

# ANNUAL REPORT

1 APRIL 2018 – 31 MARCH 2019

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**SPORT:**  
A FORCE FOR GOOD

**Sport**  
SINGAPORE

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# PURPOSE

Sport Singapore's purpose is to inspire the Singapore spirit and transform Singapore through sport.

Through innovative, fun and meaningful sporting experiences, our mission is to reach out and serve communities across Singapore with passion and pride.

# CHAIRMAN'S MESSAGE

I have been part of the Sporting Singapore journey for six years now. As a Board Member and now Chairman of Sport Singapore, I have seen how sport has helped Singaporeans live more fulfilling lives, forge new friendships and strengthen existing ones. More importantly, I saw how sport can be a force for good as epitomised by our volunteers, athletes and people, to enable other Singaporeans to live better— moving us closer to becoming a caring people, a cohesive society and a confident nation.



## Team Nila In Action

In fiscal year 2018, five Team Nila Giving Platforms through SportCares, Academies & Clubs, Active Health, Sporting Events, and Sport Centres, were established to enable Team Nila volunteers to take on more defined roles in leading the community towards active living. Through these platforms, Team Nila not only build affinity with like-minded individuals, but are able to pursue common interests and volunteer together.

One example is the community partnership comprising ActiveSG Pasir Ris Sport Centre, Team Nila and the Kin-Ball Association of Singapore which was formed in May 2018. This initiative, started by Team Nila volunteer Yong Tze Woon, encourages residents to stay active



through kin-ball. The weekly kin-ball try-out sessions are conducted by seven Team Nila volunteers and two ActiveSG Sport Champions from Pasir Ris Sport Centre, who take the opportunity to inculcate the core values of respect, teamwork and inclusivity to participants. The initiative also included outreach and engagement events such as at the Pasir Ris-Punggol Walk which drew close to 1,400 participants in 2018.

This arrangement is a big change from the usual volunteering opportunities available to Team Nila and we hope that it will enrich their experience.

## Team Singapore Gives Back

Team Singapore athletes brought home a commendable haul of 32 medals at the 2018 Asian Games and Asian Para Games. Beyond the medals that bring us national pride, our Team Singapore athletes and national sports associations (NSAs) also inspire us through the difference they make in the lives of Singaporeans. From raising funds for others to bringing their sport to vulnerable groups, from organising safety workshops to bringing smiles to terminally ill children – they demonstrate how sport can be a force for good.

Ng Han Bin, Team Singapore basketball player and a Singapore Slinger, is part of an animal-assisted therapy programme for children with blood disorders. Han Bin believes the most rewarding part of being part of Team Singapore and a Singapore Slinger is the lives that he has touched through sport.

The Singapore Cycling Federation has been actively promoting cycling to the communities regardless of their abilities. Their initiatives included a series of learn-to-cycle programmes for the Movement for the Intellectually Disabled of Singapore during the OCBC Cycle 2018 and the Tan Tock Seng Hospital Charity Ride.

In 2018, we also saw the sporting fraternity – the NSAs, the Singapore National Olympic Council and us at Sport Singapore – pledged against sexual harassment and inappropriate behaviour of any form. Sport Singapore has committed to lead the prevention strategy and education effort by establishing a Safe Sport Commission and a reporting process by 2019. NSAs too pledged to have a sport safe policy and a safeguarding officer by 2019, that will provide a safe and trusted environment for staff, associates, athletes, coaches and officials in accordance with existing laws and codes of conduct. Together, we are fully committed to providing a safe sporting environment for all members of the fraternity.

### Enabling More Singaporeans To Take Ownership Of Their Health & Wellness

Inactivity impacts the health and wellness of people of all ages. With an increasing sedentary, screen-dominant lifestyle and an ageing population, an active lifestyle supplemented with health promoting lifestyle habits is critical in managing the rising prevalence of chronic health diseases such as diabetes, cardiovascular disease, hypertension and obesity, as well as escalating health costs. Through Active Health, a national social movement, we aim to inspire Singaporeans to take ownership of their health and wellness so as to achieve a better quality of life, by inculcating in them positive habits in Physical Activity, Nutrition, Screen Time and Sleep.

In FY2018, Active Health conducted more than 600,000 on-boarding engagements through its outreach and programme offerings, and expert led workshops and lab assessments. We expanded our reach and offerings through partnerships such as the one with Decathlon. The Decathlon Singapore Lab in Kallang houses our Active Health Lab allowing the public with easy access to expert information on how to manage their health, free programmes onsite and a wide selection of sport and fitness products to supplement their fitness regime.



### More Sporting Spaces & Opportunities For Everyone

Sport Singapore works closely with other partners and public agencies to make sport more accessible to the public, regardless of ability, age and background. In FY2018, two new inclusive gyms (where equipment and programmes are suited for people of all abilities and ages) in Toa Payoh and Jurong West were opened, to bring the total number of inclusive gyms to five.

We also saw the ground-breaking ceremony for Bukit Canberra, an integrated sport and community hub in a 12-hectare space where residents can enjoy amenities like hawker centre, indoor and outdoor sport facilities and green spaces for community farming. Bukit Canberra will open progressively from 2020.

Our partnership with the Housing Development Board and Town Councils saw more sport-in-precinct (SIP) facilities available at the doorsteps of Singaporeans. The Jurong Spring project opened in July 2018 has a green plateau with exercise and viewing deck on the upper level and a multi-purpose court and activity area on the lower level, toddler and adventure playgrounds, multi-generations fitness corners, a futsal court, a jogging track, a rubberised walking track that is suitable for the elderly, and BBQ pits. The covered multi-purpose court also serves as an ideal venue for community events and exercise sessions. Our SIPs will continue to be unique community focal points that cater to various sporting and leisure activities for all and foster better interaction among different generations.



