994 and Societies Act, Chapter 311)

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Other income

Interest income is recognised using the effective interest method. Dividend from equity instruments is recognised in profit or loss only when the entity's right to receive payment of the dividend is established; it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in profit or loss on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

Gifts in kind

Goods donated as consumables are recorded at values based on a reasonable estimate of their value (if material). Assets which are donated for resale, distribution or consumption are not recorded when received as it is usually not practical to ascertain the value of the items involved. No value is ascribed to volunteer services.

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the society is contractually obliged or where there is constructive obligation based on past practice.

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the society operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

SINGAPORE RUGBY UNION

(Registered Under the Charities Act 1994 and Societies Act, Chapter 311)

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Income tax

As a charity, the society is exempt from tax on income and gains falling within section 13(1) (zm) of the Income Tax Act to the extent that these are applied to its charitable objects. No tax changes have arisen in the society.

Plant and equipment

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Plant and equipment	–	16% to 33%
Leasehold improvements	–	20%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of plant and equipment is measured as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property plant and equipment. The annual rates of depreciation are as follows:

Office space	–	40%
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Leases of lessee

Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum lease payments. A corresponding right-of-use asset is recorded in property, plant and equipment. Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as an expense. Right-of-use assets are depreciated over the shorter of the estimated useful life of the asset and the lease term. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

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2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Impairment of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification and measurement of financial assets:

1. Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

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2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial instruments (cont'd)

Classification and measurement of financial assets (cont'd):

2. Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI): A debt asset instrument is measured at fair value through other comprehensive income (FVTOCI) only if it meets both of the following conditions and is not designated as at FVTPL, that is (a): the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets are not reclassified subsequent to their initial recognition, except when, and only when, the reporting entity changes its business model for managing financial assets (expected to be rare and infrequent events). The previously recognised gains, losses, or interest cannot be restated. When these financial assets are derecognised, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.
3. Financial asset that is an equity investment measured at fair value through other comprehensive income (FVTOCI): On initial recognition of an equity investment that is not held for trading, an irrevocably election may be made to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. Fair value changes are recognised in OCI but dividends are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. The gain or loss that is presented in OCI includes any related foreign exchange component arising on non-monetary investments (eg, equity instruments). On disposal, the cumulative fair value changes are not recycled to profit or loss but remain in reserves within equity. The weighted average or specific identification method is used when determining the cost basis of equities being disposed of.
4. Financial asset classified as measured at fair value through profit or loss (FVTPL): All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Classification and measurement of financial liabilities:

Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows include bank and cash balances, on demand deposits and any highly liquid debt asset instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

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2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

2B. Other explanatory information

Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management committee. Externally restricted fund may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense.

Reserve policy

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

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2. Significant accounting policies and other explanatory information (cont'd)

2B. Other explanatory information (cont'd)

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the period they occur.

2C. Critical judgements, assumptions and estimation uncertainties

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

3A. Related party transactions:

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

All committee members, chairman of sub-committees and staff members of the society are required to read and understand the conflict of interest policy in place and make full disclosure of interests and relationships that could potentially result in conflict of interests. When a conflict of interest situation arises, the members or staff shall abstain from participating in the discussion, decision making and voting on the matter.

It is not the normal practice for the trustees/office bearers, or people connected with them, to receive remuneration, or other benefits, from the society for which they are responsible, or from institutions connected with the society except as disclosed below.

The society paid individual expenses incurred by office bearers for services provided to the society, either by reimbursement of the office bearer concerned or by direct payment to a third party.

The society receives grants from the Singapore Sports Council ("SSC") to defray costs of selected programmes and initiatives that support the achievement of SSC's strategic objectives.

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3. Related party relationships and transactions (cont'd)**3A. Related party transactions (cont'd):**

	<u>2022</u> \$	<u>2021</u> \$
Purchase of goods and services	<u>200</u>	<u>1,410</u>

3B. Key management compensation:

	<u>2022</u> \$	<u>2021</u> \$
Salaries and other short-term employee benefits	<u>117,440</u>	<u>95,265</u>
Number of key management in remuneration bands:		
\$50,001 - \$100,000	-	1
\$100,001 – \$150,000	<u>1</u>	<u>-</u>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The above amounts for key management compensation are for key management personnel. There were no fees paid to a corporation in which the management committee members have an interest.

