DEAF SPORTS ASSOCIATION (SINGAPORE)

[UEN. T12SS0228C]

[Registered under the Societies Act (Chapter 311) in the Republic of Singapore]

AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

CONTENTS

Fiducia LLP

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Statement by the Management Committee

Deaf Sports Association (Singapore) [UEN. T12SS0228C]
For the year ended 31 March 2020

In the opinion of the Management Committee, the financial statements of Deaf Sports Association (Singapore) (the "Association") are drawn up so as to present fairly, in all material respects, the state of affairs of the Association as at 31 March 2020 and the results, changes in funds and cash flows of the Association for the financial year then ended.

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.

The Management Committee, comprising the following, has on the date of this statement, authorised the issue of the financial statements.

President	Loh Eng Meng
Vice President	Jaffa Bin Mohamed Salleh
Treasurer	Zhong Suwen Celissa
Assistant Treasurer	Lai Li Sha
Secretary	Lim Jia Yi
Committee Member	Jessica Mak Wei-e
Committee Member	Koh Ee Lin
Committee Member	Ng Bee Hwa
Committee Member	Pung Wantian Bernadette
Committee Member	Fang Shawn

For and on behalf of the Management Committee,

EngMeng

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Loh Eng Meng
President

Celissa

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Zhong Suwen Celissa
Treasurer

Singapore, 29 October 2020

Independent Auditor's Report

Deaf Sports Association (Singapore) [UEN. T12SS0228C]
For the year ended 31 March 2020

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Deaf Sports Association (Singapore) (the “Association”), which comprise the statement of financial position as at 31 March 2020, and the statement of financial activities, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the “Societies Act”), the Charities Act, Chapter 37 and other relevant regulations (the “Charities Act and Regulations”) and Financial Reporting Standards in Singapore (“FRSs”) so as to present fairly, in all material respects, the state of affairs of the Association as at 31 March 2020 and the results, changes in funds and cash flows of the Association 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 Association 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

Management is responsible for the other information. The other information comprises the information included in 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and FRSs, and for such internal control as management 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, management is responsible for assessing the Association’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association’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 Association to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

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

a. the Association 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 Association has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

Fiducia LLP

Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, 29 October 2020

Partner-in-charge: Soo Hon Weng
PAB No.: 01089

Statement of Financial Activities

Deaf Sports Association (Singapore) [UEN. T12SS0228C]
For the year ended 31 March 2020

	NOTE	UNRESTRICTED FUND - GENERAL	RESTRICTED FUND - PRESIDENT'S CHALLENGE	2020 TOTAL FUNDS	2019 TOTAL FUNDS
INCOME					
Income from generated funds					
Voluntary income	5	71,249	-	71,249	83,738
Activities for generating funds	5	2,000	-	2,000	2,288
Government grants	6	15,682	43,000	58,682	9,500
Income from charitable activities	5	5,177	-	5,177	5,621
Total income		**94,108**	**43,000**	**137,108**	**101,147**
LESS: EXPENDITURE					
Cost of generating funds	7	78,186	-	78,186	53,454
Cost of charitable activities	7	4,106	-	4,106	5,485
Governance and other administrative costs	7	5,038	-	5,038	4,243
Total expenditure		**87,330**	**-**	**87,330**	**63,182**
NET SURPLUS FOR THE FINANCIAL YEAR		**6,778**	**43,000**	**49,778**	**37,965**

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

Statement of Financial Position

Deaf Sports Association (Singapore) [UEN. T12SS0228C]
As at 31 March 2020

	NOTE	2020	2019
ASSETS			
Current assets			
Cash and cash equivalents	8	91,002	40,689
Other receivable	9	145	-
Total current assets		**91,147**	**40,689**
Non-current asset			
Plant and equipment	10	-	-
Total assets		**91,147**	**40,689**
LIABILITY			
Current liability			
Other payable	11	3,783	3,103
Total liability		**3,783**	**3,103**
NET ASSETS		**87,364**	**37,586**
FUNDS			
Unrestricted fund			
General fund	12	68,099	37,586
Restricted fund			
President's Challenge fund	12	19,265	-
TOTAL FUNDS		**87,364**	**37,586**

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

Statement of Changes in Funds

Deaf Sports Association (Singapore) [UEN. T12SS0228C]
For the year ended 31 March 2020

	BEGINNING OF FINANCIAL YEAR	NET SURPLUS FOR THE FINANCIAL YEAR	TRANSFER BETWEEN FUNDS	END OF FINANCIAL YEAR
2020				
Unrestricted fund				
General fund	37,586	6,778	23,735	68,099
Restricted fund				
President's Challenge fund	-	43,000	(23,735)	19,265
TOTAL FUNDS	**37,586**	**49,778**	**-**	**87,364**