Photo by Elizabeth Toh/Sport Singapore



Besides facilities, our programmes also encourage active living. An inspiring story is that of our ActiveSG Masters Club's participant, Zubaidah. She used to suffer from arthritis, with pain on her right leg whenever she walked distances of more than 300m or for a period of more than 15 minutes, and had to consume pain killers to cope. Upon her doctor's advice to exercise, Zubaidah decided to join the ActiveSG Masters Club at Heartbeat@Bedok in August 2018. Zubaidah participates in the GymTonic programme three times a week, and is now able to cover 1.7km within 25 minutes! Her liver reading also decreased from 91 in May 2018 to 66 in January 2019, which she attributed to the GymTonic programme. Beyond improvements to her health, she has also made new friends through ActiveSG Masters Club and is now less shy to engage others!

Partnering the Ministry of Education, we enhance access to sport to our children and youths through a pilot centralised Co-Curricular Activity (CCA) for Track & Field. This programme provides Track & Field coaching by ActiveSG Athletics Club to students in secondary schools with no Track & Field as CCA. The students were able to pursue their interest in athletics and participate in the National School Games. Our programmes also facilitate social mixing, inclusiveness and the development of life skills and values for all. SportCares' Play-Ability Programme was launched with the support of Temasek Foundation Cares in 2018. Under this initiative, recreational sport such as Badminton, Basketball, Flippa Ball, Futsal, were brought to persons with disabilities (PwDs) in a fun and engaging social setting. This helps to foster good relations within and between communities, and breaks down prejudices and stereotypes. One of the programmes involved ITE College West student volunteers joining weekly water sport activity with a group of intellectually disabled adults from Thye Hua Kwan Home for the Disabled.

Together with Special Olympics Singapore, and supported by Ministry of Education's Special Education Branch, Sport Singapore organised Play Inclusive which is the biggest unified sport competition in Singapore. The inaugural competition held in July 2018 saw over 450 participants comprising athletes with intellectual disabilities and their unified partners from mainstream schools coming together to compete in four sports – badminton, basketball, floorball, and football. This event was a culmination of a six-month long campaign to promote social inclusion through shared sport and competition experience between persons with and without intellectual disabilities, using sport as the common language to break down barriers.

### Refining Sport Masterplan With Singaporeans

Vision 2030, the blue print for the long term development of sport in Singapore was first announced in 2012. From June to December 2018, Sport Singapore reached out to more than 3,000 people (including public agencies, social groups, corporates, coaches, Team Singapore athletes and NSAs, and those serving vulnerable groups, schools, and the public) on their opinions on sport. The ideas and feedback that were gathered formed the basis for the review of the Vision 2030. The results were presented in a report in August 2019.

Moving ahead, I look forward to implement these recommendations and continue the efforts of the previous Chairman, Mr Richard Seow, to enable Singapore to Live Better Through Sport.

# BOARD MEMBERS

## Chairman

### **Mr Kon Yin Tong**

Managing Partner, Foo Kon Tan LLP

## Deputy Chairman

### **Prof Tan Cheng Han**

Chairman, Centre for Law & Business, Faculty of Law, National University of Singapore;  
Advisor, Singapore Taekwondo

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## Board Members

### **Mr Christopher Chan**

Secretary General, Singapore National Olympic Council

### **Ms Chan Yen San**

Partner, KPMG

### **Dr Mark Hon**

Board of Governors, Singapore National Paralympic Council

### **Dr Lingaraj Krishna**

Director and Senior Consultant, National University Hospital Sports Centre

**Mr Lee Kok Choy**

President, Singapore Swimming Association

**Mr Laurence Lien**

Chairman, Lien Foundation;  
CEO, Asia Philanthropy Circle

**Mr Bryan Low**

Vice President, Credit Suisse AG

**Mr Philip Ong**

Deputy Secretary (Community, Youth & Sports),  
Ministry of Culture, Community and Youth

**Mrs Tan Chen Kee**

Division Director, Student Development Curriculum, Ministry of Education

**Mr Desmond Tan**

Chief Executive Director, People's Association

**Mr Zee Yoong Kang**

Chief Executive Officer, Health Promotion Board

**Mr Zhulkarnain Abdul Rahim**

Partner, Dentons Rodyk

*We would like to thank our board members – Mr Lim Eng Lee, Mr Razali Saad and Ms Tracey Woon – whose term ended on 30 September 2018, for their contributions to Sporting Singapore.*

# CORPORATE GOVERNANCE

The Sport Singapore Board is supported by six subcommittees.

## **Audit Committee**

### **Chairman**

Prof Tan Cheng Han

### **Members**

Mr Zee Yoong Kang

Mr Ter Kim Cheu (co-opted)

Ng Peck Hoon (co-opted)

The Audit Committee assists the Sport Singapore Board in overseeing the financial reporting process, the system of internal control, the audit process and the organisation's process for monitoring compliance with laws, regulations and the code of conduct. The Audit Committee recommends the appointment of the external auditors for approval by the Board as well as reviews the work performed by the internal and external auditors.

## **Finance Committee**

### **Chairman**

Dr Mark Hon

### **Members**

Mr Bryan Low

Mr Philip Ong

Mrs Tan Chen Kee

The Finance Committee is responsible for the strategic direction and management of Sport Singapore's financial resources and policies, and advises the organisation on all major financial matters. It oversees the overall structure and systems for managing Sport Singapore's financial resources, accounting policies and financial regulations. The Committee acts as the approving authority as decided by the Board. It also sets the direction and policies on management of surplus funds. The committee is supported by the Sport Singapore Finance Division, which designs, develops and implements the above matters.

## **Human Capital Committee**

### **Chairman**

Mr Kon Yin Tong

### **Members**

Mr Philip Ong

Mr Zhulkarnain Abdul Rahim

The Human Capital Committee is responsible for the strategic direction and management of Sport Singapore's human capital, specifically compensation, talent development and management. The Committee also endorses the appointment of members of various subcommittees and advisory boards.

### Major Projects Committee

#### Chairman

Mr Kon Yin Tong

#### Members

Mr Lee Kok Choy

Mr Laurence Lien

Mr Philip Ong

Mr Tai Lee Siang (co-opted)

The Major Projects Committee reviews the Sports Facilities Master Plan and infrastructure (including Sports Hub) projects that involve other government agencies and private sector partners. The Committee endorses the conceptual plan, project brief, architectural and design aspects of development projects, and rejuvenation plan to existing sports facilities while enabling other government agencies and private sector partners to achieve their objectives. The Committee provides information and advice to advance Sporting Singapore's interest.