The annual remuneration (comprising basic salary, bonuses, allowances and employer's contributions to Central Provident Fund) of the three highest paid staff classified by remuneration bands are as follows:

	<u>2022</u> \$	<u>2021</u> \$
\$50,001 - \$100,000	2	2
\$100,001 - \$150,000	1	-
\$150,001 - \$200,000	<u>-</u>	<u>1</u>

During the reporting year, there is a paid staff who is a family member of a management committee member whose remuneration is within the band of \$100,001 - \$150,000.

4. Income

	<u>2022</u> \$	<u>2021</u> \$
<u>One Team Singapore Fund - Point in time</u>		
Grants income	-	189,952
Sub-total	<u>-</u>	<u>189,952</u>
<u>General fund - Point in time</u>		
Grants income	366,707	-
Coaching assistance	20,445	33,058
Donations	4,110	180,050
Mass participation event	5,940	660
Match admin service fee	-	30
League registration fee	900	-
Sub-total	<u>398,102</u>	<u>213,798</u>

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4. Income (cont'd)

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>General fund - Over time</u>		
Membership fee	1,500	1,800
Grants income	737,347	851,748
Sponsorship in kind	–	20,000
Sub-total	<u>738,847</u>	<u>873,548</u>
Total income	<u>1,136,949</u>	<u>1,277,298</u>
	<u>2022</u>	<u>2021</u>
	\$	\$
Tax-exempt receipts issued for donations collected	<u>–</u>	<u>158,009</u>

5. Other income and gains

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>General fund</u>		
Government grants	102,318	98,951
Interest income	277	2,287
Other income	5,390	48,493
	<u>107,985</u>	<u>149,731</u>

6. Employee benefits expense

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>General fund</u>		
Short term employee benefits expense	530,637	654,220
Contributions to defined contribution plan	53,008	48,739
Sub-total	<u>583,645</u>	<u>702,959</u>
<u>One Team Singapore Fund</u>		
Short term employee benefits expense	12,000	36,000
Sub-total	<u>12,000</u>	<u>36,000</u>
Total employee benefits expense	<u>595,645</u>	<u>738,959</u>

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7. Other operating expenditure

	General Fund \$	One Team Singapore Fund \$	Total \$
<u>2022</u>			
Expenditure on events	19,292	–	19,292
HPD analytics	40,436	–	40,436
Fund raising expenditure	125	–	125
General and other expenses	85,594	–	85,594
Maintenance of office	3,600	–	3,600
Medical expenses	14,449	–	14,449
Professional fees	64,914	–	64,914
Rental – store and office equipment	4,799	–	4,799
Donation	1,455	–	1,455
Training / courses expenses	46,982	–	46,982
Transportation	51,385	5,561	56,946
Reversal of accrued expenses	(70,608)	–	(70,608)
	<u>262,423</u>	<u>5,561</u>	<u>267,984</u>
<u>2021</u>			
Expenditure on events	89,934	–	89,934
HPD analytics	29,527	–	29,527
Fund raising expenditure	3,747	–	3,747
General and other expenses	30,100	–	30,100
Maintenance of office	16,034	–	16,034
Medical expenses	994	–	994
Professional fees	50,439	–	50,439
Rental – store and office equipment	9,938	–	9,938
Donation	47,198	–	47,198
Training / courses expenses	29,647	–	29,647
Transportation	18,766	11,235	30,001
	<u>326,324</u>	<u>11,235</u>	<u>337,559</u>

8. Finance costs

	<u>2022</u> \$	<u>2021</u> \$
<u>General fund</u>		
Interest on lease liabilities	<u>3,534</u>	<u>1,129</u>

9. Income tax

The society is a registered charity under the Charities Act 1994 and is exempted from income tax under Section 13 of the Income Tax Act.

