

**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
(ROS Registration No.: T10SS0077G)  
(Charity Portal (“IPC”) IPC000730)  
(Registered in the Republic of Singapore)

**FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
(Registered in the Republic of Singapore)

**FINANCIAL STATEMENTS**

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**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
(Registered in the Republic of Singapore)

**GENERAL INFORMATION**

**COMMITTEE**

Florence Khemlani - Vice President  
Valerie Chuang Wan Chin - Treasurer  
Simon Yim Kok Meng - Secretary  
Aisah Bte Ibrahim - Member  
Angela Yuen Meiyi - Member  
Darren Khemlani - Member  
Salman Syed - Member  
Tang Siew Hong - Member

**REGISTERED OFFICE  
AND PLACE OF ACTIVITIES**

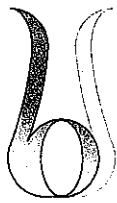
260 Stadium Boulevard  
Singapore 397799

**AUDITORS**

A Garanzia LLP

**BANKER**

DBS Bank Limited



**INDEPENDENT AUDITOR'S REPORT  
TO THE COMMUNITY OF  
BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)  
(Registered in the Republic of Singapore)**

## **Report on the Financial Statements**

We have audited the accompanying financial statements of Bowling Association For The Disabled (Singapore) (the "Association"), which comprise the statement of financial position as at 31 December 2013, the statement of comprehensive income, detailed statement of comprehensive income and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management Committee's Responsibility for the Financial Statements*

The management committee is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Charities Act, Societies Act and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statements of comprehensive income and statements of financial position and to maintain accountability of assets.

### *Auditor's 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.

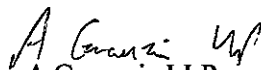
**INDEPENDENT AUDITOR'S REPORT  
TO THE COMMUNITY OF  
BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
(Registered in the Republic of Singapore)  
**(CONT'D)**

*Opinion*

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Charities Act, Societies Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Association as at 31 December 2013 and the results and cash flows of the Association for the financial 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.

  
A Garanzia LLP  
Public Accountants and  
Chartered Accountants  
Singapore

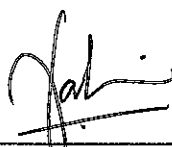
| 7 JUN 2014

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**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
(Registered in the Republic of Singapore)

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

	<u>Notes</u>	<u>2013</u>	<u>2012</u>
		S\$	S\$
<b>Revenue</b>		163,428	165,302
Administrative expenses		(122,076)	(112,329)
<b>Surplus before income tax</b>		<u>41,352</u>	<u>52,973</u>
Income tax	(3)	-	-
<b>Surplus for the financial year</b>		<u>41,352</u>	<u>52,973</u>
<b>Accumulated funds (unrestricted) brought forward</b>		64,664	11,691
<b>Accumulated funds (unrestricted) carried forward</b>		<u><u>106,016</u></u>	<u><u>64,664</u></u>



Valerie Chuang Wan Chin  
TREASURER



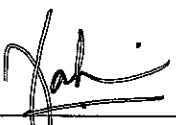
Florence Khemlani  
VICE PRESIDENT

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

**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
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**DETAILED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

	<u>2013</u>	<u>2012</u>
	S\$	S\$
<b>Revenue</b>		
Non-tax deductible donations	2,891	1,134
Tax deductible donations	130,846	114,278
Members subscription	440	915
Grant from Singapore Disability Sports Council	28,746	40,819
Collection from bowling games	370	7,239
Sales of T-shirts	135	702
Miscellaneous income	-	215
	<hr/>	<hr/>
	163,428	165,302
<b>Administrative expenses</b>		
Administrative fees	5,650	9,040
Ambulance	663	-
Audit fee - current year	1,200	1,200
- prior year	-	(200)
Coach fees	20,440	32,479
Competition entry fees	9,055	930
Costs of sales of T-shirts	99	1,089
Course fees	535	-
Depreciation of plant and equipment	685	228
Employee compensation		
- Salary	15,166	-
- CPF contribution	2,427	-
Food and beverages	3,517	1,059
Fund raising costs	23,319	30,091
Medal, trophies and prizes	4,505	3,960
Miscellaneous expenses	6,049	2,324
Rental of bowling venue	14,236	17,956
Rental of office	11,501	8,346
Stationery and printing	933	270
Telecommunication	560	504
Transportation	1,270	2,730
Utilities	266	323
	<hr/>	<hr/>
	122,076	112,329
<b>Surplus before income tax</b>	<hr/>	<hr/>
	41,352	52,973
<b>Income tax</b>	-	-
<b>Surplus for the financial year</b>	<hr/>	<hr/>
	41,352	52,973

