

FENCING SINGAPORE
(Registration No. ROS90/64SPO)

FINANCIAL STATEMENTS

31 MARCH 2016

TAY TONG & COMPANY
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS
SINGAPORE

FENCING SINGAPORE
(Registration No. ROS90/64SPO)

Executive Committee Members' Report
Year ended 31 March 2016

REPORT OF THE EXECUTIVE COMMITTEE MEMBERS

We, the undersigned Executive Committee Members, submit this annual report to the members together with the audited financial statement of Fencing Singapore for the financial year ended 31 March 2016.

Executive Committee Members

The office bearers of the Executive Committee Members at the date of this report are as follows:

Seow Juliana	President (Chairman)
Kwong Francis	Secretary-General
Yau Wee Sian	1 st Vice-president
Shaun Lim	2 nd Vice-president
Ang Ker Wee	3 rd Vice-president
Ong She-na	Treasurer
Yeo Joseph	Assistant Treasurer
Koh Li-Chieh	Committee Member
Wong James	Committee Member
Leong Dennis	Committee Member
Chong Yi Mei	General Manager
Stewart Watson	High Performance Manager

Statement by Executive Committee Members

The executive Committee of Fencing Singapore is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act, Chapter 311, Charities Act, Chapter 37 and Singapore Financial Reporting Standards (FRS). This responsibility includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

In our opinion, the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Association as at 31 March 2016, and of the financial performance, changes in accumulated funds and cash flows for the year then ended in accordance with the provisions of the Acts and FRS.

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

On behalf of the Executive Committee



Kwong Francis
Secretary-General



Ong She-na
Treasurer

Singapore, 9 September 2016

TAY TONG & COMPANY

6001 Beach Road, #16-09 Golden Mile Tower, Singapore 199589

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FENCING SINGAPORE

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Fencing Singapore, which comprise the statement of financial position of the Association as at 31 March 2016, and the statement of comprehensive income, statements of changes in accumulated fund and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Societies Act, Chapter 311, Charities Act, Chapter 37 and Singapore Financial Reporting Standards (FRS), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of financial statements and to maintain accountability of assets.

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 about 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 preparation of financial statements that give a true and fair view 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 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.

Opinion

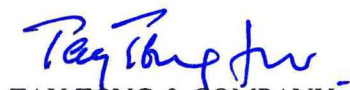
In our opinion, the financial statements are properly drawn up in accordance with the Societies Act, Chapter 311, Charities Act, Chapter 37, and Singapore Financial Reporting Standards (FRS) and so as to give a true and fair view of the financial position of Fencing Singapore as at 31 March 2016 and the financial performance, changes in accumulated funds and cash flows for the year ended on that date.

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.

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

- a. The use of the donation moneys was not in accordance with the objectives of the Charity as required under regulation 16 of the Charities (Institutions of a Public Character) Regulation; and
- b. The Charity has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulation



TAY TONG & COMPANY
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS
SINGAPORE, 9 SEPTEMBER 2016.

REF: PN/140

FENCING SINGAPORE
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	Note	2016 S\$	2015 S\$
ASSETS			
Non-current assets			
Plant and equipment	3	<u>36,172</u>	<u>51,618</u>
Current assets			
Other receivables		227,137	165,268
Deposits		14,992	22,962
Prepayments		23,307	20,806
Cash and cash equivalent		346,025	312,943
		<u>611,461</u>	<u>521,979</u>
Total assets		<u><u>647,633</u></u>	<u><u>573,597</u></u>
ACCUMULATED FUND AND LIABILITIES			
Restricted fund	6	2,000	-
Unrestricted fund	6	<u>516,398</u>	<u>410,440</u>
Accumulated fund		<u>518,398</u>	<u>410,440</u>
Current liabilities			
Other payables		81,610	112,347
Accruals		<u>47,625</u>	<u>50,810</u>
		<u>129,235</u>	<u>163,157</u>
Total accumulated fund and liabilities		<u><u>647,633</u></u>	<u><u>573,597</u></u>