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10. Plant and equipment

	<u>Leasehold improvements</u>	<u>Plant and equipment</u>	<u>Total</u>
	\$	\$	\$
<u>Cost:</u>			
At 1 April 2020	6,320	128,538	134,858
Additions	–	17,280	17,280
At 31 March 2021	<u>6,320</u>	<u>145,818</u>	<u>152,138</u>
Additions	–	1,640	1,640
At 31 March 2022	<u>6,320</u>	<u>147,458</u>	<u>153,778</u>
<u>Accumulated depreciation:</u>			
At 1 April 2020	4,385	120,150	124,535
Depreciation for the year	986	7,194	8,180
At 31 March 2021	<u>5,371</u>	<u>127,344</u>	<u>132,715</u>
Depreciation for the year	852	7,944	8,796
At 31 March 2022	<u>6,223</u>	<u>135,288</u>	<u>141,511</u>
<u>Carrying value:</u>			
At 1 April 2020	<u>1,935</u>	<u>8,388</u>	<u>10,323</u>
At 31 March 2021	<u>949</u>	<u>18,474</u>	<u>19,423</u>
At 31 March 2022	<u>97</u>	<u>12,170</u>	<u>12,267</u>

11. Right-of-use assets

The right-of-use assets in the statement of financial position are as follows:

	<u>Office space</u>
	\$
<u>Cost:</u>	
At 1 April 2020	41,055
Disposals	(41,055)
Additions	57,530
At 31 March 2021	<u>57,530</u>
Additions	34,759
At 31 March 2022	<u>92,289</u>
<u>Accumulated depreciation:</u>	
At 1 April 2020	23,460
Depreciation for the year	23,348
Disposals	(41,055)
At 31 March 2021	<u>5,753</u>
Depreciation for the year	33,235
At 31 March 2022	<u>38,988</u>
<u>Carrying value:</u>	
At 1 April 2020	<u>17,595</u>
At 31 March 2021	<u>51,777</u>
At 31 March 2022	<u>53,301</u>

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12. Trade and other receivables

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Trade receivables:</u>		
Outside parties	4,450	30,801
Less allowance for impairment	–	(11,048)
Net trade receivables – subtotal	<u>4,450</u>	<u>19,753</u>
<u>Other receivables:</u>		
Outside parties	4,800	225,309
Refundable deposits	4,806	5,624
Net other receivables – subtotal	<u>9,606</u>	<u>230,933</u>
Total trade and other receivables	<u>14,056</u>	<u>250,686</u>
	<u>2022</u>	<u>2021</u>
	\$	\$
Movement in the above allowance:		
At beginning of the year	(11,048)	(7,480)
Charge for trade receivables to profit or loss included in other operating expenses	–	(3,568)
Bad debts written off	<u>11,048</u>	<u>–</u>
At end of the year	<u>–</u>	<u>(11,048)</u>

The expected credit losses (ECL) on the trade receivables are based on the simplified approach to measuring expected credit losses (ECL) which uses a lifetime ECL allowance approach for all trade receivables recognised from initial recognition of these assets. The reporting entity has a few customers and which can be credit risk graded individually and these are recorded at inception net of expected lifetime ECL. A loss allowance balance of \$NIL (2021: \$11,048) is recognised. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates (including the impact of the Covid-19 pandemic) are analysed. An allowance matrix is used based on historical observed default rates over a period of 12 months adjusted for forward-looking estimates. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the expected credit losses. At every reporting date the historical observed default rates for both the categories are updated and changes in the forward-looking estimates (including the impact of the Covid-19 pandemic) are analysed.

The ageing of the trade receivables balance is as follows:

	Gross amount		Loss allowance	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	\$	\$	\$	\$
<u>Trade receivables:</u>				
0 to 30 days	4,450	2,620	–	–
31 to 60 days	–	–	–	–
61 to 90 days	–	–	–	–
91 to 180 days	–	–	–	–
Over 180 days	–	28,181	–	(11,048)
Total	<u>4,450</u>	<u>30,801</u>	<u>–</u>	<u>(11,048)</u>

There are no collateral held as security and other credit enhancements for the trade receivables.

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12. Trade and other receivables (cont'd)

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 30 days (2021: 30 days), but some customers take a longer period to settle the amounts.

Concentration of trade receivable customers as at the end of reporting year:

	<u>2022</u>	<u>2021</u>
	\$	\$
Top 1 customer	3,000	7,480
Top 2 customers	3,750	14,764
Top 3 customers	<u>4,310</u>	<u>20,257</u>

Other receivables:

The other receivables shown above- are subject to the expected credit loss model under the financial reporting standard on financial instruments. The other receivables can be graded for credit risk individually. At inception they are recorded net of expected 12 month credit losses. At each reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk. At the end of the reporting year a loss allowance is recognised at an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition including the impact of the Covid-19 pandemic. No loss allowance was necessary.