	BEGINNING OF FINANCIAL YEAR	NET SURPLUS FOR THE FINANCIAL YEAR	TRANSFER BETWEEN FUNDS	END OF FINANCIAL YEAR
2019				
Unrestricted fund				
General fund	(379)	37,965	-	37,586
TOTAL FUND	**(379)**	**37,965**	**-**	**37,586**

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

Statement of Cash Flows

Deaf Sports Association (Singapore) [UEN. T12SS0228C]
For the year ended 31 March 2020

	2020	2019
Cash flows from operating activities		
Net surplus for the financial year	49,778	37,965
Changes in working capital		
Other receivables	(145)	-
Other payables	680	(4,932)
Membership fee advances	-	(420)
Net cash generated from operating activities	**50,313**	**32,613**
Net increase in cash and cash equivalents	**50,313**	**32,613**
Cash and cash equivalents		
Cash and cash equivalents at beginning of year	40,689	8,076
Cash and cash equivalents at end of year (Note 7)	91,002	40,689
Net change in cash and cash equivalents	**50,313**	**32,613**

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

Notes to the Financial Statements

Deaf Sports Association (Singapore) [UEN. T12SS0228C]
For the year ended 31 March 2020

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

1. General Information

Deaf Sports Association (Singapore) (the “Association”) is registered and domiciled in Singapore. The address of its registered office and principal place of operation is at 27 Woodlands Industrial Park E1, #01-06 Hiangkie Industrial Building, Singapore 757718.

The Association is registered as a charity under the Charities Act, Chapter 37 on 14 October 2013 and is an approved Institution of a Public Character (“IPC”) status for the period from 7 March 2017 to 6 March 2020. The IPC status has been renewed for the period from 7 March 2020 to 31 March 2023.

The principal activities of the Association are to advocate on behalf of and empower people with disabilities, helping them achieve full participation and equal status in the Association through independent living. There have been no significant changes in the nature of these activities during the financial year.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standards in Singapore (“FRSs”) and the disclosure requirements of the Societies Act, Chapter 311 and Charities Act, Chapter 37. These financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

These financial statements are presented in Singapore Dollar (“S$") which is the Association’s functional currency. Functional currency is the currency of the primary economic environment in which the Association operates. All financial information presented are denominated in S$ unless otherwise stated.

The preparation of these financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Association’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2019

In the current financial year, the Association has adopted the new or revised FRSs and Interpretations to FRSs ("INT FRSs") that are relevant to its operations and effective 1 April 2019. Changes to the Association's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

The adoption of these new or amended FRSs and INT FRSs did not result in substantial changes to the Association's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

<u>Adoption of FRS 116 Leases</u>

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

Leases previously accounted for as operating leases

Prior to the adoption of FRS 116, non-cancellable operating lease payments were not recognised as liabilities in the statement of financial position. These payments were recognised as rental expenses over the lease term on a straight-line basis. The Association's accounting policy on leases after the adoption of FRS 116 is disclosed in Note 2.5.

There were no onerous contracts as at 1 April 2019.

There is no impact of adoption of FRS 116 Leases as at 1 April 2019 as there is no operating lease commitments for identifying assets as at 31 March 2019.

New or amended Standards and Interpretations not yet effective

The Association has not adopted the following relevant amendments to FRSs that were issued but not yet effective:

Descriptions	**Effective for annual periods commencing on**
Amendments to:	
- References to the Conceptual Framework in FRS Standards	1 January 2020
- FRS 1 and FRS 8: Definition of Material	1 January 2020
- FRS 103: Definition of a Business	1 January 2020
- FRS 109, FRS 39 and FRS 107: Interest Rate Benchmark Reform	1 January 2020
- FRS 116: Covid-19-Related Rent Concessions	1 June 2020
- FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

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

2.2 Revenue recognition

Revenue is measured based on the consideration to which the Association expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Association satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service. A performance obligation may be satisfied at a point in time or over time. The amount of income recognised is the amount allocated to the satisfied performance obligation.

2.2.1 Donations

Donations are recognised in the statement of financial activities upon receipt (i.e. at a point in time). Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2.2.2 Service income

Service income is recognised upon the completion of the services rendered and acceptance by customers.

2.2.3 Membership fees

Membership fees are recognised in income when no significant uncertainty as to its collectability exists and over time.

2.2.4 Ticketing revenue

Revenue from ticket sales are recognised when tickets sold to the customer and all criteria for acceptance have been satisfied.