  
\_\_\_\_\_  
Valerie Chuang Wan Chin  
TREASURER

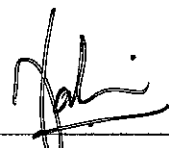
  
\_\_\_\_\_  
Florence Khemlani  
VICE PRESIDENT

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**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
(Registered in the Republic of Singapore)

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2013**

	<u>Notes</u>	<u>2013</u>	<u>2012</u>
		S\$	S\$
<b>ACCUMULATED FUNDS (UNRESTRICTED)</b>		106,016	64,664
		<u>106,016</u>	<u>64,664</u>
Represented by:			
<b>NON-CURRENT ASSET</b>			
Plant and equipment	(4)	1,142	1,827
<b>CURRENT ASSETS</b>			
Inventories	(5)	1,012	1,111
Trade receivables	(6)	980	-
Other current assets	(7)	1,950	2,805
Cash and cash equivalents	(8)	108,574	63,191
		<u>112,516</u>	<u>67,107</u>
<b>LESS: CURRENT LIABILITY</b>			
Other payables	(9)	7,642	4,270
		<u>7,642</u>	<u>4,270</u>
<b>NET CURRENT ASSETS</b>		104,874	62,837
		<u>106,016</u>	<u>64,664</u>



Valerie Chuang Wan Chin  
TREASURER



Florence Khemlani  
VICE PRESIDENT

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



**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

	<u>2013</u>	<u>2012</u>
	S\$	S\$
<b>Cash flows from operating activities</b>		
Surplus before income tax	41,352	52,973
Adjustment for:		
Depreciation of plant and equipment	685	228
Operating surplus before working fund changes	42,037	53,201
Decrease / (increase) in inventories	99	(1,111)
(Increase) / decrease in trade receivables	(980)	2,102
Decrease / (increase) in other current assets	855	(26)
Increase / (decrease) in other payables	3,372	(2,684)
<b>Net cash from operating activities</b>	45,383	51,482
<b>Cash flows from investing activity</b>		
Purchase of plant and equipment	-	(2,055)
<b>Cash used in investing activity</b>	-	(2,055)
Net increase in cash and cash equivalents	45,383	49,427
Cash and cash equivalents at beginning of the financial year	63,191	13,764
<b>Cash and cash equivalents at end of the financial year (Note 8)</b>	108,574	63,191

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

**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
(Registered in the Republic of Singapore)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

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

**1. GENERAL INFORMATION AND ACTIVITIES**

The Association is registered in Singapore under the Societies Act, was set up on 8 April 2010 and on 7 June 2011 registered as a charity under the Charities Act, Chapter 37.

The registered office and principal place of activities is at 230 Stadium Boulevard Singapore 397799.

The objectives of the Association are as follows:

- To provide support and guidance on and to promote the sport of bowling amongst persons with disabilities in Singapore.
- To hold or coordinate the organisation of championships and other events in bowling for the disabled with the sanction of the relevant controlling bodies in international, regional and local championships or events.
- To promote and encourage the participation of players, teams, organisations and individuals from Singapore who are interested in bowling for the disabled in international, regional, local or other championships and events.
- To engender by association a fraternal feeling amongst bowlers especially amongst the disabled and to preserve and promote the best traditions of the sport.
- To offer facilities and coaching and other technical knowledge in order to advance the cause of bowling in Singapore.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***(a) Basis of preparation***

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS) as required by the Charities Act and Societies Act.

