

SINGAPORE LIFE SAVING SOCIETY

Financial Report for the Year Ended

31 December 2018

SINGAPORE LIFE SAVING SOCIETY
STATEMENT BY THE EXECUTIVE COMMITTEE MEMBERS

In our opinion,

- (a) the accompanying financial statements and the notes thereto are drawn up to exhibit a true and fair view of the state of affairs of SINGAPORE LIFE SAVING SOCIETY (the "Society") as at 31 December 2018 and of the surplus/deficit, changes in equity and cash flow of the Society for the financial period ended on that date, and
- (b) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

The Executive Committee Members of the Society has, on the date of this statement, authorized these financial statements.

On behalf of the Executive Committee,



RICHARD TAN MING KIRK
President



LEE LINGEN
Honorary Treasurer

Singapore
Date: 21 MAR 2019

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SINGAPORE LIFE SAVING SOCIETY

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of SINGAPORE LIFE SAVING SOCIETY (the "Society") which comprise the balance sheet as 31 December 2018, statement of cash flow and the statement of comprehensive income of the Society for the period ended 31 December 2018, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements are properly drawn up in accordance with the Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the SINGAPORE LIFE SAVING SOCIETY as at 31 December 2018 and of the results and cash flows of the Society for the period 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 Company 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.

The Executive Committee's Responsibility for the Financial Statements

The Executive Committee is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Societies Act, Chapter 311 (the "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 profit and loss accounts and balance sheets and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so. The Executive Committee's responsibilities include overseeing the Society'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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SINGAPORE LIFE SAVING SOCIETY

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 Company'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 Society'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 Company 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 the directors 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

- a. The accounting and other records required to be kept by the Society by the regulations enacted under the Singapore Societies Act, Chapter 311 have been properly kept in accordance with the Regulations;
- b. the Society complied with the requirement of Regulation 11 (Use of donations), Charities (Institution of A Public Character) Regulations and the use donation monies is in accordance with the objectives of the Society; and
- c. during the course of our audit, nothing came to our attention that caused us to believe that the receipts, expenditures and investment of monies and the acquisition and disposal of assets by the Society during the financial year have not been in accordance with the provisions of the Act.



Odds & Even Associates
Public Accountants &
Chartered Accountants Singapore

21 MAR 2019

THE SINGAPORE LIFE SAVING SOCIETY

(A Society Registered in Singapore)

BALANCE SHEET AS AT 31 DECEMBER 2018

	Notes	2018 S\$	2017 S\$
ASSETS			
Non-current assets			
Plant & equipment	3	32,650	40,975
Current assets			
Inventories	4	50,893	63,599
Trade debtors	5	2,400	16,601
Other debtors		7,805	5,607
Cash & cash equivalents	6	1,580,232	1,602,366
		<u>1,641,330</u>	<u>1,688,173</u>
Total assets		<u>1,673,980</u>	<u>1,729,148</u>
EQUITY			
Accumulated funds		1,634,640	1,621,750
CURRENT LIABILITIES			
Trade & other creditors	7	39,340	107,398
Provision for income tax		-	-
		<u>39,340</u>	<u>107,398</u>
Total equity and liabilities		<u>1,673,980</u>	<u>1,729,148</u>

THE SINGAPORE LIFE SAVING SOCIETY
(A Society Registered in Singapore)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 S\$	2017 S\$
Revenue		372,369	1,015,632
Other income		11,443	13,960
Expenditures			
Purchases		21,688	13,368
Staff costs		192,671	360,861
Administrative expenses		156,563	452,623
		<u>370,922</u>	<u>826,852</u>
Surplus before tax	8	<u>12,890</u>	<u>202,740</u>
Taxation	9	-	-
Total comprehensive income for the year		<u>12,890</u>	<u>202,740</u>

THE SINGAPORE LIFE SAVING SOCIETY
(A Society Registered in Singapore)

STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Accumulated Fund S\$
Balance at 31 December 2016		1,419,010
Net surplus for the year		202,740
Balance at 31 December 2017		1,621,750
Net surplus for the year		12,890
Balance at 31 December 2018		1,634,640