### spexScholarship Selection Committee

#### Chairman

Mr Kon Yin Tong

#### Members

Mr Christopher Chan

Ms Chan Yen San

Mr Sukhmohinder Singh (co-opted)

Mr Lim Teck Yin (Sport Singapore)

Mr Toh Boon Yi (Sport Singapore)

Mr Troy Engle (Sport Singapore)

The spexScholarship Selection Committee approves the award, continuation or completion, and termination of Sport Singapore spexScholarships. It also reviews the annual monitoring and evaluation of existing spexScholars to determine their funding.

### Board of Trustees for Vision2030 Fund

#### Chairman

Mr Kon Yin Tong

#### Members

Mr Christopher Chan

Mr Zhulkarnain Abdul Rahim

The objective of the Fund is to develop, promote and advance sport while encouraging the use of technology in sport to enhance the provision of information, sport spectatorship and viewership and sporting experience. The Fund also promotes sport volunteerism and philanthropy. The Board of Trustees carries out the objectives of the Fund for the benefit of persons of all ages, races, gender, ability, nationality, religions and residents of Singapore.

# SENIOR MANAGEMENT

**Mr Lim Teck Yin**

Chief Executive Officer

**Dr Chiang Hock Woon**

Deputy Executive Officer

**Ms Goh Fang Min**

Chief Financial Officer / Chief, Assurance and Corporate Excellence Group

**Mr Lai Chin Kwang**

Chief, ActiveSG

**Mr Lim Hong Khiang**

Chief, Sport Infrastructure Group

**Mr Muhammad Rostam Bin Umar**

Chief, Strategy Group

**Mr Toh Boon Yi**

Chief, Singapore Sport Institute

**Advisor to Sport Singapore**

**Mr Richard Seow**

# OUR SPORTING HIGHLIGHTS

## SPORT BODIES SAY NO TO SEXUAL MISCONDUCT IN SINGAPORE

2 April 2018

57 National Sport Associations (NSAs), the Singapore National Olympic Council and Sport Singapore pledged against sexual harassment and inappropriate behaviour in sports on 2 April 2018. These sport bodies were fully committed to providing a safe environment for all members of the fraternity – staff, associates, athletes, coaches and officials – in accordance with existing laws and codes of conduct. Some preliminary actions to prevent harassment and protect the people were through education, information sharing, establishing best practices, and providing support to NSAs, including creating and distributing tool kits designed to empower them to take prompt and effective actions.

## SPORT SINGAPORE AND DECATHLON COLLABORATE TO PROVIDE SINGAPOREANS WITH POSITIVE ACTIVE LIVING EXPERIENCE

23 May 2018

Sport Singapore partnered Decathlon to further promote sport, health and wellness to Singaporeans through the signing of a Memorandum of Understanding (MOU) on 23 May 2018 covering multiple areas including Active Health, ActiveSG Academies and Clubs, and the ActiveSG Sport Centres.

Through the MOU, Active Health Labs would be set-up in selected Decathlon stores where members of the public can learn how to manage their health. There would not only be free programmes for the public to join, but also a wide selection of sport and fitness products to supplement their fitness regime. Both parties would also leverage their respective expertise to broaden the outreach of Active Health and to explore opportunities to do so using technology and e-payment capabilities.





Decathlon would also be one of ActiveSG's partners to provide equipment and apparel to ActiveSG Academies and Clubs, as well as jointly organise sport-related events such as workshops and roadshows.

In addition, Sport Singapore would work with Decathlon to bring 'Experience' and 'Collection' stores to ActiveSG Sport Centres around the island through the installation of vending machines where users would be able to purchase Decathlon products on-the-go.

## **SINGAPORE HOSTS FIRST SAFE SPORT FORUM**

### **24 May 2018**

Over 150 people gathered on 24 May 2018 for one common cause to prevent sexual misconduct in the sporting scene. In the first ever forum for the sporting fraternity in Singapore, representatives from the NSAs, the Singapore National Olympic Council, Sport Singapore, Singapore Police Force, Ministry of Education and Ministry of Social and Family Development convened at Sport Singapore's auditorium at the Singapore Sports Hub to look into the current systems and processes to safeguard athletes and coaches and sport participants in general.

The forum saw participants engaging in candid discussions and committing to keeping sport safe. Sport Singapore committed to lead the prevention strategy and education effort by establishing a Safe Sport Commission and a reporting process by 2019. NSAs, too, pledged to establish a sport safe policy and a safeguarding officer by 2019, that will provide a safe and trusted environment for staff, associates, athletes, coaches and officials in accordance with existing laws and codes of conduct.

## **CAREVENTURES: FROM STRANGERS TO FRIENDS**

### **30 June 2018**

28 youths from Delta Senior School and ITE College West attended a 2D1N camp at Sarimbun Scout Camp. The camp was organised with CareVentures, Delta Senior School, ITE College West and Sands Leadership Development Centre (SLDC). SLDC led the camp with activities such as tent-pitching, outdoor cooking, orienteering, knots and lashing. These youths made new friends, widened their social circle and learnt the importance of team work through the camp. Surveys had shown that Singaporeans were generally apprehensive when interacting with people with special needs. Through programmes like CareVentures, SportCares hope to use sport to break down barriers among people with different abilities.

### SEMBAWANG RESIDENTS TO EMBRACE SPORT, HEALTH, FOOD, GREENERY AND HERITAGE AT BUKIT CANBERRA

1 July 2018

Mr Ong Ye Kung, Minister for Education and Advisor to Sembawang GRC Grassroots Organisations, joined over 800 residents at a family carnival held at the future site of Bukit Canberra on 1 July to commemorate the start of construction works. His fellow Advisers – Minister Khaw Boon Wan, Senior Parliamentary Secretary Amrin Amin, Dr Lim Wee Kiak and Mr Vikram Nair were also at the event.

The 12-hectare integrated sport and community hub with amenities such as a sheltered swimming pool, an inclusive gym, an outdoor forest gym and fitness studios, a hawker centre, a polyclinic, a senior care centre, green spaces for community farming and lifestyle related amenities for the community within a lush and naturalistic environment, will be opened in phases.