2.2.5 Other income

Other income is recognised when received.

2.3 Government grants

Grants from government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Association will comply with all attached conditions. Where the grants relate to an asset, the fair value is recognised as deferred capital grant in the statement of financial position and is amortised to the statement of financial activities over the expected useful lives of the relevant asset by equal annual installments.

Government grants, relating to costs are deferred in profit or loss on a systematic basis over the periods in which the Association recognises as expenses the related costs for which the grants are intended to compensate.

2.4 Expenditure recognition

All expenses are accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

2.4.1 Cost of generating funds

Costs that are directly attributable to the fund-raising activities are separated from those costs incurred in undertaking charitable activities.

2.4.2 Cost of charitable activities

Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objectives of the Association.

2.4.3 Governance and administrative costs

Governance and other administrative costs include the costs of governance arrangement, which relate to the general running of the Association, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and apportionment of overhead and shared costs.

2.5 Leases

2.5.1 These accounting policies are applied before the initial application date of FRS 116, 1 April 2019:

<u>When the Association is the lessee</u>

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of financial activities on a straight–line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Rental on operating lease is charged to the statement of financial activities.

2.5.2 These accounting policies are applied on and after the initial application date of FRS 116, 1 April 2019:

The Association assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

<u>When the Association is the lessee</u>

The Association applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Association recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

a) Right-of-use assets

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

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

b) Lease liabilities

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

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

c) Short-term leases and leases of low-value assets

The Association applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

d) Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of measurement and initial recognition of the lease liability. The Association shall recognise those lease payments in the statement of financial activities in the periods that triggered those lease payments.

2.6 Financial assets

2.6.1 Classification and measurement

The Association classifies its financial assets under the amortised cost category.

The classification of debt instruments depends on the Association's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

The Association reclassifies debt instruments when and only when its business model for managing those assets changes.

(i) At initial recognition

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

(ii) At subsequent measurement

Debt instruments

Debt instruments of the Association mainly comprise of cash and cash equivalents.

Debt instruments that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

2.6.2 Impairment

The Association assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 15 to the financial statements details how the Association determines whether there has been a significant increase in credit risk.

For cash and cash equivalents, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition,lifetime expected credit loss will be calculated and recognised.

2.6.3 Recognition and derecognition

Financial assets are derecognised when the right to receive cash flows from the financial assets have expired or have been transferred and the Association has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in the statement of financial activities.

2.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposit with a financial institution, which are subject to an insignificant risk of change in value.

2.8 Plant and equipment

2.8.1 Measurement

All plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of plant and equipment initially recognised includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in this manner intended by management.

Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal and restoration is included as a consequence of acquiring or using the plant and equipment.

2.8.2 Depreciation

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Computer	3 years
Office equipment	3 years

The residual values and useful lives of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in the statement of financial activities when the changes arise.

Fully depreciated assets still in use are retained in the financial statements.

2.8.3 Subsequent expenditure

Subsequent expenditure relating to plant and equipment that have already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance expenses are recognised in the statement of financial activities when incurred.

2.8.4 Disposal

On disposal of an item of plant and equipment, the difference between the net disposals proceeds and its carrying amount is recognised in the statement of financial activities.

2.9 Impairment of non-financial assets

Plant and equipment are tested for impairment whenever there is any indication that these assets may be impaired.

For the purpose of impairment testing of the assets, recoverable amount (i.e. the higher of the fair value less cost of disposal and value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as impairment loss is recognised in the statement of financial activities.

An impairment loss for an asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in the statement of financial activities.

2.10 Financial liabilities

Financial liabilities are recognised when, and only when, the Association becomes a party to the contractual provisions of the financial instrument and is classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of financial activities. Financial liabilities include "Other payables" in the statement of financial position.

Financial liabilities are derecognised when the obligations under the liabilities are discharged, cancelled or expire. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability or are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of financial activities.

2.11 Other payables

Other payables are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

2.12 Provision for other liabilities and charges

Provisions for other liabilities and other charges are recognised when the Association has a present legal or constructive obligation as a result of past events, it is probable than an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2.13 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 funds may only be utilised in accordance with the purposes for which they are established. The Management Committee retains full control over the use of unrestricted funds for any of the Association's purposes.

2.14 Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

2.15 Events after the reporting period

Events after the reporting period that provide additional information about the Association's position at the reporting date (adjusting events) are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

At the reporting date, there were no critical accounting estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2 Critical judgements in applying the entity's accounting policies

In the process of applying the Association's accounting policies, the management has made certain judgements, apart from those involving estimations, which have significant effect on the amounts recognised in the financial statements.