THE SINGAPORE LIFE SAVING SOCIETY

(A Society Registered in Singapore)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 S\$	2017 S\$
Cash flows from operating activities		
Net surplus before taxation	12,890	202,740
Adjustments for:		
Depreciation	11,423	13,748
Interest income	(14,666)	(12,507)
Loss on disposal of fixed asset	-	4,478
Operating profit before working capital changes	9,647	208,459
Changes in trade & other debtors	12,003	964
Changes in trade & other creditors	(68,058)	14,727
Changes in inventories	12,706	(13,275)
Net Cash (used in)/from operating activities	(33,702)	210,875
Cash flows from investing activities		
Purchase of fixed assets	(3,098)	(35,227)
Proceed of disposal of fixed asset	-	300
Net Cash used in investing activities	(3,098)	(34,927)
Cash flows from financing activities		
Interest income	14,666	12,507
Net Cash from investing activities	14,666	12,507
Net (Decrease)/ Increase in cash and cash equivalents	(22,134)	188,455
Cash and cash equivalents at beginning of year	1,602,366	1,413,911
Cash and cash equivalents at end of year	1,580,232	1,602,366

These notes form an integral part of the financial statements:

1. Domicile and activities

SINGAPORE LIFE SAVING SOCIETY (the "Society") is a Society registered and domiciled in the Republic of Singapore with its registered office at 21 GEYLANG BAHRU LANE, SINGAPORE 339627.

The principal activities of the Society are as follows:

- a) Promote technical education in aquatic life saving, first aid, oxygen administration and resuscitation;
- b) promote adoption of swimming and lifesaving in schools, colleges and higher educational institutes;
- c) encourage floating, diving, plunging and such other swimming arts as would be of assistance to a person endeavoring to save life;
- d) arrange and promote public lectures, demonstrations and competitions and to form classes, instructions, so as to bring about a widespread and thorough knowledge of the principles which underlie the art of notation;
- e) promote, assist in and develop aquatic skills programmes suitable for individuals with special disabilities; and
- f) monitor, examine and certify graded lifesaving, lifeguarding and their related awards.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards (FRS) including related Interpretations to FRS ("INT FRS"). The financial statements are prepared under the historical cost convention except where an FRS requires certain fixed assets and financial assets to be measured at their fair values.

At the beginning the year, the Society adopted all new/revised FRSs and Interpretations to FRS (INT FRS) that are mandatory for application from that date. Changes to the Society's accounting policies have been made as required, in accordance with the relevant transitional provision in the respective FRS and INT FRS. The adoption of the above FRSs during the year did not result in any adjustments to the opening balances of accumulated profits of the prior and current periods.

2.2 Significant accounting estimates and judgments

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

Key sources of estimation uncertainty

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

Depreciation of plant and equipment

The cost of plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The Society estimates the useful lives of these plant and equipment to be within 5 years. The carrying amount of the Society's plant and equipment at 31 December 2018 was S\$32,650 (2016: S\$40,975). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

Impairment of debtors

The Society makes allowances for impairment based on recoverability assessment of trade and other debtors. The recoverability assessment requires management to exercise judgment and estimation in the identification of doubtful debts and amount to be provided. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade and other debtors for impairment in the financial year in which such estimate has been changed. The carrying amount of the society's trade debtors as at 31 December 2018 was **S\$2,400** (2016: S\$16,601)

2.3 Functional currency

The functional currency of the Society is the Singapore dollar. As income and expenditures are denominated primarily in Singapore dollars and receipts from operations are retained in Singapore dollars, the management are of the opinion that the Singapore dollar reflects the economic substance of the underlying events and circumstances relevant to the Society.

The financial statements are presented in Singapore dollars, unless stated otherwise.

2.4 Foreign currency transactions

Transactions in foreign currencies are measured and recorded in Singapore dollar using the exchange rate in effect at the date of transaction. At each balance sheet date, recorded monetary balances that are denominated in a foreign currency are adjusted to reflect the rate at the balance sheet date. All exchange adjustments are taken to the profit and loss financial accounts.

2.5 Inventories

Inventories are stated at the lower of cost and net realizable value on a weighted average basis. Net realizable value represents the estimated selling price less anticipated cost of disposal and after making allowances for damaged, obsolete and slow-moving items.