The financial statements, which are presented in Singapore Dollar (S\$), have been prepared on historical cost basis except as disclosed in the accounting policies below.

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

**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(a) Basis of preparation (cont'd)**

The preparation of financial statements in conformity with FRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income or expenditure during the financial year. Although these estimates are based on the Association's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates. 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 the accounting policies below.

In the current financial year, the Association has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial year.

The Association has not applied the following new / revised FRS or interpretations that have been issued as of the statement of financial position date but are not yet effective:

<u>Descriptions</u>	<u>Effective for annual periods beginning on or after</u>
Revised FRS 27: Separate Financial Statements	1 January 2014
Revised FRS 28: Investments in Associates and Joint Ventures	1 January 2014
FRS 110: Consolidated Financial Statements	1 January 2014
FRS 111: Joint Arrangements	1 January 2014
FRS 112: Disclosure of Interests in Other Entities	1 January 2014
Amendments to FRS 32: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 36: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to FRS 39: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014

The application of these standards and interpretations above is not expected to have material impact on the Association's financial statements.

**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(b) Functional currency**

Items included in the financial statements are measured using the currency best reflects the economic substance of the underlying events and circumstances relevant to the Association (the "functional currency"). The financial statements are presented in Singapore Dollar (S\$), which is the functional currency of the Association.

**(c) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the entity and the amount of revenue and related cost can be reliably measured.

**(i) Sale of goods**

Revenue from sale of goods is recognised upon the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and title has passed. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

**(ii) Subscription**

Revenue from subscription fee is recognised on a straight line basis over the term of the membership.

**(iii) Donations**

Donations represent both tax and non-tax deductible donations received and are recognised on a receipts basis.

**(iv) Grants**

Revenue from grants is recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred income account and is amortised to statement of comprehensive income over the expected useful life of the relevant asset by equal annual instalments.

When the grant relates to an expenditure item, it is recognised in the statement of comprehensive income over the period necessary to match on a systematic basis to the costs that it is intended to compensate.

**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(d) Income tax**

Under Section 13 (1)(zm) of the Income Tax Act, income from registered charities shall be exempted from tax. Accordingly, no tax provision has been made. However, the surplus derived from non-charitable activities will be taxable under Income Tax Act.

**(e) Plant and equipment**

Plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and costs of bringing the asset to working condition for its intended use. Dismantlement, removal or restoration costs are included as part of the cost of asset if the obligation for dismantlement, removal or restoration costs is incurred as a consequence of acquiring or using the asset. Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repairs are charged to the statement of comprehensive income. The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Association and its cost can be measured reliably. The costs of the day-to-day servicing of plant and equipment are recognised in the statement of comprehensive income as incurred.

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

Depreciation of plant and equipment is calculated on the straight-line basis to write off the cost less residual value of the assets over their estimated useful lives as follows:

Computer	3 years
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Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

Depreciation methods, useful lives and residual values are reviewed, and adjusted prospectively as appropriate, at each financial year end.

**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

***(f) Inventories***

Inventories are valued at the lower of cost and net realisable value. Cost incurred in bringing the inventories to their present location and condition is accounted for on first-in first-out method.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When the inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

The amount of any allowance for write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any allowance for write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

***(g) Impairment of non-financial assets***

The carrying amounts of the Association's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised in statement of comprehensive income if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

Impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognised. Reversal of impairment loss is recorded in profit or loss. 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.

**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
(Registered in the Republic of Singapore)

**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

*(h) Financial assets*

Financial assets within the scope of FRS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial assets. Financial assets are recognised on the statement of financial position when the Association becomes a party to the contractual provisions of the financial instrument. When financial assets are recognised initially, they are measured at fair value, in the case when financial assets are not at fair value, they are stated at directly attributable transaction cost.