3.2.1 Government grants

Government grants to meet operating expenses are recognised as income in the income and expenditure statement on the accrual basis in the year these operating expenses were incurred and there is reasonable assurance that the Association will comply with the conditions attached to it. For certain grants, the government agencies reserve the right to withdraw, withhold or reduce the amount of any funds approved but not yet disbursed or to call for the refund of all funds which have been disbursed to the Association if the conditions are not met.

4. Income tax

As the Association is an approved charity, no provision for taxation has been made in the financial statements as it is exempted from income tax under Section 13(1)(zm) of the Income Tax Act.

5. Revenue from contracts

	2020	2019
a) Disaggregation of revenue from contracts		
Voluntary income		
Donations - tax deductible	19,061	77,365
Donations - non-tax deductible	52,188	6,373
Total voluntary income	**71,249**	**83,738**
Activities for generating funds		
Sponsorship	2,000	2,288
Income from charitable activities		
Event sales	680	-
Membership fees	250	465
Ticketing revenue	4,247	5,156
Total income from charitable activities	**5,177**	**5,621**
Total revenue	**78,426**	**91,647**
Timing of transfer of services:		
- At a point in time	78,176	91,182
- Over time	250	465
Total	**78,426**	**91,647**

b) There are no contract liabilities balances as at the reporting date.

6. Government grants

	2020	2019
National youth fund from National Youth Council	13,344	9,500
President's challenge scheme from National Council of Social Service	43,000	-
Sport Singapore's grant	2,338	-
Total government grants	**58,682**	**9,500**

	2020	2019

7. Expenditure

	2020	2019
Cost of generating funds		
Sports event expenses		
ASEAN Deaf Bowling Championships	10,327	6,048
Asia Pacific Deaf Games	213	16,810
Badminton	705	-
Bowling	13,886	8,317
Deaflympics	-	880
Futsal	4,868	5,256
National Deaf Games	25,223	10,196
Sports camp	-	5,097
Sports programme	-	800
Swimming	-	50
World Deaf Badminton Championship	5,241	-
World Deaf Bowling Championship	17,723	-
Total cost of generating funds	**78,186**	**53,454**
Cost of charitable activities		
Publicity	1,196	2,224
Rental	1,763	-
Subscription	833	1,789
Transportation	36	234
Web services	278	1,238
Total cost of charitable activities	**4,106**	**5,485**
Governance and other administrative costs		
Audit fee	3,103	3,135
Bank charges	233	349
Professional fees	850	40
Refreshment	211	202
Stationery	541	469
Other expenses	100	48
Total governance and other administrative costs	**5,038**	**4,243**

	2020	2019

8. Cash and cash equivalents

	2020	2019
Cash in hand	54	84
Cash at bank	90,948	40,605
Total cash and cash equivalents	**91,002**	**40,689**

At the reporting date, the carrying amounts of cash and cash equivalents approximate their fair values.

	2020	2019
9. Other receivable		
Prepayment	145	-

At the reporting date, the carrying amount of other receivable approximates its fair value.

	2020	2019
10. Plant and equipment		
Computer		
Cost		
Beginning and end of financial year	1,825	1,825
Accumulated depreciation		
Beginning and end of financial year	(1,825)	(1,825)
Carrying amount	-	-
Office equipment		
Cost		
Beginning and end of financial year	198	198
Accumulated depreciation		
Beginning and end of financial year	(198)	(198)
Carrying amount	-	-
Total		
Cost		
Beginning and end of financial year	2,023	2,023
Accumulated depreciation		
Beginning and end of financial year	(2,023)	(2,023)
Carrying amount	-	-

	2020	2019
11. Other payable		
Accruals	3,783	3,103

At the reporting date, the carrying amount of other payable approximates its fair value.

12. Funds

12.1 Unrestricted fund

General fund is expendable at the discretion of the Management Committee in furtherance of the Association's objectives.

12.2 Restricted fund - President's Challenge

The President's Challenge is a movement supported by the kindness and generosity of corporations, foundations and people from all walks of life, regardless of culture, religion or family background, to help those less fortunate.

Each year, President's Challenge runs fund-raising campaigns for the beneficiaries selected by the President's Office.

Its community outreach and fundraising campaign selects a large number of benefiting organisations to support and raise funds for the beneficiaries so that they can focus on their mission and cause. President's Challenge's support covers various sectors from children and family services, healthcare and eldercare, disability services and rehabilitation of ex-offenders.

