

ROLLERSPORTS SINGAPORE

(Registration No : 0114/1999/SPO)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

KK YAP & ASSOCIATES

Certified Public Accountants

ROLLERSPORTS SINGAPORE

(Registered in the Republic of Singapore)

CORPORATE DATA

Present Management Committee

President	Yeo Chuan Lock Felix
Vice-President	Khor Wee Siong
Vice-President	Lui Sut Hoong
Vice-President	Ang Leong Boon
Vice-President	Seng Che Kwong Darren
Secretary	Eugene Lim
Assistant Secretary	Daniel Chua
Treasurer	Khoo Siew Tin
Assistant Treasurer	Matin Rahmat

Registered Office

20 Kramat Lane
#04-11 United House
Singapore 228773

Auditors

KK Yap & Associates
Certified Public Accountants
Singapore

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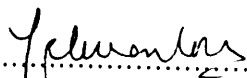
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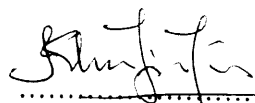
ROLLERSPORTS SINGAPORE
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STATEMENT BY THE MANAGEMENT COMMITTEE

In the opinion of the Management Committee, the accompanying balance sheet, income and expenditure statement, statement of changes in accumulated fund and cash flow statement together with the notes thereon, are 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 Association as at 31 March 2007 and of the results, changes in accumulated fund and cash flows of the Association for the financial year then ended.

On behalf of the Management Committee,


.....
FELIX YEO CHUAN LOCK
President


.....
KHOO SIEW TIN
Treasurer

Singapore
1 AUG 2007

**INDEPENDENT AUDITORS' REPORT TO THE
MEMBERS OF ROLLERSPORTS SINGAPORE**

(Incorporated in the Republic of Singapore)

We have audited the accompanying financial statements of Rollersports Singapore which comprise the balance sheet as at 31 March 2007, and the profit and loss statement, statement of changes in accumulated fund and cash flow statement for the financial year ended 31 March 2007, and a summary of significant accounting policies and other explanatory notes.

Management Committee's responsibility for the financial statements

The Management Committee is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Societies Act and Singapore Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

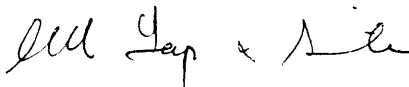
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management Committee, 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 provisions of the Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Association as at 31 March 2007 and the results, changes in accumulated fund and cash flows of the Association for the financial year ended on that date.

**KK YAP & ASSOCIATES**
Certified Public Accountants

Singapore

1 AUG 2007

ROLLERSPORTS SINGAPORE
(Registered in the Republic of Singapore)

BALANCE SHEET AS AT 31 MARCH 2007

	Note	2007 \$	2006 \$ (Restated)
Non-current Assets			
Plant and equipment	3	-	-
Current Assets			
Other receivable, deposits and prepayment		540	40
Cash and bank balances		78,199	32,044
		78,739	32,084
Less: Current Liabilities			
Other payables and accruals	4	39,256	36,105
Management / Events funds	5	36,256	-
Provision for taxation		494	494
		76,006	36,599
Net Current Assets / (Liabilities)		2,733	(4,515)
		<u>2,733</u>	<u>(4,515)</u>
Fund			
Accumulated fund		<u>2,733</u>	<u>(4,515)</u>

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

ROLLERSPORTS SINGAPORE
(Registered in the Republic of Singapore)

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 MARCH 2007

	Note	2007 \$	2006 \$
Income			
Membership fee		750	555
RS endorsement fee		12,650	-
Race director fee		2,850	-
Participation fee		6,766	-
Protest fee		2,096	-
Sponsorship		1,626	-
Refund		25	-
		<u>26,763</u>	<u>555</u>
Less : Operating expenses			
Overseas event expenses		19,515	-
			-
		<u>7,248</u>	<u>555</u>
Surplus before taxation			
Taxation	7	-	-
		<u>7,248</u>	<u>555</u>
Surplus after taxation			
		<u><u>7,248</u></u>	<u><u>555</u></u>

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

ROLLERSPORTS SINGAPORE
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STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED 31 MARCH 2007

