

**SINGAPORE AMATEUR CYCLING ASSOCIATION**  
(Registration No. : 0205/1957)

**AUDITED FINANCIAL STATEMENTS**  
*FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011*

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(Registration No. : 0205/1957)

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**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011**

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**STATEMENT BY THE COUNCIL MEMBERS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011**

We state that, in the opinion of the council members: -

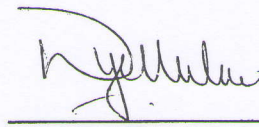
- (a) the accompanying financial statements of the Singapore Amateur Cycling Association (the "Association") together with the notes thereon are drawn up in accordance with the provision of the Societies Act, Cap. 311 and the Singapore Financial Standards so as to give a true and fair view of the state of affairs of the Association as at 31 March 2011 and of the results, changes in funds and cash flows of the Association for the financial year ended on that date.
- (b) at the date of this statement there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.
- (c) the accounting and other records required by the Act to be kept by the Association have been properly kept in accordance with the provisions of the Act; and
- (d) the register of members of the Association has been properly kept.

On behalf of the Council Members



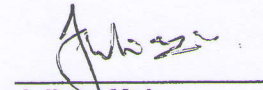
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**Victor Yew**  
**President**



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**Low Wye Mun**  
**Hon. Secretary**



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**Juliana Mok**  
**Hon. Treasurer**

Singapore,  
15 September 2011



# **B H RAY & CO**

**CERTIFIED PUBLIC ACCOUNTANTS**

10 Anson Road #10-20 International Plaza Singapore 079903  
Telephone: 6227 9272 Fax: 6227 9968

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## **AUDITOR'S REPORT SINGAPORE AMATEUR CYCLING ASSOCIATION**

We have audited the accompanying financial statements of SINGAPORE AMATEUR CYCLING ASSOCIATION (the "Association") which comprise the statement of financial position of the Company as at 31 March 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Council members' responsibility for the financial statements**

Management is responsible for the preparation of financial statement that give a true and fair view in accordance with the provisions of the Singapore Societies Act (the "Act") and Singapore Financial Reporting Standards. This responsibility includes"

- a. devising and maintaining a system of internal controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use of disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets,
- b. selecting and applying appropriate accounting policies; and
- c. making accounting estimates that are reasonable in the circumstances.

### **Auditors' responsibility**

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



# **B H RAY & CO**

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10 Anson Road #10-20 International Plaza Singapore 079903  
Telephone: 6227 9272 Fax: 6227 9968

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## **Opinion**

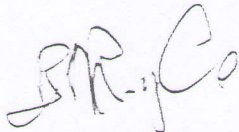
In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and the Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Association as at 31 March 2011 and the results, changes in equity and cash flows of the Association for the year ended on that date.

## **OTHER MATTERS**

The association's financial statements for the year ended 31 March 2011 were audited by another firm of auditors who express a modified opinion on those financial statements in their report.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

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



B. H Ray & Co  
Certified Public Accountants

Singapore,  
15 September 2011

# B H RAY & CO

CERTIFIED PUBLIC ACCOUNTANTS

10 Anson Road #10-20 International Plaza Singapore 079903

Telephone: 6227 9272 Fax: 6227 9968

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Singapore Sports Council  
230 Stadium Boulevard  
Singapore 397799

14 November 2011

Dear Sir,

**RE: AUDIT REPORT FOR THE YEAR ENDED 31 MARCH 2011**

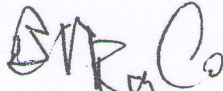
We hereby refer to our audited report dated 15 September 2011.

We wish to inform that in Page 3 of our audited report under the heading "Other Matters", we have erroneously mentioned that "the "association's financial statements for the year ended 31 March 2011 were audited by another firm of auditors who express a modified opinion on those financial statements in their report."

We wish to highlight that the correct sentence should be read as "the "association's financial statements for the year ended **31 March 2010** were audited by another firm of auditors who express a modified opinion on those financial statements in their report."

We apologised for the error and any inconvenience caused.