FENCING SINGAPORE
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 S\$	2015 S\$
UNRESTRICTED FUNDS			
Income received			
Subsidies from Sport Singapore		1,616,243	1,463,593
Subsidies from overseas federation		22,871	4,225
Subsidies from other government entity		34,362	14,154
Contributions from Athletes		58,915	49,940
Coaching and course fees		2,710	445
Donation		100	-
Rental income		1,430	260
Sale of Fencing Singapore items		6,428	5,037
Subscriptions		2,160	2,160
Local events income		157,659	138,120
Sponsorship income		24,443	2,790
Other income		36,500	26,003
		<u>1,963,821</u>	<u>1,706,727</u>
Less: expenses			
Depreciation	3	39,097	18,079
Employee benefits expense	4	531,530	515,938
Office operations		122,746	82,673
Facilities rental		420,745	375,256
Overseas competition & other related expenses		466,653	505,533
Local competition and other related expenses		268,180	107,417
Local affiliation & subscription fees		25	-
Overseas affiliation & subscription fees		8,268	5,484
Other expenses		619	-
		<u>1,857,863</u>	<u>1,610,380</u>
Surplus before taxation		105,958	96,347
Taxation: - current year	5	-	-
Surplus after taxation		105,958	96,347
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year		105,958	96,347
RESTRICTED FUNDS			
Donation received		2,000	-
Less: expenses		-	-
Surplus for the year		2,000	-

**FENCING SINGAPORE
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 S\$	2015 S\$
Restricted funds:			
Donations received during the year		2,000	-
Balance carried forward	6	2,000	-
Unrestricted fund			
Balance brought forward		410,440	314,093
Surplus after taxation		105,958	96,347
Balance carried forward	6	516,398	410,440
		518,398	410,440

FENCING SINGAPORE
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2016

	2016	2015
	S\$	S\$
OPERATING ACTIVITIES		
Total surplus for the year	107,958	96,347
Adjustments for:		
Depreciation	39,097	18,079
Surplus before working capital changes	<u>147,055</u>	<u>114,426</u>
Changes in working capital:		
Receivables	(56,400)	1,031
Payables	<u>(33,922)</u>	<u>90,486</u>
Net cash generated from operating activities	<u>56,733</u>	<u>205,943</u>
INVESTING ACTIVITIES		
Purchase of plant and equipment	<u>(23,651)</u>	<u>(3,649)</u>
Net cash used in investing activities	<u>(23,651)</u>	<u>(3,649)</u>
Net change in cash and cash equivalents	33,082	202,294
Cash and cash equivalents at beginning of the year	<u>312,943</u>	<u>110,649</u>
Cash and cash equivalents at end of the year	<u><u>346,025</u></u>	<u><u>312,943</u></u>

**FENCING SINGAPORE
NOTES TO THE ACCOUNTS**

1. CORPORATE INFORMATION

- a) Country of registration: The Association (Registration No. ROS90/64SPO) is registered in Singapore.
- b) Principal activities: To promote and develop fencing sporting activities. The Association was registered as a charity organization on 10 December 2010 and is an institution of a Public Character from 28 August 2015 to 27 August 2016.
- c) Registered address: 3 Stadium Drive
NSA Office
Singapore 397630

2. SIGNIFICANT ACCOUNTING POLICIES

a) **Basis of preparation**

The financial statements of the Association have been prepared on a going concern basis in accordance with Singapore Financial Reporting Standards (FRS). The financial statements have been prepared under historical cost convention, except as disclosed in the accounting policies below.

Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Association has adopted all the new and revised standards and interpretations of FRS (INT FRS) that are effective for annual periods beginning on or after 1 April 2015. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Association.

b) **Reserve policy**

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) **Functional and Presentation currency**

Items included in the financial statements of the Association are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Association. The financial statements of the Association are presented in Singapore dollars, which is the functional currency of the Association.

d) **Critical Judgements, Assumptions and Estimation Uncertainties**

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Useful lives of plant and equipment:

The estimates for the useful lives and related depreciation charges for plant and equipment is based on commercial and other factors which could change significantly as a result of innovations and in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected.

e) **Plant and Equipment**

All items of plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably.