The park also featured the very first Active Health programming at an SIP in Singapore. Leveraging on sport and exercise science concepts, the new facility could enhance the effectiveness of users' workouts and create a deeper awareness on how people can take ownership of their health through managing their physical activity, nutrition, sleep and screen time.

### LONDON AUCKLAND & SINGAPORE LAUNCHING THE FIRST ACTIVE CITIZENS WORLDWIDE REPORT

10 July 2018

Sport Singapore joined representatives from London and Auckland to launch the first Annual Active Citizens Worldwide (ACW) Report at the World Cities Summit held at the Sands Expo & Convention Centre in July 2018. The ACW Annual Report covered key insights and findings of the three cities with regard to physical activity, and the value of participation in sport and physical activity.

Through this project, Sport Singapore was able to strengthen research and evidence to deliver Vision 2030, the roadmap for using sport as a strategy to serve the nation, communities, businesses and individuals.

### NEW SPORT-IN-PRECINCT FACILITY IN JURONG SPRING

7 July 2018

Under the HDB's Neighbourhood Renewal Programme (NRP), the Jurong-Clementi Town Council completed two HDB precincts – Blocks 537 to 542 and 552 to 559 at Jurong West Street 42. The major highlight of this NRP was the revamp of the existing neighbourhood park at Jurong West Street 42, next to Blocks 548, 549, 556 and 558. In collaboration with the Sport Singapore's Sport-In-Precinct (SIP) programme, the park was transformed into a unique community focal point that catered to various sporting and leisure activities which can be enjoyed by all to pursue a healthy and active lifestyle within close proximity to their home.





Photo by Ng Chrong Meng/Sport Singapore

### **CELEBRATING NATIONAL DAY THROUGH SPORT AT GETACTIVE! SINGAPORE 2018 7 August 2018**

GetActive! Singapore saw more than 800,000 participants participating in sport festivals, competitions and activities across Singapore over 11 days in the lead up to our nation's 53rd birthday.

Launched in 2016, GetActive! Singapore aims to enable Singaporeans to come together through sport to celebrate National Day. For the 2018 edition, 12 sports festivals were organised with members of public participating in over 300 sporting activities. The festival attracted participation from Singaporeans young and old, who took part in activities that range from abseiling for youths to roller-blading lessons for seniors.

In collaboration with SG Cares, the 2018 Active Enabler Programme saw activities organised to encourage Singaporeans to care for their fellow residents. An example was the OneRun 2018 community event organised by the Taman Jurong Zone B Resident's Committee Youth Chapter which saw more than 6,500 participants running 700m-long laps around the perimeter of the Chinese Garden to raise contributions in the form of household products for under-privileged families residing in rental housing at Taman Jurong.

As part of the finale for GetActive! Singapore, more than 3,000 pre-schoolers from 50 pre-schools came down with their parents and teachers to the Singapore Sports Hub where they took part in a sports day at the National Stadium. Decked in red and white, the children took part in sports try-outs, sang National Day songs and also danced to the GetActive! Singapore workout choreographed to the National Day theme song.

### **COACHING BETTER EVERY DAY THROUGH COACHSG 31 October 2018**

The two-day CoachSG Conference 2018 - "Coaching Better Every Day: Made In Singapore..." took place from 31 October - 1 November 2018 at Republic Polytechnic. This annual event, the second year in the running, saw renowned ex-national coach of the Australian Women's and Men's Hockey Team, Dr Richard Charlesworth speak about the 'Powerful Lessons from Coaching Life'.

The Conference focused on the achievements of local athletes and coaches of the past and present and evaluated those successes from the lenses of Coaching Pedagogy, Coaches' Professional Development, Character and Leadership in Sport and Sports Science and Technology. During the conference, Minister for Culture, Community and Youth, Grace Fu, announced the additional support given by CoachSG to further develop our local accredited coaches.





## **YOUTH SPORT LEADERS GATHER IN SINGAPORE TO CELEBRATE CULTURAL DIVERSITY THROUGH SPORT**

**8 March 2019**

The inaugural Singapore Technological Endowment Programme (STEP) Southeast Asia Youth Sports Leaders Camp (YSLC) saw 138 youths from across the region participating in the event. The camp was a joint effort by Sport Singapore, Temasek Foundation International and Singapore Olympic Foundation and aimed at forging stronger bonds and nurturing a future generation of leaders through sport.

The Camp ran from 8 to 16 March 2018 and had participants travel to various areas across the island to complete activities ranging from high confidence obstacle elements to dragon boating. These were aimed at instilling values such as discipline, resilience, respect and team spirit. Highlights of the Camp included a motivational speech by 2004 Olympics table tennis men's singles champion Mr Ryu Seung Min, a campfire at the Marina Bay Floating Platform, as well as a three-day cycling expedition around Singapore.

## **GETACTIVE! SINGAPORE 2019 GUNS FOR 500,000 ACTS OF CARE**

**19 March 2019**

GetActive! Singapore aims to rally Singaporeans together to celebrate National Day through sport whilst providing a platform to inspire the Singapore spirit and celebrate our national identity. For the 2019 edition, Sport Singapore aimed to encourage people to pledge more than 500,000 acts of care. Acts of care referred to an act of helping others and could come in the form of volunteering, donating or simply nudging others to live healthier and better lives.

In addition, the event would also celebrate Singapore's sporting heritage by bringing back the Pesta Sukan, a fond memory of many Singaporeans from the Merdeka Generation in commemoration of Singapore's Bicentennial. Malay for "Sports Festival", Pesta Sukan was Singapore's first ever nationwide sports festival when it was introduced in 1964 and featured events like mass jogging, cycling and dragon boating.



## **INAUGURAL SPORTCARES AWARDS TO RECOGNISE CONTRIBUTIONS OF UNSUNG HEROES**

**19 January 2019**

Six individuals and organisations were presented with the inaugural SportCares awards as a recognition for their dedication to the SportCares mission changing lives through sport. The awards were presented by President Halimah Yacob who was Guest-of-Honour at a reception held at the Istana for SportCares volunteers, partners and constituents.