Financial assets are classified as held for trading if they are acquired for selling in the near term. Gains or losses on investments held for trading are recognised in the statement of comprehensive income.

Financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Association has positive intention and ability to hold the assets to maturity. Investments held under this category are measured at amortised cost using the effective interest method. For investments carried at amortised cost, gains or losses are recognised in the statement of comprehensive income through the amortisation process.

Financial assets with fixed and determinable payments that are not quoted are classified as loans and receivables. Such assets are carried at amortised cost using the effective interest method. Gains or losses are recognised in the statement of comprehensive income through the amortisation process.

Available-for-sale financial assets are any other financial assets that are not classified in any preceding categories. Available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised. For quoted investments, fair value is determined by market bid price. For unquoted investments, fair value is determined by using valuation techniques, like discounted cash flow analysis.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition 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 recognised in other comprehensive income is recognised in profit or loss.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date. 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.

**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

*(i) Impairment of financial assets*

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Financial assets carried at amortised cost

If there is objective evidence that an impairment loss on financial assets 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 discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in statement of comprehensive income.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Association considers factors such as the probability of insolvency or significant financial difficulties of the receivable and default or significant delay in payments.

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

Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at 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 discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.



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**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

*(i) Impairment of financial assets (cont'd)*

Available-for-sale financial assets

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its costs. Significant is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in the statement of comprehensive income, is transferred from other comprehensive income and recognised in statement of comprehensive income. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on the investment previously recognised in the statement of comprehensive income.

Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increases can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed in the statement of comprehensive income.

*(j) Receivables*

Receivables are measured in initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate bad and doubtful debts for estimated irrecoverable amounts are recognised in the statement of comprehensive income when there is objective evidence that the asset is impaired. The bad and doubtful debts recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate computed subsequent to initial recognition.

**BOWLING ASSOCIATION FOR THE DISABLED (SINGAPORE)**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

***(k) Cash and cash equivalents***

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash and bank balances which are subject to an insignificant risk of change in value.

***(l) Financial liabilities***

Financial liabilities are recognised on the statement of financial position when, and only when, the Association becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Gains and losses are recognised in statement of comprehensive income when the liabilities are derecognised as well as through the amortisation process. The liabilities are derecognised when the obligation under the liability is discharged or cancelled or expired.

***(m) Provisions***

Provisions are recognised when the Association has a present obligation (legal or constructive), as a result of a past event, and it is probable that an outflow of resources economic benefits and will be required to settle the obligation and a reliable estimate can be established on the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

**3. INCOME TAX**

The Association is registered as a charity under the Charities Act, Chapter 37 on 7 June 2011 and is exempted from tax under Section 13 (1) (zm) of the Income Tax Act.

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**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

**4. PLANT AND EQUIPMENT**

	<u>Computer</u> S\$	<u>Total</u> S\$
<b><u>Cost</u></b>		
Balance at 1 January 2012	2,055	2,055
Additions	-	-
Balance at 31 December 2012	<u>2,055</u>	<u>2,055</u>
Additions	-	-
Balance at 31 December 2013	<u><u>2,055</u></u>	<u><u>2,055</u></u>
<b><u>Accumulated depreciation</u></b>		
Balance at 1 January 2012	-	-
Depreciation charge for the financial year	228	228
Balance at 31 December 2012	<u>228</u>	<u>228</u>
Depreciation charge for the financial year	685	685
Balance at 31 December 2013	<u><u>913</u></u>	<u><u>913</u></u>
<b><u>Net carrying amount</u></b>		
As at 31 December 2013	<u><u>1,142</u></u>	<u><u>1,142</u></u>
As at 31 December 2012	<u><u>1,827</u></u>	<u><u>1,827</u></u>

**5. INVENTORIES**

	<u>2013</u> S\$	<u>2012</u> S\$
Goods held for resale, at cost	<u><u>1,012</u></u>	<u><u>1,111</u></u>

**6. TRADE RECEIVABLES**

Receivables are unsecured and not past due at the statement of financial position date and not impaired.