Subsequent to recognition, plant and equipment are measured at cost or revaluation, if any, less accumulated depreciation and accumulated impairment losses. Valuation is performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the plant and equipment at the statement of financial position date.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit and loss, in which case the increase is recognised in profit and loss. A revaluation deficit is recognised in statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the asset is transferred directly to retained earnings on retirement or disposal of the asset.

Depreciation is based on the cost of an asset less its residual value.

Depreciation on plant and equipment is calculated on the straight-line method over their estimated useful lives of 1 to 8 years.

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 value, useful lives 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.

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

Fully depreciated plant and equipment are retained in the accounts until they are no longer in use.

f) **Financial Instruments**

a) **Financial assets**

i) Initial recognition and measurement

Financial assets are recognized on the statement of financial position when, and only when, the Association becomes a party to the contractual provisions of the financial instrument. The Association determines the classification of its financial assets at initial recognition.

When financial assets are recognized initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ii) Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:-

Receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as receivables. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less impairment. Gains and losses are recognized in profit or loss when the receivables are derecognized or impaired, and through the amortization process.

iii) Derecognition

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

All regular way purchase and sales of financial assets are recognized or derecognized on the trade date i.e., the date that the Association commits to purchase or sell 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.

b) **Financial liabilities**

i) Initial recognition and measurement

Financial liabilities are recognized on the statement of financial position when, and only when, the Association becomes a party to the contractual provisions of the financial instrument. The Association determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and in the case of other financial liabilities, plus directly attributable transaction costs.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ii) Subsequent measurement

The measurement of financial liabilities depends on their classification as follow:-

Other Financial Liabilities

After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, and through the amortization process.

iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability 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 the respective carrying amounts is recognized in profit or loss.

g) **Related parties**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party when making financial or operational decisions. In considering each possible related party relationship, attention is paid to the substance of the relationship, not merely the legal form.

Related parties include the Association's Executive Committee, key management personnel, associates and enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by the Association's Executive Committee or key management personnel.

h) **Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Association and when the revenue can be reliably measured.

Sport Singapore subsidy, affiliation fees, contributions from officials and athletes, course fees, donations from individuals, entry fees (tournament) and sale of souvenirs are recognised when received.

Coaching fees are recognised when services are rendered and invoices are raised to the Club and Association, which are generally taken to be the point in time when the Club and Association have accepted the services provided.

Donations are recognised in the statement of financial performance when they have been received.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) **Employee benefits**

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Association pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Association has no further payment obligations once the contributions have been paid. The Association's contributions are recognised as employee compensation expense when they are due.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

j) **Income tax**

Current income tax

Current tax is the expected tax payable or receivable in the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

A deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date; and
- (ii) based on the tax consequence that would follow from the manner in which the company expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income tax are recognised as income or expenses in profit or loss.

k) **Cash and cash equivalent**

Cash and cash equivalents comprise of cash at bank. Cash equivalents are 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.

2. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

1) **Operating lease**

Lessee

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors, are classified as operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the leases.

Contingent rents are recognised as an expense in the income statement when incurred.

3. **PLANT AND EQUIPMENT**

Cost	Scoring Equipment S\$	Office furniture & equipment S\$	Staff furniture & equipment S\$	Renovation S\$	Donated scoring equipment S\$	Sport equipment	Total S\$
At 01.04.2014	73,259	4,667	-	20,644	113,060	-	211,630
Addition	-	-	3,649	-	-	-	3,649
At 31.03.2015	73,259	4,667	3,649	20,644	113,060	-	215,279
Addition	-	4,324	1,996	-	-	17,331	23,651
At 31.03.2016	73,259	8,991	5,645	20,644	113,060	17,331	238,930
Accumulated depreciation and impairment							
At 01.04.2014	73,259	4,667	-	10,087	57,569	-	145,582
Depreciation charge	-	-	155	3,792	14,132	-	18,079
At 31.03.2015	73,259	4,667	155	13,879	71,701	-	163,661
Depreciation charge	-	4,324	1,090	3,792	14,132	15,759	39,097
At 31.03.2016	73,259	8,991	1,245	17,671	85,833	15,759	202,758
Carrying amount							
At 31.03.2016	-	-	4,400	2,973	27,227	1,572	36,172
At 31.03.2015	-	-	3,494	6,765	41,359	-	51,618