	Note	\$
Balance as at 31 March 2005		15,884
Prior year adjustment	6	(5,888)
Balance as at 31 March 2005 (restated)		<u>9,996</u>
Prior year adjustment	6	(15,066)
Surplus for the financial year		555
Balance as at 31 March 2006 (restated)		<u>(4,515)</u>
Surplus for the financial year		7,248
Balance as at 31 March 2007		<u><u>2,733</u></u>

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

ROLLERSPORTS SINGAPORE
(Registered in the Republic of Singapore)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2007

	2007	2006
	\$	\$
Cash flows from operating activities		
Surplus before taxation	7,248	555
Adjustments :-	-	-
	<hr/>	<hr/>
Operating surplus before working capital changes	7,248	555
Other receivables	(500)	-
Other payables	39,407	5,080
	<hr/>	<hr/>
	38,907	5,080
Cash generated from operations	46,155	5,635
Tax paid	-	-
	<hr/>	<hr/>
Net cash flow generated from operating activities	46,155	5,635
	<hr/>	<hr/>
Net increase in cash and cash equivalents	46,155	5,635
Cash and cash equivalents at beginning of the year	32,044	26,409
	<hr/>	<hr/>
Cash and cash equivalents at end of the year	78,199	32,044
	<hr/> <hr/>	<hr/> <hr/>

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

ROLLERSPORTS SINGAPORE
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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2007

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

1. GENERAL INFORMATION

The Association has changed its name from Inline Sports and Skating Association of Singapore to Rollersports Singapore with effect from 24 May 2006.

Rollersports Singapore (the “Association”) was registered in Singapore under the Registry of Societies, having its registered address and place of business at 20 Kramat Lane, United house, #04-11 Singapore 228773.

The principal activities of the Association are to promote inline skating as a sport in Singapore and to facilitate the provision of proper facilities for inline skating.

The financial statements were authorised for issued by the Management Committee on 1 April 2007

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”). The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The accounting policies have been consistently applied by the Association.

In the current year, the Association adopted all the applicable new / revised FRS and Interpretations to FRS (INT FRS) that are relevant to the operations and effective for annual periods beginning on or after 1 January 2006. The adoption of the new / revised FRS and INT FRS has no material impact on the accounts of the Association.

The financial statements are presented in Singapore Dollars.

The preparation of financial statement in conformity with FRSS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets & liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) FRS and INT FRS not yet effective

The Association has not applied any new FRS or INT FRS (Interpretations of Financial Reporting Standards) that has been issued as at the balance sheet date but is not yet effective. The directors do not anticipate the adoption of the new FRS and INT FRS in future financial periods to have any material impact on the Association's financial statements in the period of initial application.

(c) Depreciation of plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any impairment loss. Depreciation is calculated on the straight-line method so as to write off the cost of plant and equipment over their estimated useful lives.

(d) Functional currency

The functional currency of the Association is the Singapore dollar. As the underlying assets of the Company and its income and expenses are denominated primarily in Singapore dollar and receipts from operations are usually retained in Singapore dollar, the management committees are of the opinion that the Singapore dollar reflects the economic substance of the underlying events and circumstances relevant to the Association.

(e) Fair value estimation

The fair value of financial instruments that are not traded in an active market is determined by using estimated discounted cash flows.

The carrying value of current receivables and payables are assumed to approximate their fair values. The fair value of non-current liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Association for similar financial instruments.

(f) Other receivables

Other receivables are stated at cost less allowance for any uncollectible amounts. An estimate for doubtful debts is made when the collection of the full amount is no longer probable. Bad debts are written off as incurred.

(g) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and cash at bank.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(h) Trade and other payables

Liabilities for trade and other amounts payable, which are normally settled on 30 – 90 days terms, are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

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

(i) Revenue recognition

Revenue from contributions and donations are recognised on cash basis.

Members' subscription fee is recognised on accrual basis.

(j) Impairment of assets

At each balance sheet date, the Management Committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

(k) Provisions

Provisions are recognised when the Association has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(l) Income tax

The income of the Association derived from its members is exempt from income tax, subject to the provision of Section 11(1) of the Income Tax Act, Cap 14.

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3. PLANT AND EQUIPMENT

2006

Cost	Equipment \$	Computer \$	Total \$
Additions	756	1,184	1,940
Grants received	(756)	(1,184)	(1,940)
At end of year	<u>-</u>	<u>-</u>	<u>-</u>
Net carrying amount			
At end of year	<u>-</u>	<u>-</u>	<u>-</u>

No depreciation was provided in the financial statements as grants were received for the purchase of the plant and equipment.