The growth of SportCares over the years was only made possible with support from volunteers, coaches, partners and donors. The collective efforts of this community of care, showed that by working together, we can uplift the lives of those in need, and that through sport, we can bring out the best in each other.



### TEAM SINGAPORE WELCOMES NEW SPEXSCHOLARS AND NEW PARTNER ORGANISATIONS

**20 March 2019**

19 new spexScholars and nine new spexBusiness and spexEducation partner organisations were introduced at Team Singapore's Celebrate What's Right event by Minister Fu.

The spexScholarship programme has seen success over the years with the 2018 cohort contributing to more than 60% of the medals won by Team Singapore at the 2018 Asian Games, and more than 70% of the medals won at the 2018 Asian Para Games. With the addition of the 19 new scholars, the total number of spexScholars has increased to 73 athletes across 15 sports and 7 para sports.

Beyond the athletes, sporting excellence is achieved through the collective effort of all parties in the sporting ecosystem – athletes' families, coaches, sports professionals, as well as spexBusiness and spexEducation partners.



Photo by Jemuel Fu/Sport Singapore

### FC BAYERN AND SPORT SINGAPORE PARTNER TO BOOST LOCAL YOUTH FOOTBALL

**24 March 2019**

ActiveSG Football Academy provides affordable football programme to children and youth. Through partnerships, Sport Singapore aims to bring excitement to its participants, inspire upcoming talents, encourage more players to train seriously and see sustained and increased interest in football over the years.

An example of this is the three year partnership between Sport Singapore and German record champions FC Bayern Munich. The partnership would see both parties join efforts to organise the FC Bayern Youth Cup – an international youth tournament series, as well as coach exchanges and overseas education programmes.

### SPORTS SAFETY COMMITTEE REAFFIRMS COMMITMENT TO STANDARDS WITH LATEST EDITION

**30 March 2019**

The third edition of the Sports Safety Committee Report was launched on 30 March by the Sports Safety Committee. The report placed a greater emphasis on eliminating preventable safety incidents across a wide range of settings, including competitive and school sport, recreation and fitness activities. It was developed by experts across various medical disciplines and within the Singapore sporting community. New additions to the report included chapters on heat injuries and water safety.

The Report represented a significant step towards establishing a national baseline for sport safety practices pegged to international best practices. It aimed to create greater awareness of the importance of taking ownership and shared responsibility in sports safety, whether as a participant, an official or an event organiser.



**ANNEX:**  
**FINANCIAL**  
**RECORDS**

## **SPORT SINGAPORE**

### **ANNUAL FINANCIAL STATEMENTS**

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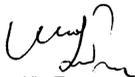
## SPORT SINGAPORE

### STATEMENT BY THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

We, Mr Kon Yin Tong and Mr Lim Teck Yin, being the Chairman and Chief Executive Officer of the Singapore Sports Council, also known as Sport Singapore ("SportSG"), do hereby state that, in the opinion of the Board members,

- (a) the accompanying financial statements of SportSG set out on pages 6 to 50 are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 (the "Act"), the Singapore Sports Council Act (Cap. 305, 2014 Revised Edition) (the "SportSG Act"), the Singapore Charities Act, Chapter 37 (the "Charities Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to give a true and fair view of the financial position of SportSG as at 31 March 2019, and of the financial performance and changes in share capital, capital account, accumulated surplus and funds of SportSG and cash flows for the year then ended and at the date of this statement, there are reasonable grounds to believe that SportSG will be able to pay its debts as and when they fall due;
- (b) the accounting and other records required by the Act and SportSG Act to be kept by SportSG have been properly kept in accordance with the provisions of the Act and SportSG Act;
- (c) the receipt, expenditure, investment of moneys and the acquisition and disposal of assets by SportSG during the financial year have been in accordance with the provisions of the Act and SportSG Act;
- (d) the use of the donation moneys is in accordance with the objectives of SportSG as required under regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (e) SportSG has complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

On behalf of the Board:



Kon Yin Tong  
Chairman



Lim Teck Yin  
Chief Executive Officer

28 June 2019

## INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF

### SINGAPORE SPORTS COUNCIL (ALSO KNOWN AS SPORT SINGAPORE)

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the financial statements of Singapore Sports Council, also known as Sport Singapore ("SportSG"), which comprise the statement of financial position of SportSG as at 31 March 2019, the income and expenditure statement, the statement of comprehensive income and statement of changes in share capital, capital account, accumulated surplus and funds of SportSG and statement of cash flows of SportSG for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 50.

In our opinion, the accompanying financial statements of SportSG are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 (the "Act"), Singapore Sports Council Act (Cap.305, 2014 Revised Edition) (the "SportSG Act"), the Singapore Charities Act, Chapter 37 (the "Charities Act") and Statutory Board Financial Reporting Standards in Singapore ("SB-FRS") so as to present fairly, in all material respects, the financial position of SportSG as at 31 March 2019 and the financial performance and changes in equity and cash flows of SportSG for the year ended on that date.

##### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of SportSG in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Other Information

Management is responsible for the other information. The other information comprises the statement by the Chairman and Chief Executive Officer set out on page 1, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

## **INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF SINGAPORE SPORTS COUNCIL (ALSO KNOWN AS SPORT SINGAPORE)**

### **Other Information (cont'd)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SportSG Act and SB-FRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

A statutory board is constituted based on its constitutional act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing SportSG'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 there is intention to wind up SportSG or for SportSG to cease operations.

Those charged with governance are responsible for overseeing SportSG's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SportSG's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of SportSG.

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF  
SINGAPORE SPORTS COUNCIL  
(ALSO KNOWN AS SPORT SINGAPORE)**

**Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)**

- Conclude on the appropriateness of the 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 SportSG'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 SportSG to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Report on Other Legal and Regulatory Requirements**

**Opinion**

In our opinion:

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by SportSG during the year are, in all material respects, in accordance with the provisions of the Act, SportSG Act and the requirements of any other written law applicable to moneys of or managed by SportSG;
- (b) proper accounting and other records have been kept, including records of all assets of SportSG whether purchased, donated or otherwise; and
- (c) the accounting and other records required by the Charities Act to be kept by SportSG have been properly kept in accordance with the provisions of the Charities Act.

