

INLINE SPORTS AND SKATING ASSOCIATION OF SINGAPORE
(Registration No : **xxxxxx**)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003

KK YAP & ASSOCIATES
Certified Public Accountants

INLINE SPORTS AND SKATING ASSOCIATION OF SINGAPORE

(Registered in the Republic of Singapore)

CORPORATE DATA

Present Management Committee

President	Norma Sit
Vice President	Felix Yeo
Secretary	Richard Ang
Treasurer	Angela Chng
Member	Anne Chua

Registered Office

Block 9010 Tampines Street 93
#04-77 Tampines Industrial Park A
Singapore 528844

Auditors

KK Yap & Associates
Certified Public Accountants
Singapore

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INLINE SPORTS AND SKATING ASSOCIATION OF SINGAPORE
(Registered in the Republic of Singapore)

STATEMENT BY THE MANAGEMENT COMMITTEE

In the opinion of the Management Committee, the accompanying balance sheet, income and expenditure statement, statement of changes in accumulated fund and cash flow statement together with the notes thereon, are drawn up in accordance with the Singapore Financial Reporting Standards, so as to give a true and fair view of the state of affairs of the Association as at 31 March 2003 and of the results, changes in accumulated fund and cash flows of the Association for the financial year ended 31 March 2003.

On behalf of the Management Committee,

.....
Norma Sit
President

.....
Angela Chng
Treasurer

**AUDITORS' REPORT TO MEMBERS OF
INLINE SPORTS AND SKATING ASSOCIATION OF SINGAPORE**
(Registered in the Republic of Singapore)

We have audited the accompanying financial statements of **Inline Sports and Skating Association of Singapore** for the financial year ended 31 March 2003 as set out on pages 3 to 11. These financial statements are the responsibility of the Management Committee. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management Committee, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements are properly drawn up in accordance with the Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Association as at 31 March 2003 and of the results, changes in accumulated fund and cash flows of the Association for the financial year ended on that date.

This report is made solely to the Association's members, as a body, in accordance with Section 207 of the Act. Our audit work has been undertaken so that we might state to the Association's members we are required to state to them in the auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body for our audit work, audit report and the opinions we have formed.

KK YAP & ASSOCIATES
Certified Public Accountants

Singapore

INLINE SPORTS AND SKATING ASSOCIATION OF SINGAPORE
 (Registered in the Republic of Singapore)

BALANCE SHEET AS AT 31 MARCH 2003

	Note	2003 \$	2002 \$
Current Assets			
Other receivables	3	1,436	3,236
Cash at bank		6,872	7,413
		8,308	10,649
Less: Current Liabilities			
Other payables	4	2,406	3,668
		2,406	3,668
Net Current Assets		5,902	6,981
Net Assets		5,902	6,981
Fund Balance			
Accumulated fund		5,902	6,981

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

INLINE SPORTS AND SKATING ASSOCIATION OF SINGAPORE
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INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 MARCH 2005

	Note	2003	2002 \$
Income			
Grant from Sport Council		750	2,300
Income from workshop		100	-
Donations		-	5,000
Memberships		-	430
Other income		-	200
		<u>850</u>	<u>7,930</u>
Less : Operating expenses			
AGM expenses		-	55
Auditors' remuneration		480	-
Bank charges		300	180
Events-Prizes		300	-
NISM Net expenses		-	1,219
Telecommunication		377	388
Tax fee		250	-
		<u>1,707</u>	<u>1,842</u>
(Deficit) / Surplus before taxation		<u>(857)</u>	<u>6,088</u>
Taxation	5	(222)	-
(Deficit) / Surplus after taxation		<u><u>(1,079)</u></u>	<u><u>6,088</u></u>

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

INLINE SPORTS AND SKATING ASSOCIATION OF SINGAPORE
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STATEMENT OF CHANGES IN FUND FOR THE YEAR ENDED 31 MARCH 2003

	\$
Balance as at 31 March 2001	893
Surplus for the financial year	6,088
Balance as at 31 March 2002	<u>6,981</u>
(Deficit) for the financial year	(1,079)
Balance as at 31 March 2003	<u><u>5,902</u></u>

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

INLINE SPORTS AND SKATING ASSOCIATION OF SINGAPORE
(Registered in the Republic of Singapore)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2003