4. OTHER PAYABLES

	2007 \$	2006 \$ (Restated)
Other payables	126	126
Accrued operating expenses	10,610	7,459
Amount to be refunded to SSC	28,520	28,520
	<u>39,256</u>	<u>36,105</u>

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5. MANAGEMENT / EVENTS FUNDS

	2006 Balance B/f \$	Funds Received \$	Expenses Disbursed \$	Prior year adjustment (Note 6) \$	2007 Balance C/f \$
<u>Management</u>					
Secretariat	2,466	40,905	(38,207)	(2,466)	2,698
Operating & administrative	(9,886)	-	-	9,886	-
	<u>(7,420)</u>	<u>40,905</u>	<u>(38,207)</u>	<u>7,420</u>	<u>2,698</u>
<u>Events</u>					
Training & competition	5,111	-	-	(5,111)	-
Asian Indoor Games	9,665	-	-	(9,665)	-
National Healthy Lifestyle Campaign	210	-	-	(210)	-
National competition framework	-	12,500	(13,747)	-	(1,247)
Skate for fun and health	-	24,800	(9,735)	-	15,065
Skate the year	-	5,500	(5,500)	-	-
Hash house skaters	-	3,240	-	-	3,240
National inline speed meet	-	5,850	(5,850)	-	-
SG inter-school skate challenge	-	13,500	-	-	13,500
Asian inline hockey cup	-	3,000	-	-	3,000
	<u>14,986</u>	<u>68,390</u>	<u>(34,832)</u>	<u>(14,986)</u>	<u>33,558</u>
Total	<u><u>7,566</u></u>	<u><u>109,295</u></u>	<u><u>(73,039)</u></u>	<u><u>(7,566)</u></u>	<u><u>36,256</u></u>

The above funds were received from Singapore Sport Council (SSC) to finance the operations of and events organised by the Association. Any deficit arising from each fund after deducting expenses will be borne by the Association, and any surplus, will be refunded to SSC. The amount of refund to be made is subject to the agreement of SSC.

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6. PRIOR YEARS ADJUSTMENT

The adjustment was made to transfer to other payables account for the amount to be refunded to SSC in respect of surplus funds arising from prior years. This relates to amount wrongly taken to the income and expenditure account in prior years and wrong allocation of funds between fund accounts.

7. TAXATION

	2007	2006
	\$	\$
Current year	-	-
	<u> </u>	<u> </u>

Reconciliation between the tax expense and the accounting profit multiplied by the applicable tax rate was as follows :

Surplus before taxation	7,248	555
	<u> </u>	<u> </u>
Tax at the applicable tax rate at 18% (2006 : 20%)	1,450	111
Adjustments:-		
Partial tax exemption	-	-
Non-deductible expenses	-	-
Non taxable income	(1,450)	(111)
Utilisation of deferred tax assets	-	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

In accordance with Section 11(1) of the Singapore Income Tax Act, income tax is provided on miscellaneous income earned during the financial year from non subsidiary proprietors at the lower of:

- (a) graduated rates of income tax specified in Part B of the Second Schedule of Income Tax Act, Chapter 134; or
- (b) corporate tax rate of 18% (2006 : 20%), applying the new corporate tax exemption scheme which grants partial exemption of certain chargeable income from Singapore tax given by the Minister of Finance.

8. FINANCIAL RISK MANAGEMENT

The Association reviews and agrees policies for managing each of these risks and they are summarised below:

The Association has no exposure to interest rate risk and foreign exchange risk during the year.

8. FINANCIAL RISK MANAGEMENT (Cont'd)

Credit risk

The Association has prescribed follow up procedures for the Management Committee to follow up on memberships not received on the due dates.

Excess cash is monitored and short-term cash deposits are placed with creditworthy financial institutions.

Liquidity risk

The Association monitors and maintains a level of cash and cash equivalents deemed adequate by the Management Committee to finance the Association's operations and mitigate the effects of fluctuations in cash flows.

Fair value of financial assets and financial liabilities

The fair value of financial assets and financial liabilities reported in the balance sheet approximates the carrying amount of those assets and liabilities, determined in accordance with the accounting policies disclosed in Note 2 to the financial statements.