Yours faithfully,



B. H. Ray & Co



**SINGAPORE AMATEUR CYCLING ASSOCIATION**  
(Registration No: 0205/1957)

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2011**

	Note	2011 S\$	2010 S\$
<b>ASSETS</b>			
<u>Non-current assets</u>			
Plant and equipment	3	69,850	4,885
<u>Current assets</u>			
Prepayment		-	17,097
Other receivables		407	471
Cash and cash equivalents		66,640	53,040
		67,047	70,608
<b>TOTAL ASSETS</b>		<b>136,897</b>	<b>75,493</b>
<b>FUNDS AND LIABILITIES</b>			
<u>Funds</u>			
Accumulated funds		(34,409)	(11,906)
		(34,409)	(11,906)
<u>Current liabilities</u>			
Other payables and accruals	4	85,907	2,000
Government grants	5	85,000	85,000
Provision for taxation	6	399	399
		171,306	87,399
<b>TOTAL FUNDS AND LIABILITIES</b>		<b>136,897</b>	<b>75,493</b>

The accompanying notes to financial statements are an integral part of the financial statements

**SINGAPORE AMATEUR CYCLING ASSOCIATION**  
(Registration No: 0205/1957)

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011**

	<u>Notes</u>	<u>2011</u> S\$	<u>2010</u> S\$
Revenue		433,114	242,870
Other operating income		<u>3,754</u>	<u>53,108</u>
		436,868	295,978
<u>Items of expenses</u>			
Depreciation		(36,146)	(2,442)
Admin service fee		(19,500)	(11,000)
Course fee		(3,086)	(10,708)
Event expenses	7	(100,924)	(129,205)
Loss on disposal		(494)	-
Travelling expenses		(91,854)	(66,973)
Other expenses		<u>(207,367)</u>	<u>(33,322)</u>
(Deficit) / surplus before income tax		(22,503)	42,328
Taxation	6	-	(399)
Net (deficit)/surplus net of tax and total comprehensive income/(loss) for the year		<u><u>(22,503)</u></u>	<u><u>41,929</u></u>

The accompanying notes to financial statements are an integral part of the financial statements.



**SINGAPORE AMATEUR CYCLING ASSOCIATION**  
(Registration No: 0205/1957)

**STATEMENT OF CHANGES IN FUNDS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011**

	<u>Accumulated</u> <u>(losses) / profit</u> S\$	<u>Total</u> S\$
Balance as at 1 April 2009	(53,835)	(53,835)
Total comprehensive loss for the year	<u>41,929</u>	<u>41,929</u>
Balance as at 31 March 2010	(11,906)	(11,906)
Total comprehensive loss for the year	<u>(22,503)</u>	<u>(22,503)</u>
Balance as at 31 March 2011	<u>(34,409)</u>	<u>(34,409)</u>

The accompanying notes to financial statements are an integral part of the financial statements.

**SINGAPORE AMATEUR CYCLING ASSOCIATION**  
(Registration No: 0205/1957)

**STATEMENT OF CASH FLOW  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011**

	<u>2011</u> S\$	<u>2010</u> S\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Deficit) / surplus before income tax	(22,503)	42,328
Adjustment for:		
Depreciation of plant and equipment	36,146	2,442
Operating surplus before working capital changes	<u>13,643</u>	<u>44,770</u>
<b>Working capital changes:</b>		
Prepayment	17,097	(17,097)
Other receivables	64	(471)
Government grants	-	85,000
Other payables and accruals	83,907	(53,590)
<b>Net cash flows generated from operating activities</b>	<u>114,711</u>	<u>58,612</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of plant and equipment	<u>(101,111)</u>	<u>(7,327)</u>
<b>Net cash (used in) investing activities</b>	<u>(101,111)</u>	<u>(7,327)</u>
<b>Net increase / (decrease) in cash and cash equivalent</b>	13,600	51,285
Cash and cash equivalent at beginning of the year	<u>53,040</u>	<u>1,755</u>
Cash and cash equivalent at end of the year	<u><u>66,640</u></u>	<u><u>53,040</u></u>

The accompanying notes to financial statements are an integral part of the financial statements.



**SINGAPORE AMATEUR CYCLING ASSOCIATION**  
(Registration No: 0205/1957)

**NOTES TO THE FINANCIAL STATEMENTS**

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

**1. GENERAL**

Singapore Amateur Cycling Association (the "Association") is registered in the Republic of Singapore under Societies Act, Cap 311. The address of the Association is 27A Hamilton Road, Singapore 209196.