4. **EMPLOYEE BENEFITS EXPENSES**

	2016	2015
	S\$	S\$
Basic salary	458,974	440,740
AWS	33,000	32,573
CPF - employer's contribution	25,764	25,435
SDL	7,376	3,042
Medical & dental claims	706	517
Employee insurance	4,670	91
Employment expenses	1,040	13,540
	<u>531,530</u>	<u>515,938</u>

5. **TAXATION**

Fencing Singapore is registered charity organization under Charity Act, Chapter 37 and is exempted from income tax under Section 13 of Income Tax Act.

6. **ACCUMULATED FUNDS**

	2016	2015
	S\$	S\$
Unrestricted funds	516,398	410,440
Annual operating expenditures	1,857,863	1,610,380
Ratio of reserves to annual operating expenditures	<u>0.28</u>	<u>0.25</u>
Restricted funds	<u>2,000</u>	<u>-</u>

7. RELATED PARTY TRANSACTIONS

Transactions with related parties, not otherwise disclosed in the financial statements, are as follows:

Related party transactions

	2016	2015
	S\$	S\$
Training and competitions related expenses	1,293	1,585
Expenses paid on behalf of the Association	42,886	14,254
Other expenses	<u>3,050</u>	<u>-</u>

Key management personnel compensation

a. Number of key management personnel in remuneration bands:

S\$150,001 – S\$200,000	0
S\$100,001 – S\$150,000	1

b. Remuneration paid to Executive Committee member:

During the current and previous year none of the committee member was paid any remuneration nor given any benefits.

Conflict of interest policy

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

8. OPERATING LEASE COMMITMENTS

	2016	2015
	S\$	S\$
Minimum lease payments under operating leases recognized as an expense in the year	<u>91,425</u>	<u>53,085</u>

8. **OPERATING LEASE COMMITMENTS (CONTINUED)**

Lease commitments under non-cancelable operating leases where the Association is a lessee:

	2016	2015
	S\$	S\$
Due in within 12 months	<u>92,517</u>	<u>92,517</u>
Due in within 2 - 5 years	<u>51,383</u>	<u>164,828</u>

The operating leases do not contain any escalation clauses and do not provide for contingent rents.

9. **FINANCIAL RISK MANAGEMENT**

The main risks arising from the Association's financial instruments are as follow:

a) **Credit risk**

Credit risk refers to the risk that counter parties may default on their contractual obligation resulting in a financial loss to the Association.

The carrying amount of other receivables represents the Association's maximum exposure to credit risk in relation to financial assets. No other financial assets carry a significant exposure to credit risk and the Association had established policies to minimise these credit risks. Cash is placed with bank and financial institutions which are regulated. No other financial assets carry a significant exposure to credit risk.

b) **Liquidity risk**

The Association's financing activities are managed by maintaining an adequate level of cash and cash equivalent to finance the Association's operations. Fund from Sport Singapore ensure continuity in funding the activities.

c) **Fair values**

The carrying amounts of financial assets and liabilities approximate their fair values because of the short period to maturity.

10. **FUNDS MANAGEMENT**

The Association reviews its capital structure at least annually to ensure that it will be able to continue as going concern. The capital structure of the Association consists of its funds balances.

11. **RECLASSIFICATION OF COMPARATIVE FIGURES**

Certain prior year's figures have been reclassified in order to conform to current year's presentation. The reclassification has no impact on prior year results.

12. **AUTHORIZATION OF FINANCIAL STATEMENTS**

The financial statements of the Association for the year ended 31 March 2016 were authorized for issue on the date of the executive committee's statement.