	2003	2002
	\$	\$
Cash flows from operating activities		
(Deficit) / Surplus before taxation	(857)	6,088
Adjustment for:-		
Grant from Sport Council	(750)	(2,300)
	<hr/>	<hr/>
Operating (deficit) / surplus before working capital changes	(1,607)	3,788
Decrease / (Increase) in other receivables	1,800	(1,270)
(Decrease) in other payables	(1,262)	(2,543)
	538	(3,813)
	<hr/>	<hr/>
Cash used in operations	(1,069)	(25)
Tax paid	(222)	-
	<hr/>	<hr/>
Net cash flow used in operating activities	(1,291)	(25)
	<hr/>	<hr/>
Cash flows used in financing activities		
Grant from Sport Council	750	2,300
	<hr/>	<hr/>
Net cash generated from investing activities	750	2,300
	<hr/>	<hr/>
Net (decrease) / increase in cash and cash equivalents	(541)	2,275
Cash and cash equivalents at beginning of the year	7,413	5,138
	<hr/>	<hr/>
Cash and cash equivalents at end of the year	<u>6,872</u>	<u>7,413</u>

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

INLINE SPORTS AND SKATING ASSOCIATION OF SINGAPORE
(Registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2003

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

1. GENERAL INFORMATION

Inline Sports and Skating Association of Singapore (the “Association”) was registered in Singapore under the Registry of Association, having its registered address at Block 9010 Tampines Street 93, #04-77 Tampines Industrial Park A, Singapore 528844.

The principal activities of the Association are :-

- a) to promote inline skating as a sport in Singapore and
- b) to facilitate the provision of proper facilities for inline skating; and

The financial statements were authorized for issued by the Management Committee on

The Association had no employees as at 31 March 2003 (2002 : Nil).

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basic of preparation

The financial statements of the Association have been prepared on a historical basis and in accordance with the Singapore Financial Reporting Standards (“FRS”).

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

The financial statements are presented in Singapore Dollars.

(b) Revenue recognition

Revenue from contributions and donations are recognised on cash basis.

Interest income is recognised on accrual basis.

(c) Other receivables

Other receivables are stated at cost less allowance for any uncollectible amounts. An estimate for doubtful debts is made when the collection of the full amount is no longer probable. Bad debts are written off as incurred.

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2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(d) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank. Cash at bank is carried at cost.

(e) Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Financial liabilities include non-trade payables. Non-trade payables are stated at cost.

(f) Impairment of assets

At each balance sheet date, the Management Committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

(g) Provisions

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

(h) Income tax

The income of the Association derived from its members is exempt from income tax, subject to the provision of Section 11(1) of the Income Tax Act, Cap 14.

INLINE SPORTS AND SKATING ASSOCIATION OF SINGAPORE
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3. OTHER RECEIVABLES

	2003	2002
	\$	\$
Other receivables	1,396	3,196
Deposits	40	40
	<u>1,436</u>	<u>3,236</u>

4. OTHER PAYABLES

	2003	2002
	\$	\$
Accrued operating expenses	2,280	1,550
Other payables	126	2,118
	<u>2,406</u>	<u>3,668</u>

5. TAXATION

	2003	2002
	\$	\$
Current year	-	-
Under provision in prior year	222	-
	<u>222</u>	<u>-</u>

Reconciliation between the tax expense and the accounting profit multiplied by the applicable tax rate was as follows :

(Deficit) / Surplus before taxation	<u>(857)</u>	<u>6,088</u>
Tax at the applicable tax rate at 22% (2002 : 24.5%)	(189)	1,339
Adjustments:-		
Tax exempt income	(187)	(1,744)
Expenses not deductible for tax purposes	376	405
Under provision in prior year	222	-
	<u>222</u>	<u>-</u>

INLINE SPORTS AND SKATING ASSOCIATION OF SINGAPORE

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5. TAXATION (Cont'd)

In accordance with Section 11(1) of the Singapore Income Tax Act, income tax is provided on miscellaneous income earned during the financial year from non subsidiary proprietors at the lower of:

- (a) graduated rates of income tax specified in Part B of the Second Schedule of Income Tax Act, Chapter 134; or
- (b) corporate tax rate of 22%, applying the new corporate tax exemption scheme which grants partial exemption of certain chargeable income from Singapore tax given by the Minister of Finance.

6. RISK MANAGEMENT

The Association reviews and agrees policies for managing each of these risks and they are summarise below:

The Association has no exposure to interest rate risk and foreign exchange risk during the year.

Credit risk

The Association has prescribed follow up procedures for the Management Committee to follow up on memberships not received on the due dates.

Excess cash is monitored and short-term cash deposits are placed with creditworthy financial institutions.

Liquidity risk

The Association monitors and maintains a level of cash and cash equivalents deemed adequate by the Management Committee to finance the Association's operations and mitigate the effects of fluctuations in cash flows.

Fair value of financial assets and financial liabilities

The fair value of financial assets and financial liabilities reported in the balance sheet approximates the carrying amount of those assets and liabilities, determined in accordance with the accounting policies disclosed in Note 2 to the financial statements.

7. COMPARATIVE FIGURES

The financial statement for year ended 31 March 2004 was audited by the Association's auditors other than KK Yap & Associates.