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**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

**7. OTHER CURRENT ASSETS**

	<u>2013</u> S\$	<u>2012</u> S\$
Deposit	1,950	2,110
Prepayment	-	695
	<u>1,950</u>	<u>2,805</u>

**8. CASH AND CASH EQUIVALENTS**

	<u>2013</u> S\$	<u>2012</u> S\$
Cash on hand	360	212
Cash at bank	108,214	62,979
	<u>108,574</u>	<u>63,191</u>

**9. OTHER PAYABLES**

	<u>2013</u> S\$	<u>2012</u> S\$
Other payable	-	1,254
Accruals	7,642	3,016
	<u>7,642</u>	<u>4,270</u>

**10. FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

	<u>2013</u> S\$	<u>2012</u> S\$
<u>Financial assets</u>		
Loans and receivables		
- Trade receivables (Note 6)	980	-
- Cash and cash equivalents (Note 8)	108,574	63,191
	<u>109,554</u>	<u>63,191</u>
<u>Financial liabilities</u>		
Financial liabilities carried at amortised cost		
Other payables (Note 9)	7,642	4,270
	<u>7,642</u>	<u>4,270</u>

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**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

**11. LEASE COMMITMENT**

At statement of financial position date, the Association was committed to making the following payments in respect of operating lease with a term of more than one year.

	<u>2013</u> S\$	<u>2012</u> S\$
Lease which expire:		
Within one year	3,825	8,346
After one year but not more than five years	-	<u>3,825</u>

Lease term does not contain restrictions on the Association's activities concerning dividends, additional debt or future leasing.

**12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Association is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The committee carried out their financial risks management in accordance with establish policies and procedures.

The following sections provide the Association's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

**(a) Market risk**

**(i) Currency risk**

The Association is not exposed to foreign currency risk as all the transactions and balances are in Singapore Dollar.

**(ii) Interest rate risk**

The Association is not exposed to interest rate risk as it does not have any interest-bearing assets or liabilities.

**(iii) Price risk**

The Association is not exposed to price risk as it does not hold listed securities.

**(b) Credit risk**

Credit risk is a risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Association's exposures to credit risk arise primarily from trade receivables.

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**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

**12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**(b) Credit risk (cont'd)**

The Association's objective is to seek continual revenue growth while minimising losses incurred due to increase in credit risk exposure. The receivable balances are monitored on an ongoing basis with the result that the Association's exposure to bad debts is not significant.

Exposure to credit risk

At the statement of financial position date, the Association's maximum exposure to credit risk is represented by the carrying value of each class of financial assets recognised in the statement of financial position.

Information regarding receivables is disclosed in Note 6.

**(c) Liquidity risk**

Liquidity risk is a risk that the Association will encounter difficulty in meeting financial obligations due to shortage of funds. The Association's exposure to liquidity risk arises primarily from mismatches of collections and payments timing. The Association's objective is to maintain a balance between funding through business and government grant.

The Association's liquidity risk management policy is to maintain sufficient liquid financial assets and government grant to pay for liabilities that are due in the next twelve months.

	<u>2013</u> One year <u>or less</u> S\$	<u>2012</u> One year <u>or less</u> S\$
Other payables	7,642	4,270

**(d) Capital risk**

Capital is defined as accumulated funds.

The Association is not subject to any externally imposed capital requirements.

**(e) Fair values**

The carrying amounts of the financial assets and financial liabilities at the statement of financial position date approximate the fair values due to the relatively short term maturity of these financial instruments.

**13. AUTHORISATION OF FINANCIAL STATEMENTS**

The financial statements for the financial year ended 31 December 2013 were authorised for issue in accordance with a resolution of the management committee on 7 June 2014.