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

1. The use of the donation moneys was not in accordance with the objectives of SportSG as required under regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
2. SportSG has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF  
SINGAPORE SPORTS COUNCIL  
(ALSO KNOWN AS SPORT SINGAPORE)**

**Basis for Opinion**

We concluded our audit in accordance with SSAs. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Compliance Audit* section of our report. We are independent of SportSG in accordance with the ACRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our 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 on management's compliance.

**Responsibilities of Management for Compliance with Legal and Regulatory Requirements**

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act and SportSG Act and the requirements of any other written law applicable to moneys of or managed by SportSG. This responsibility includes monitoring related compliance requirements relevant to SportSG, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

**Auditor's Responsibility for Compliance Audit**

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act, the SportSG Act and the requirements of any other written law applicable to moneys of or managed by SportSG.

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of SportSG's internal control. Because of the inherent limitations in any accounting and internal control system, non-compliances may nevertheless occur and not be detected.

  
Public Accountants and  
Chartered Accountants  
Singapore

28 June 2019

**SPORT SINGAPORE**

**STATEMENT OF FINANCIAL POSITION**  
**31 March 2019**

	<b>Note</b>	<b>2019</b>	<b>2018</b>
		\$'000	\$'000
<b>Share capital</b>	6a	1,070,727	998,815
<b>Capital account</b>		295	295
<b>Accumulated surplus</b>			
General funds		196,806	143,022
Restricted funds		28,162	25,794
		224,968	168,816
<b>Investment revaluation reserve</b>	10	-	36,655
<b>Hedging reserve</b>	14	(5,459)	(5,166)
		<u>1,290,531</u>	<u>1,199,415</u>

Represented by:

**Non-current assets:**

Property, plant and equipment	7	1,666,449	1,629,513
Prepaid land premium	8	1,343	1,659
Associate	9	10,327	10,865
Financial assets at fair value through profit or loss ("FVTPL")	10	709,970	-
Available-for-sale investment	10	-	698,655
Long-term loan and interest receivable	11	15,557	14,911
Receivables	12	1,066,663	1,101,421
		<u>3,470,309</u>	<u>3,457,024</u>

**Current assets:**

Prepaid land premium	8	316	316
Receivables and prepayments	12	102,857	157,996
Cash and cash equivalents	13	253,051	196,957
		<u>356,224</u>	<u>355,269</u>

**SPORT SINGAPORE**

**STATEMENT OF FINANCIAL POSITION (cont'd)**  
**31 March 2019**

	Note	2019 \$'000	2018 \$'000
<b>Current liabilities:</b>			
Derivative financial instruments	14	406	377
Payables and accrued liabilities	15	145,508	89,472
Bank loans	16	6,378	6,378
Deferred revenue	17	3,263	3,055
Grants received in advance	18	9,686	28,875
Refundable deposits		3,374	3,698
Finance lease	19	32,502	30,098
Advances	19	2,257	2,090
Provision for contribution to consolidated fund		1,664	1,291
		205,038	165,334
<b>Net current assets</b>		151,186	189,935
<b>Non-current liabilities:</b>			
Derivative financial instruments	14	5,053	4,789
Bank loans	16	48,600	54,978
Finance lease	19	997,413	1,029,915
Advances	19	69,250	71,506
Deferred revenue	17	1,343	1,659
Deferred capital grants:			
- Government	20	1,188,151	1,261,201
- Non-Government	21	21,154	23,496
		2,330,964	2,447,544
		1,290,531	1,199,415

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**SPORT SINGAPORE**

**INCOME AND EXPENDITURE STATEMENT**  
Year ended 31 March 2019

	Note	Capital and General Funds		Restricted Funds		Total
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	
<b>Operating income:</b>						
Admission fees		8,733	8,233	-	-	8,733
Hiring of facilities		18,202	18,767	-	-	18,202
Program fees		8,828	7,739	-	-	8,828
Car park charges		7,687	7,860	-	-	7,687
Rental income		24,687	18,866	-	-	24,687
Miscellaneous income		4,723	4,258	-	-	4,723
Donations		-	-	330	585	330
Sponsorship		1,165	826	-	-	1,165
		74,025	66,549	330	585	74,355
<b>Operating expenditure:</b>						
Depreciation	7	86,630	84,639	10	10	86,640
General and administrative expenses		1,093	863	-	-	1,093
Minor works, repairs and maintenance of properties		25,842	22,203	-	-	25,842
Operating expenses	22	316,155	281,902	2,741	170	318,896
Employee benefits expense	23	97,638	91,724	-	-	97,638
Finance costs		88,514	91,152	-	-	88,514
Other expenses	24	12,017	11,742	4	-	12,021
		627,889	584,225	2,755	180	630,644
<b>Operating (deficit)/surplus</b>		(553,864)	(517,676)	(2,425)	405	(556,289)
						(517,271)

**SPORT SINGAPORE**

**INCOME AND EXPENDITURE STATEMENT (cont'd)**  
Year ended 31 March 2019

	Note	Capital and General Funds		Restricted Funds		Total
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	
<b>Non-operating income:</b>						
Other income	25	89,079	91,371	230	284	89,309
Fair value gain from financial assets at FVTPL		11,213	-	102	-	11,315
Share of results of associate		(538)	136	-	-	(538)
		99,754	91,507	332	284	100,086
		(454,110)	(426,169)	(2,093)	689	(456,203)
<b>(Deficit)/Surplus before grants</b>						<b>(425,480)</b>
<b>Grants:</b>						
Operating grants from Government		395,676	369,244	3,950	-	399,626
Deferred capital grants amortised:						
- Government	20	77,023	62,322	-	-	77,023
- Non-Government	21	2,342	2,297	-	-	2,342
		475,041	433,863	3,950	-	478,991
<b>Surplus for the year before contribution to consolidated fund</b>		20,931	7,694	1,857	689	22,788
<b>Contribution to consolidated fund</b>	26	(1,650)	(1,272)	(14)	(19)	(1,664)
<b>Net surplus for the year</b>		19,281	6,422	1,843	670	21,124
						7,092