	2020	2019
Movement of this fund is as follows:		
Beginning of financial year	-	-
Grants received	43,000	-
Transfer between funds	(23,735)	-
End of financial year	**19,265**	**-**

13. Related party transactions

There was no transaction between the Association and related party for the financial years ended 31 March 2020 and 2019.

None of the members of Management Committee, who are considered as the key management personnel, has received compensation for the current and prior financial year.

14. Financial instruments

The aggregate carrying amounts of financial asset and liability of the Association as at end of the financial year are as follows:

	2020	2019
Financial asset, at amortised cost		
Cash and cash equivalents	91,002	40,689

	2020	2019
Financial liability, at amortised cost		
Other payables	3,783	3,103

15. Financial risk management

The Association’s activities expose it to variety of financial risks: credit risk and liquidity risk.

The Management Committee is responsible for setting the objectives and underlying principles of financial risk management of the Association. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Association’s activities. There has been no change to the Association’s exposure to these financial risks or the manner in which it manages and measures the risks.

15.1 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligation, resulting in financial loss to the Association.

Risk management

The Association adopts the following policy to mitigate the credit risk.

For banks and financial institutions, the Association mitigates its credit risks by transacting only with a counterparty who are rated "A" and above by independent rating agencies.

The Association has no significant concentration of credit risk.

Impairment of financial assets

The Association does not expect to incur material credit losses on their risk management of financial assets.

Financial assets that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies.

There are no credit loss allowance for financial asset at amortised cost as at 31 March 2020 and 2019.

15.2 Liquidity risk

Liquidity risk reflects the risk that the Association will encounter difficult in meeting its financial obligations due to shortage of funds. The Association's exposure to liquidity risk arises primarily from mis-matches of the maturities of financial assets and liabilities.

Management monitors and ensures that the Association maintains a level of cash and cash equivalents deemed adequate to finance the Association’s operations.

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

	2020	2019
Within one year		
Financial asset, at amortised cost		
Cash and cash equivalents	91,002	40,689
Financial liability, at amortised cost		
Other payables	(3,783)	(3,103)
Net financial asset	**87,219**	**37,586**

16. Fair values

As at 31 March 2020, the carrying amounts of the financial assets and liabilities recorded in the financial statements of the Association approximate their fair values due to their short-term nature.

17. Fund management

The primary objective of the Association is to ensure it maintains sufficient cash in order to support its activities. Its approach to management of funds is to balance the allocation of cash and the incurrence of debt. Available cash is deployed primarily to cover operational requirements.

18. Reserve position and policy

The Association's reserve position for financial year ended 31 March 2020 is as follows:

		2020	2019	Increase
		S$	S$	%
A	Unrestricted fund			
	General fund	68,099	37,586	81
B	Restricted fund	19,265	0	N/A
C	Endowment fund	N/A	N/A	N/A
D	Total funds	87,364	37,586	132
E	Total annual operating expenditure	87,330	63,182	38
F	Ratio of fund to annual operating expenditure (A/E)	0.78	0.59	

Reference:
C. Endowment fund consists of assets, funds or properties that are held in perpetuity which produce annual income flow for a foundation to spend as grants.
D.Total fund include unrestricted, restricted/designated and endowment fund.
E. Total annual operating expenditure includes expenses related to cost of generating funds, cost of charitable activities and governance and administrative costs.

The Association does not have any externally imposed capital requirements for the financial year ended 31 March 2020.

The reserves that the management have set aside provide financial stability and the means for the development of the Association's principal activity. The management intends to maintain the reserves at a level which is at least equivalent to one year's expenses to ensure the continued running and smooth operation of the Association. The intended use of the reserves is for the operational needs of the Association.

The Management Committee regularly reviews the amount of reserves that are required to ensure that they are adequate to fulfill the Association's continuing obligations on a semi-annual basis.

19. Management of conflict of interest

During the financial year, none of the Management Committee members received any remuneration from the Association.

Management Committee members are required to disclose any interest that they may have, whether directly or indirectly, that the Association may enter into or in any organisations that the Association has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Association's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Management Committee members may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

20. Events after the reporting period

The novel coronavirus (Covid-19) outbreak in early 2020 did not have an immediate impact on the performance of the Association. However, the outbreak was declared a Public Health Emergency of International Concern. Measures taken to contain the spread of the virus, including quarantines, social distancing, and closures of non-essential services have triggered a disruption to the Association's activities.

The Management Committee has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of activities as of and for the year ended 31 March 2020 have not been adjusted to reflect their impact. The duration and impact of Covid-19 pandemic, as well as the effectiveness of the government's responses, remain unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Association for future periods.

21. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Management Committee of the Association on 29 October 2020.