The principal activities of the Association are to encourage, organize, develop and control the art and past time of cycling in Singapore.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of Preparation**

The financial statements are prepared in accordance with the Singapore Financial Reporting Standards (FRS).

The financial statements of the Association, stated in Singapore dollars, are prepared under the historical cost convention, unless stated otherwise.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the association's accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Interpretations and amendments to published standards effective in 2009

The association adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to this association's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

The following are the new or amended FRS that are relevant to the association: -



**NOTES TO THE FINANCIAL STATEMENTS**

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**2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**2.1 Basis of Preparation (Cont'd)**

FRS 1 (Revised) – ‘Presentation of financial statements’ (effective from 1<sup>st</sup> January 2009). The revised standard prohibits the presentation of items of income and expenses (that is, ‘non-owner changes in funds’) in the statement of changes in funds. All non-owner changes in funds are shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The association has chosen to adopt the former alternative. Where comparative information is restated or reclassified, a restated balance sheet is required to be presented as at the beginning comparative period. There is no restatement of the balance sheet as at 1<sup>st</sup> April 2011 in the current financial year.

Amendment to FRS 107 ‘Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments’ (effective from 1<sup>st</sup> January 2009). The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The adoption of the amendment results in additional disclosures but does not have an impact on the accounting policies and measurement bases adopted by the association.

The adoption of the above FRS did not result in any substantial changes to the association’s accounting policies.

**2.2 Significant Accounting Estimates and Judgements**

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Association’s accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Key sources of estimation of uncertainty**

The key assumptions concerning the future and other key sources of estimation of uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.



# **SINGAPORE AMATEUR CYCLING ASSOCIATION**

(Registration No: 0205/1957)

## **NOTES TO THE FINANCIAL STATEMENTS**

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### **2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

#### **2.2 Significant Accounting Estimates and Judgements (Cont'd)**

##### *Depreciation of plant and equipment*

The cost of plant and equipment is depreciated on a straight line basis over the property, plant and equipment's useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 years. These are common life expectancies applied in the similar industry. The carrying amount of the association's plant and equipment at 31 March 2011 was S\$69,850. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

#### **2.3 Functional and Foreign Currency**

##### *Functional currency*

The management has determined the currency of the primary economic environment in which the Association operates i.e. functional currency, to be Singapore dollars. Sales prices and major costs of providing goods and services including major operating expenses are primarily influenced by fluctuations in Singapore dollar.

##### *Foreign currency transactions*

Transactions in foreign currencies are measured in the respective functional currencies of the Association and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the balance sheet date are recognised in the income statement.



**NOTES TO THE FINANCIAL STATEMENTS**

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**2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**2.4 Plant and Equipment**

All items of plant and equipment are initially stated at cost. Subsequent to the recognition, property, plant and equipment are stated at cost or valuation less accumulated depreciation and any accumulated impairment losses

When an asset is revalued, any increase in the carrying amount is credited directly to the asset revaluation reserve. However, the increase is recognised in the profit and loss account to the extent that it reverses a revaluation decrease of the same asset previously recognised in the profit and loss account. When an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in the profit and loss account. However, the decrease is debited directly to the asset revaluation reserve to the extent of any credit balance existing in the reserve in respect of that asset.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the assets revaluation reserve in respect of an asset, is transferred directly to accumulated profits on retirement or disposal of the asset.

Depreciation of an asset begins when it is available for use and is computed on a straight-line basis over the estimated useful life of the asset as follows: -

	<u>Years</u>
Equipment	3
Furniture and fittings	3
Software	3

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

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment.



**NOTES TO THE FINANCIAL STATEMENTS**

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**2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**2.4 Plant and Equipment (Cont'd)**

An item of plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the income statement in the year the asset is de-recognised.

**2.5 Financial Assets**

Financial assets within the scope of FRS 39 are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. Financial assets are recognised on the balance sheet when, and only when, the company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus in the case of financial assets not a fair value through income statement, directly attributable transaction costs. The association determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the company commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

*a) Financial assets at fair value through profit or loss*

Financial assets classified as held for trading are included in the category 'financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivative financial instruments are also classified as held for trading unless they are designated as effective hedging instruments. Gain or losses on investments held for trading are recognised in the income statement. The association does not designate any financial assets not held for trading as financial assets at fair value through profit and loss.