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**SPORT SINGAPORE**

**STATEMENT OF COMPREHENSIVE INCOME**  
**Year ended 31 March 2018**

	Note	Capital and General Funds				Restricted Funds		Total	
		2019	2018	2019	2018	2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Net surplus for the year</b>		19,281	6,422	1,843	670	21,124	7,092		
<b>Other comprehensive income</b>									
<b>Items that may be reclassified subsequently to income and expenditure</b>									
Gain on cash flow hedge		(293)	716	-	-	(293)	716		
Fair value gain on available-for-sale investment	10	-	17,460	-	176	-	17,636		
Other comprehensive income for the year, net of tax		(293)	18,176	-	176	(293)	18,352		
<b>Total comprehensive income for the year</b>		<b>18,988</b>	<b>24,598</b>	<b>1,843</b>	<b>846</b>	<b>20,831</b>	<b>25,444</b>		

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**SPORT SINGAPORE**

**STATEMENT OF CHANGES IN SHARE CAPITAL, CAPITAL ACCOUNT, ACCUMULATED SURPLUS AND FUNDS**  
**Year ended 31 March 2019**

	Share capital \$'000	Capital account \$'000	Accumulated surplus			Hedging reserve \$'000	Investment revaluation reserve \$'000	Total \$'000
			General funds \$'000	Restricted funds \$'000				
<b>2018</b>								
Balance as at 1 April 2017	805,699	295	148,369	25,124	(5,882)	19,019	992,624	
Issue of share capital (Note 6a)	193,116	-	-	-	-	-	193,116	
Dividends declared (Note 6b)	-	-	(11,769)	-	-	-	(11,769)	
Net surplus for the year	-	-	6,422	670	-	-	7,092	
Other comprehensive income for the year	-	-	-	-	716	17,636	18,352	
Balance as at 31 March 2018	998,815	295	143,022	25,794	(5,166)	36,655	1,199,415	
<b>2019</b>								
Balance as at 1 April 2018	998,815	295	143,022	25,794	(5,166)	36,655	1,199,415	
Effect on adoption of SB-FRS 109	-	-	36,130	525	-	(36,655)	-	
Balance as at 1 April 2018 after adoption	998,815	295	179,152	26,319	(5,166)	-	1,199,415	
Issue of share capital (Note 6a)	71,912	-	-	-	-	-	71,912	
Dividends declared (Note 6b)	-	-	(1,627)	-	-	-	(1,627)	
Net surplus for the year	-	-	19,281	1,843	-	-	21,124	
Other comprehensive loss for the year	-	-	-	-	(293)	-	(293)	
Balance as at 31 March 2019	1,070,727	295	196,806	28,162	(5,459)	-	1,290,531	

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**SPORT SINGAPORE**

**STATEMENT OF CASH FLOWS**  
**Year ended 31 March 2019**

	Note	2019 \$'000	2018 \$'000
<b>Operating activities</b>			
Deficit before grants		(456,203)	(425,480)
Adjustments for:			
Depreciation	7	86,640	84,649
Loss on property, plant and equipment written-off/disposed	22	2,307	162
Amortisation of prepaid land premium	8	316	317
Amortisation of deferred revenue		(316)	(317)
Interest expense on bank loans		2,234	2,492
Interest income	25	(3,029)	(2,995)
Impairment loss on property, plant and equipment	7, 22	-	24
Share of loss (profits) of associate		538	(136)
Write-back on impairment loss on property, plant and equipment	7, 22	-	(145)
Fair value gain from financial assets at FVTPL	10	(11,315)	-
Finance costs		86,280	88,660
Finance income	25	(86,280)	(88,660)
<b>Operating cash flow before movements in working capital</b>		<b>(378,828)</b>	<b>(341,429)</b>
Receivables and prepayments		87,201	55,924
Payables and accrued liabilities		56,036	(11,244)
Refundable deposits		(324)	1,290
Deferred revenue		208	124
<b>Cash used in operations</b>		<b>(235,707)</b>	<b>(295,335)</b>
Interest paid on bank loans		(2,234)	(2,567)
Contribution to consolidated fund		(1,291)	(2,287)
<b>Net cash used in operating activities</b>		<b>(239,232)</b>	<b>(300,120)</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment	7	(125,883)	(22,273)
Interest received		2,990	2,995
Investment in available-for-sale investment	10	-	(100,000)
Dividends from associate		-	1,469
<b>Net cash used in investing activities</b>		<b>(122,893)</b>	<b>(117,809)</b>
<b>Financing activities</b>			
Repayment of long-term loan receivable		-	915
Repayment of loans from bank	16	(6,378)	(6,301)
Proceeds on issue of shares	6a	71,912	193,116
Government grants received		384,410	356,490
Repayment of obligations under finance lease	19	(30,098)	(27,871)
Dividend paid to ministry	6b	(1,627)	(11,769)
<b>Net cash from financing activities</b>		<b>418,219</b>	<b>504,580</b>
Net increase in cash and cash equivalents		56,094	86,582
Cash and cash equivalents at the beginning of financial year		196,957	110,375
<b>Cash and cash equivalents at the end of financial year</b>	14	<b>253,051</b>	<b>196,957</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

## **SPORT SINGAPORE**

### **NOTES TO THE FINANCIAL STATEMENTS**

**31 March 2019**

#### **1. General**

Singapore Sports Council, also known as Sport Singapore ("SportSG"), a statutory board established under the Singapore Sports Council Act (Cap. 305, 1985 Revised Edition) is under the purview of the Ministry of Culture, Community and Youth ("MCCY"). The address of SportSG's registered office and principal place of business is 3 Stadium Drive, Singapore 397630.

The principal activities of SportSG are to plan for and promote recreational and competitive sports and to develop, manage and maintain public sports facilities. The financial statements are presented in Singapore Dollars (SGD or \$) and all values in the tables are rounded to the nearest thousand (\$'000), except when otherwise indicated.

Vision 2030 Fund (the "Fund") was set up on 9 September 2014, to enable donors to contribute in support of Vision 2030. The Fund was registered as a charity and approved as an Institution of Public Character ("IPC") under the Charities Act.