13. Other non-financial assets

	<u>2022</u>	<u>2021</u>
	\$	\$
Prepayments	<u>–</u>	<u>3,334</u>

14. Cash and cash equivalents

	<u>2022</u>	<u>2021</u>
	\$	\$
Not restricted in use	<u>981,801</u>	<u>548,074</u>

The interest earning balances are not significant.

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14. Cash and cash equivalents (cont'd)**Reconciliation of liabilities arising from financing activities:**

	<u>2021</u> \$	<u>Cash flows</u> \$	<u>Non-cash changes</u> \$	<u>2022</u> \$
<u>At 31 March 2022:</u>				
Lease liabilities	52,110	(35,631)	38,293 ^(a)	54,772
	<u>52,110</u>	<u>(35,631)</u>	<u>38,293</u>	<u>54,772</u>
	<u>2020</u>	<u>Cash flows</u>	<u>Non-cash changes</u>	<u>2021</u>
<u>At 31 March 2021:</u>				
Lease liabilities	18,056	(24,605)	58,659 ^(a)	52,110
	<u>18,056</u>	<u>(24,605)</u>	<u>58,659</u>	<u>52,110</u>

(a) Acquisition and accretion of interest expenses.

15. Funds of the Society

	<u>Unrestricted Funds</u>		<u>Restricted Fund</u>	
	<u>General Fund</u>	<u>Designated fund</u>	<u>One Team Singapore fund</u>	<u>Total</u>
	\$	\$	\$	\$
Balance at 31 March 2020	(170,597)	185,722	125,607	140,732
(Deficit) / surplus for the year	(63,670)	–	142,541	78,871
Balance at 31 March 2021	(234,267)	185,722	268,148	219,603
Surplus / (deficit) for the year	236,706	–	(17,561)	219,145
Balance at 31 March 2022	<u>2,439</u>	<u>185,722</u>	<u>250,587</u>	<u>438,748</u>

The designated fund – SRU Reserve Fund is set up to promote, develop and grow the sport of rugby in Singapore among national players, to develop squad players and to assist those national players who need financial assistance.

One Team Singapore Fund – this fund is to be used for the purpose of Singapore Rugby Union High Performance Plans.

16. Trade and other payables

	<u>2022</u> \$	<u>2021</u> \$
<u>Trade payables:</u>		
Outside parties and accrued liabilities	172,392	187,159
Net trade payables – subtotal	<u>172,392</u>	<u>187,159</u>
<u>Other payables:</u>		
Outside parties	375,884	392,103
Net other payables	<u>375,884</u>	<u>392,103</u>
Total trade and other payables	<u>548,276</u>	<u>579,262</u>

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17. Other non-financial liabilities

	<u>2022</u>	<u>2021</u>
	\$	\$
Deferred grants (Note 17A)	19,629	20,239
Other liabilities (Note 17B)	–	2,080
	<u>19,629</u>	<u>22,319</u>

17A. Deferred grants

	<u>2022</u>	<u>2021</u>
	\$	\$
The movement are as follows:		
Balance at beginning of the year	20,239	20,232
Grants receivable during the year	81,108	79,582
Utilised	<u>(81,718)</u>	<u>(79,575)</u>
Balance at end of the year	<u>19,629</u>	<u>20,239</u>

Deferred grants refer to grants received from the Singapore Sports Council, International Rugby Board and other sponsors for rugby related activities. It is utilised and recognised as revenue as and when the conditions attached to it have been complied with.

17B. Other liabilities

	<u>2022</u>	<u>2021</u>
	\$	\$
The movement are as follows:		
Balance at beginning of the year	2,080	600
Fees received in advance	–	4,880
Recognised as revenue during the year	<u>(2,080)</u>	<u>(3,400)</u>
Balance at end of the year	<u>–</u>	<u>2,080</u>

18. Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Lease liabilities, current	35,813	22,404
Lease liabilities, non-current	<u>18,959</u>	<u>29,706</u>
	<u>54,772</u>	<u>52,110</u>

A summary of the maturity analysis of lease liabilities that shows the remaining contractual maturities is as follows:

	<u>Minimum payments</u>	<u>Finance charges</u>	<u>Present value</u>
	\$	\$	\$
<u>2022</u>			
Minimum lease payments payable:			
Not later than one year	37,835	(2,022)	35,813
2 to 5 years	19,381	(422)	18,959
Total	<u>57,216</u>	<u>(2,444)</u>	<u>54,772</u>

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18. Lease liabilities (cont'd)

	<u>Minimum payments</u>	<u>Finance charges</u>	<u>Present value</u>
	\$	\$	\$
<u>2021</u>			
Minimum lease payments payable:			
Not later than one year	24,605	(2,202)	22,404
2 to 5 years	<u>30,757</u>	<u>(1,050)</u>	<u>29,706</u>
Total	<u>55,362</u>	<u>(3,252)</u>	<u>52,110</u>

Total cash outflow for leases for the year ended 31 March 2022 are shown in the statement of cash flows. The lease expires on 30 June 2023. The society has a lease relating to the office space. The lease contracts are for 30 months. The lease arrangement do not impose any covenants, but leased assets may not be used as security for borrowing purposes. The average prime lending rate applied to lease liabilities recognised is 5.25% (2021: 5.25%) per year.

Apart from the disclosures made in other Notes to the financial statements, amounts relating to leases include the following:

	<u>2022</u>	<u>2021</u>
	\$	\$
Expense relating to short-term leases included in other operating expenses (Note 7)	<u>4,799</u>	<u>9,938</u>

19. Financial instruments: information on financial risks**19A. Categories of financial assets and liabilities**

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	<u>2022</u>	<u>2021</u>
	\$	\$
<u>Financial assets:</u>		
Financial assets at amortised cost	<u>995,857</u>	<u>798,760</u>
At end of the year	<u>995,857</u>	<u>798,760</u>
<u>Financial liabilities:</u>		
Financial liabilities at amortised cost	<u>603,048</u>	<u>631,372</u>
At end of the year	<u>603,048</u>	<u>631,372</u>

Further quantitative disclosures are included throughout these financial statements.

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19. Financial instruments: information on financial risks (cont'd)

19B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the society's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. The management committee has certain practices for the management of financial risks. However these are not formally documented in written form. The following guidelines are followed: All financial risk management activities are carried out and monitored by the management committee. All financial risk management activities are carried out following acceptable market practices. The society is exposed to currency and interest rates risks. There are no arrangements to manage such risk exposure through derivatives and other hedging instruments.

19C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

19D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses (ECL) on financial assets, the general approach (three-stage approach) in the financial reporting standard on financial instruments is applied to measure the impairment allowance. Under this general approach the financial assets move through the three stages as their credit quality changes. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL unless the assets are considered credit impaired.

However, the simplified approach (that is, to measure the loss allowance at an amount equal to lifetime ECL at initial recognition and throughout its life) permitted by the financial reporting standards on financial instruments is applied for financial assets that do not have a significant financing component, such as trade receivables and contract assets. For credit risk on trade receivables, contract assets and other financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 14 discloses the maturity of the cash and cash equivalents balances. Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

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19. Financial instruments: information on financial risks (cont'd)

19E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. There are no liabilities contracted to fall due after twelve months at the end of the reporting year. The average credit period taken to settle trade payables is about 30 days (2021: 30 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

The society receives grants from the Singapore Sports Council (“SSC”) to defray cost of selected programmes and initiatives that support the achievement of SSC’s strategic objectives.

19F. Interest rate risk

The interest rate risk exposure on financial liabilities and financial assets is not expected to be significant.

19G. Foreign currency risks

The foreign currency risk on financial assets and financial liabilities is not expected to be significant.

20. Changes and adoption of financial reporting standards

For the current reporting year certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. None of these are applicable to the reporting entity for the current reporting year.

21. New or amended standards in issue but not yet effective

For the future reporting years, certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below.

The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity’s financial statements in the period of initial application.

<u>FRS No.</u>	<u>Title</u>	<u>Effective date for periods beginning on or after</u>
FRS 116	Amendment to FRS 116: Covid-19-Related Rent Concessions beyond 30 June 2022	1 April 2022
Various	Annual Improvements to FRSs 2018-2021	1 January 2022
FRS 1	Amendments to FRS 1: Classification of Liabilities as Current or Non-current	1 January 2023