**NOTES TO THE FINANCIAL STATEMENTS**

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**2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**2.5 Financial Assets (Cont'd)**

*c) Loans and receivables*

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

*d) Available-for-sale financial assets*

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value with gains or losses being recognised in the fair value adjustment reserve until the investment is derecognised or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the income statement.

**2.6 Trade and Other Receivables**

Trade and other receivables are classified and accounted for as loans and receivables under FRS 39. The accounting policy for this category of financial assets is stated in Note 2.5.

An allowance is made for uncollectible amounts when there is objective evidence that the company will not be able to collect the debt. Bad debts are written off when identified.

**2.7 Cash and Cash Equivalent**

Cash and cash equivalents comprise cash on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash and short term deposits carried in the balance sheets are classified and accounted for as loans and receivables under FRS 39. The accounting policy for this category of financial assets is stated in Note 2.5.



**NOTES TO THE FINANCIAL STATEMENTS**

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**2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**2.8 Impairment of Financial Assets**

The association assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

*a) Assets carried at amortised cost*

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance amount. The amount of the loss is recognised in the income statement.

If, in a subsequent period, the amount of the impairment loss decrease and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

*b) Assets carried at cost*

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present amount and the present value of estimate future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

*c) Available-for-sale financial assets*

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the profit and loss account is transferred from equity to the income statement. Reversals in respect of equity instruments classified as available-for-sale are not recognised in the income statement.



**NOTES TO THE FINANCIAL STATEMENTS**

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**2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**2.8 Impairment of Financial Assets (Cont'd)**

*c) Available-for-sale financial assets (cont'd)*

Reversals of impairment losses on debts instruments are reversed through the income statement, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in the income statement.

**2.9 Trade and Other Payables**

Liabilities for trade and other amounts payable, and payables to related parties are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

**2.10 Provisions**

Provisions are recognised when the association has a present obligation (legal or constructive) where, 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. Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

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. Where discounting is used, the increase in the provision due to the passage of time is recognized as finance costs.

Provisions are reviewed at each balance sheet date 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.



**NOTES TO THE FINANCIAL STATEMENTS**

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**2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**2.11 Impairment of non-financial assets**

The association assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset (i.e an intangible asset with an indefinite useful life, an intangible asset not yet available for use, or goodwill acquired in a business combination) is required, the association 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 to sell and its value in use is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In assessing 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.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations are recognised in the income statement as 'impairment losses' or treated as a revaluation decrease for assets carried at revalued amount to the extent that the impairment loss does not exceed the amount held in the asset revaluation reserve for the same asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses recognised for an asset other than goodwill may no longer exist or may have decrease. If such indication exists, the recoverable amount is estimated.

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 increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Reversal of an impairment loss is recognised in the income statement unless the asset is carried at revalued amount, in which case the reversal in excess of impairment loss previously recognised through the profit and loss account is treated as a revaluation increase. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.



**NOTES TO THE FINANCIAL STATEMENTS**

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**2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**2.12 Revenue recognition**

Revenue is measured at fair value of the consideration received or receivable.

*a. Subscription*

Revenue from subscription are recognized when the related service to the member has been rendered.

*b. Interest Income*

Interest income from bank deposit is recognised as interest accrues (using the effective method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

**2.13 Government Grant**

Government grant is recognized at the fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant is related to income, government grant shall be recognized in profit and loss on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as "Other Income". Alternatively, they are deducted in reporting the related expenses.

**2.14 Employee Benefits**

*a) Defined contribution plans*

The association participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the association makes contributions to the Central Provident Fund (CPF) scheme in Singapore, a defined contribution pension scheme. Contributions to national pension schemes are recognized as an expense in the period in which the related service is performed.

*b) Employee leave entitlement*

Employee entitlements to annual leave are recognized as a liability when they accrue to employees. The estimated liability or leave is recognized for services rendered by employees up to balance sheet date.



**NOTES TO THE FINANCIAL STATEMENTS**

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**2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**2.15 Income Taxes**

*a) Current tax*

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the balance sheet date.

*b) Deferred tax*

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

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax income asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of transaction, affects neither the accounting profit nor taxable income statement; and
- In respect of deductible temporary differences associated with investments in associates deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.