2.6 Plant and equipment

All other items of plant and equipment are stated at cost less accumulated depreciation and impairment losses. The initial cost of plant and equipment comprises its purchase price, including import duties and non-refunded purchases taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended uses, and trade discounts and rebates are deducted in arriving at the purchase price. Depreciation is provided on a straight-line basis so as to write off items of plant and equipment from the date they are available for use over their estimated useful lives as follows:-

Furniture & fittings	5 years
Lifesaving equipment	5 years
Office equipment	5 years
Renovation	5 years

Fully depreciated assets are retained in the accounts until they are no longer in use.

2.7 Financial assets

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments. At initial recognition, the Society 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. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade debtors are measured at the amount of consideration to which the Society expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade debtors do not contain a significant financing component at initial recognition.

2.8 Financial liabilities

Financial liabilities are recognised when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. The Society determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.9 Impairment of financial assets

The Society recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Society expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade debtors and contract assets, the Society applies a simplified approach in calculating ECLs. Therefore, the Society does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Society has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Society considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Society may also consider a financial asset to be in default when internal or external information indicates that the Society is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Society. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits.

2.11 Income recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured, regardless of when the payment is made. Income is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

2.11 Employee benefits

Defined contribution plans

The Society makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to national pension schemes are recognised as an expense in the period in which the related service is performed.

Employee leave entitlement

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

2.12 Government grants & subsidies

A government grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. A grant in recognition of specific expenses is recognised as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systematic basis. A grant related to depreciable assets is allocated to income over the period in which such assets are used in the project subsidised by the grant. A government grant related to assets, including non-monetary grants at fair value, is presented in the statement of financial position by setting up the grant as deferred income.

2.13 Taxation

The Society is assessed under Section 11(1) of the Income Tax Act and is not liable to tax as long as more than 50% of its gross receipts are from members. However, investment incomes are subject to tax at graduated rates. Where less than 50% of the gross revenue receipts on revenue accounts are from members, the Society is deemed to be carrying on a business and be taxed on its operating surplus (total receipts of income less tax-deductible operating expenses), in addition to the income from other sources derived from dealings with non-members such as interest, rent and dividends.

3. Plant and equipment

	Furniture & fittings	Lifesaving equipment	Office equipment	Renovation	Total
Cost	S\$	S\$	S\$	S\$	S\$
At 01/01/18	6,965	52,667	71,507	9,840	140,979
Additions	-	-	3,098	-	3,098
At 31/12/18	6,965	52,667	74,605	9,840	144,077
Depreciation					
At 01/01/18	4,596	48,838	36,730	9,840	100,004
Charge for the year	524	1,915	8,984	-	11,423
At 31/12/18	5,120	50,753	45,714	9,840	111,427
Charge for 2017	862	8,876	7,389	1,968	19,095
Net Book Value					
At 31/12/18	1,845	1,914	28,891	-	32,650
At 31/12/17	2,369	3,829	34,777	-	40,975

4. Inventories

	2018	2017
At cost:	S\$	S\$
Manual, badges, training equipment, medal	50,893	63,599
	<u>50,893</u>	<u>63,599</u>

No provision for impairment is deemed necessary by the executive committee based on their assessment of the net realizable value of the inventories.

5. Trade debtors

	2018	2017
	S\$	S\$
Non related parties	2,400	16,601
	<u>2,400</u>	<u>16,601</u>

Trade debtors are unsecured and non-interest bearing. They are recognised at their original invoice amounts which represent their fair values on initial recognition. As at the end of the financial year, the Company's trade debtors aging analysis was as follows:

	2018	2017
	S\$	S\$
Lesser than 60 days	2,400	11,050
More than 60 days	-	5,551
	<u>2,400</u>	<u>16,601</u>

Trade debtors that are past due but not impaired:

The Executive Committee assessed that no provision for impairment is necessary based on the past payment records and their specific assessment of the debtors.

6. Cash and cash equivalents

The Society's cash and cash equivalents comprise cash balances and bank deposits, are denominated in Singapore and approximate their fair values as at balance sheet date.