**NOTES TO THE FINANCIAL STATEMENTS**

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**2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**2.15 Income Taxes (Cont'd)**

*b) Deferred tax (cont'd)*

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income tax relating to items recognised directly in equity is recognised in equity.

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



**SINGAPORE AMATEUR CYCLING ASSOCIATION**  
(Registration No: 0205/1957)

**NOTES TO THE FINANCIAL STATEMENTS**

**3. PLANT AND EQUIPMENT**

	<u>Equipment</u> S\$	<u>Furniture &amp; fittings</u> S\$	<u>Software</u> S\$	<u>Total</u> S\$
<b>2011</b>				
<b>Cost</b>				
At 01.04.2010	7,327	-	-	7,327
Addition	98,942	1,877	292	101,111
At 31.03.2011	106,269	1,877	292	108,438
<b>Accumulated depreciation</b>				
At 01.04.2010	2,442	-	-	2,442
Addition	35,423	626	97	36,146
At 31.03.2011	37,865	626	97	38,588
<b>Net book value</b>	<b>68,404</b>	<b>1,251</b>	<b>195</b>	<b>69,850</b>

	<u>Equipment</u> S\$	<u>Furniture &amp; fittings</u> S\$	<u>Software</u> S\$	<u>Total</u> S\$
<b>2010</b>				
<b>Cost</b>				
At 01.04.2009	7,327	-	-	7,327
Addition	-	-	-	-
At 31.03.2010	7,327	-	-	7,327
<b>Accumulated depreciation</b>				
At 01.04.2009	-	-	-	-
Addition	2,442	-	-	2,442
At 31.03.2010	2,442	-	-	2,442
<b>Net book value</b>	<b>4,885</b>	<b>-</b>	<b>-</b>	<b>4,885</b>

**SINGAPORE AMATEUR CYCLING ASSOCIATION**  
(Registration No: 0205/1957)

**NOTES TO THE FINANCIAL STATEMENTS**

**3. PLANT AND EQUIPMENT**

	<u>Equipment</u> S\$	<u>Furniture &amp; fittings</u> S\$	<u>Software</u> S\$	<u>Total</u> S\$
<b>2011</b>				
<b><u>Cost</u></b>				
At 01.04.2010	7,327	-	-	7,327
Addition	98,942	1,877	292	101,111
At 31.03.2011	<u>106,269</u>	<u>1,877</u>	<u>292</u>	<u>108,438</u>
<b><u>Accumulated depreciation</u></b>				
At 01.04.2010	2,442	-	-	2,442
Addition	35,423	626	97	36,146
At 31.03.2011	<u>37,865</u>	<u>626</u>	<u>97</u>	<u>38,588</u>
<b>Net book value</b>	<u>68,404</u>	<u>1,251</u>	<u>195</u>	<u>69,850</u>

	<u>Equipment</u> S\$	<u>Furniture &amp; fittings</u> S\$	<u>Software</u> S\$	<u>Total</u> S\$
<b>2010</b>				
<b><u>Cost</u></b>				
At 01.04.2009	7,327	-	-	7,327
Addition	-	-	-	-
At 31.03.2010	<u>7,327</u>	<u>-</u>	<u>-</u>	<u>7,327</u>
<b><u>Accumulated depreciation</u></b>				
At 01.04.2009	-	-	-	-
Addition	2,442	-	-	2,442
At 31.03.2010	<u>2,442</u>	<u>-</u>	<u>-</u>	<u>2,442</u>
<b>Net book value</b>	<u>4,885</u>	<u>-</u>	<u>-</u>	<u>4,885</u>



**SINGAPORE AMATEUR CYCLING ASSOCIATION**  
(Registration No: 0205/1957)

**NOTES TO THE FINANCIAL STATEMENTS**

**4. OTHER PAYABLES AND ACCRUALS**

	S\$	S\$
Accrued operating expenses	35,987	2,000
Funds received in advance	49,920	-
	<u>85,907</u>	<u>2,000</u>

**5. GOVERNMENT GRANT**

This represents Government grants received from Singapore Sports Council.