7. Trade & other creditors

	2018	2017
	S\$	S\$
Trade creditor	-	57,942
Other payables	-	475
Deferred incomes*	8,311	33,514
Accrued expenses	31,029	15,467
	<u>39,340</u>	<u>107,398</u>

*These represent membership fees and affiliation fees deferred to future financial periods.

8. Surplus before tax

The following items were included to derive surplus before tax

	2018	2017
	S\$	S\$
Rental of premises	24,666	24,596
Depreciation	11,423	13,748
Staff costs:		
Employer's contribution to defined contribution plans	27,739	48,440
Other staff salaries and wages	164,932	312,421

9. Taxation

The Society is exempt from tax as it has been granted the Institution of a Public Character ("IPC") status by Charities Act in respect of the activities conducted during the period.

10. Operating lease

At the balance sheet date, the Society was committed to make the following payments in respect of operating leases with a term of more than one year:

	2018	2017
	S\$	S\$
Within one year	6,149	24,597
2 to 5 years	-	6,149

11. Financial risk management objectives and policies

The main risks arising from the management of the Society are credit risk and liquidity risk.

Credit risk

The Society's exposure to credit risk mainly concentrated with the financial institution where bank deposit kept. The management mitigates credit risk by placing deposit only with well-established financial institutions.

Liquidity risk

Liquidity risk is the risk of difficulty in meeting financial obligations due to shortage of fund. None of the Society's financial liabilities has maturity period of more than one year requires analysis. The Society monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Society's operations and to mitigate the effects of fluctuations in cash flows.

Fair value

The Society's financial assets and liabilities are stated at amounts equivalent to their fair values as they are expected to be settled within a short period.

THE SINGAPORE LIFE SAVING SOCIETY
(A Society Registered in Singapore)

**DETAILED INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 S\$	2017 S\$
Sales of badges, handbooks etc	63,241	59,904
Cost of badges, handbooks etc sold	21,688	13,368
Gross profit	41,553	46,536
Affiliation fees	3,113	4,475
Centralised exam	19,245	22,385
Conference & events	2,411	7,041
Course fees	9,400	33,140
Donation (Tax deductible)	180	150
Exam booking fees	19,600	22,700
Exam fees	92,130	110,120
Fixed deposit interest	14,666	12,507
Grant / Subsidies	18,596	17,958
Loan of manikin & equipments	4,018	730
Membership fees	13,250	12,527
Other income	11,443	13,960
Replacement certificate fees	3,219	3,020
SSC - Swimsafer	109,300	708,975
	320,571	969,688
Administrative expenses		
Audit fee	3,114	2,570
	3,114	2,570
Other operating expenses		
Advertisement	-	589
Affiliation fees/Membership/Subscription	4,720	4,481
Bad debts	5,671	-
Badges	3,640	20,655
Bank charges	1,163	1,242
Certificate	3,366	3,317
Course fee - staff	4,055	12,325
Central provident fund	27,739	48,440
Depreciation	11,423	13,748
Event expense	3,980	7,241
Examiners' allowances	18,353	19,387
Exchange loss	137	50
General expenses	5,746	8,082
Hire of function room	5,441	22,066
Honorarium - Lifesaving	17,618	6,595

Swimsafer assessor fees	-	217,300
Insurance	1,720	6,807
Lifesaving championship	23,410	15,493
Loss on disposal of fixed assets	-	4,478
Medical fees	1,692	3,670
Newspaper & periodical	357	553
NETS charges	834	1,457
Overseas events expenses	-	734
Postage & courier	1,677	1,857
Pins	-	10,710
Printing & stationery	1,753	5,203
Refreshment	501	5,643
Rental of equipment	193	645
Rental of premises	24,666	24,596
Repair & maintenance	1,334	12,066
Salaries & bonus	164,932	312,421
Sponsorship	1,250	250
Skill development fund	385	759
Telephone & internet	5,577	5,181
Training	282	-
Transportation	912	2,514
Utilities	24	3,856
Wreath and flower	225	144
Airfare and accomodation	-	3,632
Software and IT hardware	1,344	2,727
	346,120	810,914
Surplus before tax	12,890	202,740
Taxation	-	-
Surplus for the year	12,890	202,740