**6. TAXATION**

The tax expense on profit differs from that amount that would arise using the Singapore standard rate of income tax due to the following:

	<u>2011</u> S\$	<u>2010</u> S\$
Current taxation	<u>399</u>	<u>399</u>

The reconciliation of the tax expense and the product of accounting profit/(loss) multiplied by the applicable tax rate as follows:

	<u>2011</u> S\$	<u>2010</u> S\$
(Deficit) / surplus before tax	<u>(22,503)</u>	<u>42,328</u>
Income tax at statutory rate of 17% (2010: 17%)	(3,826)	7,196
Expenses not deductible for tax purposes	6,278	218
Deferred tax not recognised	(401)	34
Tax exempt amount	<u>(1,652)</u>	<u>(7,049)</u>
	<u>399</u>	<u>399</u>



**NOTES TO THE FINANCIAL STATEMENTS**

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**7. EVENT EXPENSES**

	<u>2011</u> S\$	<u>2010</u> S\$
Competition fees	24,952	19,921
Event expenses	45,688	20,000
MTB race expenses	3,206	18,085
Road race expenses	200	21,250
YOG related expenses	26,878	49,949
	<u>100,924</u>	<u>129,205</u>

**8. FINANCIAL RISK MANAGEMENT**

**Financial risk management objectives and policies**

The main risks arising from the Association's financial instruments is liquidity risk. The policies for managing each of these risks are summarized below: -

**Liquidity risk**

The Association manages liquidity risk by maintaining cash and available funding through an adequate amount of their cash at bank to enable it to meet its operational requirements.

**Fair values**

The carrying amount of financial assets and financial liabilities are reasonable approximate of fair values due to their short term nature.

**Interest rate risk**

The Association is not exposed to significant interest rate risk as it has no borrowings.

**Credit risk**

The carrying amount of cash at bank and other receivables represent the Association's maximum exposure to credit risk in relation to financial assets. No other financial assets carry a significant exposure to credit risk.

As at 31 March 2011, there were no significant concentrations of credit risk.

**Fund management**

The Management Committee's objective when managing the Fund is to ensure that the funds are utilized in accordance with the purpose of the funds.



**NOTES TO THE FINANCIAL STATEMENTS**

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**9. AUTHORISATION OF FINANCIAL STATEMENTS**

The financial statements were authorised for issue by the Management Committee on date of the Statement by the Management Committee.

**SINGAPORE AMATEUR CYCLING ASSOCIATION**  
(Registration No: 0205/1957)

**DETAILED INCOME AND EXPENDITURE STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011**

	<u>2011</u> S\$	<u>2010</u> S\$
Revenue	433,114	242,870
Other income	<u>3,754</u>	<u>53,108</u>
	436,868	295,978
Cost and expenses (Schedule A)	<u>(459,371)</u>	<u>(253,650)</u>
(Deficit) / surplus before tax	<u><u>(22,503)</u></u>	<u><u>42,328</u></u>



**SINGAPORE AMATEUR CYCLING ASSOCIATION**  
(Registration No: 0205/1957)

**DETAILED INCOME AND EXPENDITURE STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011**

**SCHEDULE A**

	<u>2011</u> S\$	<u>2010</u> S\$
<u>Cost and expenses</u>		
Accommodation	330	-
Accounting fees	1,900	1,000
Admin service fee	19,500	11,000
Advertisement	450	-
Allowance	990	200
Audit fee	2,300	2,000
Bank charges	616	176
Certifying fee	710	-
Cleaning services	250	-
Coaching services	54,170	-
Commission course		9,242
Communication cost	560	400
Competition fees	24,952	19,921
Course fee	3,086	10,708
Depreciation	36,146	2,442
Developing fee	3,000	-
Entertainment	-	2,554
Event expenses	45,688	20,000
Exchange loss	92	-
Fines	-	1,283
General expense	-	6,397
General manager services	27,700	-
Insurance	642	-
License	494	1,610
Loss on disposal	786	-
Management services - TBP	28,300	-
Manager services	4,200	-
Mechanic services	750	-
Membership fee	411	-
Medical	90	203
MTB coaching fee	3,206	-
MTB race expenses		18,085
National technical officer fee	20,300	-
Office network	155	-
Office rental	24,000	-
Postage	14	-
Printing and stationery	2,912	2,410
Rental of store		3,000
Repair and servicing	7,777	1,936
Road race expenses	200	21,250
Team management fee	15,560	-
Transport	8,402	246
Travelling expenses	91,854	66,973
Web design fee	-	665
YOG related expenses	26,878	49,949
	<u>459,371</u>	<u>253,650</u>