The financial statements for the year ended 31 March 2019 were authorised for issue by the Board of SportSG on 28 June 2019.

#### **2. Summary of significant accounting policies**

##### **2.1 Basis of accounting**

The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 (the "Act"), Singapore Sports Council Act (Cap. 305) (the "SportSG Act"), Statutory Board Financial Reporting Standards ("SB-FRS") and the Singapore Charities Act, Chapter 37 (the "Charities Act").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, SportSG takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of SB-FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as value in use in SB-FRS 36 *Impairment of Assets*.

## **SPORT SINGAPORE**

### **NOTES TO THE FINANCIAL STATEMENTS**

**31 March 2019**

#### **2. Summary of significant accounting policies (cont'd)**

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

#### **2.2 Changes in accounting policies**

The accounting policies adopted are consistent with those of the previous financial year. On 1 April 2018, SportSG has adopted all the new and revised standards that are relevant to its operations and the adoption of these standards does not result in changes to SportSG's accounting policies and has no material effect on the amounts reported for the current or prior years except as disclosed below.

##### SB-FRS 109 Financial Instruments

SB-FRS 109 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) impairment of financial assets and 3) general hedge accounting. Details of these new requirements as well as their impact on the financial statements are described below.

SportSG applied SB-FRS 109 with an initial application date of 1 April 2018. SportSG has not restated the comparative information, which continues to be reported under SB-FRS 39. There is no material impact on adoption of SB-FRS 109.

##### **(a) Classification and measurement of financial assets and financial liabilities**

SportSG has applied the requirements of SB-FRS 109 to instruments that have not been derecognised as at 1 April 2018 and has not applied the requirements to instruments that have already been derecognised as at 1 April 2018. The classification of financial assets is based on two criteria: SportSG's business model for managing the assets and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding. Based on the assessment of SportSG's business model, there is a change in classification and measurement of SportSG's available-for-sale investment. The classification has changed to "Financial Assets at FVTPL" and the fair value changes are recorded in the statement of income and expenditure. Accordingly, an amount of \$36,655,000 was reclassified from investment revaluation reserve to retained earnings as at 1 April 2018.

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2019

#### 2. Summary of significant accounting policies (cont'd)

##### (b) Impairment of financial assets

SB-FRS 109 requires an expected credit loss model as opposed to an incurred credit loss model under SB-FRS 39. The expected credit loss model requires SportSG to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. It is no longer necessary for a credit event to have occurred before credit losses are recognised.

##### SB-FRS 115 Revenue from Contracts with Customers

SB-FRS 115 supersedes SB-FRS 18 *Revenue* and the related interpretations. SB-FRS 115 introduces a 5-step approach to revenue recognition. Far more prescriptive guidance has been added in SB-FRS 115 to deal with specific scenarios. There is no material impact on the SportSG's financial statements on adoption of SB-FRS 115.

#### 2.3 ***New SB-FRS and INT SB-FRS issued but not yet effective***

SportSG has not adopted the following new or revised SB-FRSs and INT SB-FRSs that have been issued as of the reporting date but are not yet effective.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
SB-FRS 116 <i>Leases</i>	1 January 2019
Management is currently evaluating the impact of the following standards on the financial statements of SportSG and plan to adopt these standards on the required effective date unless stated otherwise.	

##### SB-FRS 116 Leases

The standard provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The identification of leases, distinguishing between leases and service contracts, are determined on the basis of whether there is an identified asset controlled by the customer.

Significant changes to lessee accounting are introduced, with the distinction between operating and finance leases removed and assets and liabilities are recognised in respect of all leases (subject to limited exemptions for short-term leases and leases of low value assets). The standard maintains substantially the lessor accounting approach under the predecessor SB-FRS 17.

As at 31 March 2019, SportSG has non-cancellable operating lease commitments as disclosed in Note 29 of the financial statements. The new requirement to recognise a right-of-use asset and a related lease liability is expected to have an impact on the amounts recognised in SportSG's financial statements.

## **SPORT SINGAPORE**

### **NOTES TO THE FINANCIAL STATEMENTS**

**31 March 2019**

## **2. Summary of significant accounting policies (cont'd)**

### **2.4 Associates**

An associate is an entity over which SportSG has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

SportSG account for its investments in associates using the equity method from the date on which it becomes an associate.

On acquisition of the investment, any excess of the cost of the investment over SportSG's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of SportSG's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates are carried in the statement of financial position at cost plus post-acquisition changes in SportSG's share of net assets of the associates. The income and expenditure reflects the share of results of the operations of the associates. Distributions received from associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, SportSG recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between SportSG and associate are eliminated to the extent of the interest in the associates.

When SportSG's share of losses in an associate equals or exceeds its interest in the associate, SportSG does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, SportSG determines whether it is necessary to recognise an additional impairment loss on SportSG's investment in associate. SportSG determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, SportSG calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in income and expenditure.

The financial statements of the associates are prepared as the same reporting date as SportSG. Where necessary, adjustments are made to bring the accounting policies in line with those of SportSG.

### **2.5 Financial instruments**

Financial assets and financial liabilities are recognised on the statement of financial position when SportSG becomes a party to the contractual provisions of the instrument. SportSG determines the classification of its financial assets and financial liabilities at initial recognition.

## **SPORT SINGAPORE**

### **NOTES TO THE FINANCIAL STATEMENTS 31 March 2019**

#### **2. Summary of significant accounting policies (cont'd)**

##### **(a) Financial assets**

###### Classification of financial assets

These comprise mainly cash and bank balances, trade and other receivables and long-term loan and interest receivable that meet the following conditions are subsequently measured at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

## **SPORT SINGAPORE**

### **NOTES TO THE FINANCIAL STATEMENTS**

**31 March 2019**

#### **2. Summary of significant accounting policies (cont'd)**

##### Impairment of financial assets

SportSG recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables and long-term loan and interest receivable. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

SportSG applied the simplified approach permitted by SB-FRS 109 and recognises lifetime ECL for trade receivables and long-term loan and interest receivable. The expected credit losses on these financial assets are estimated based on SportSG's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, SportSG recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, SportSG measures the loss allowance for that financial instrument at an amount equal to 12-months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-months ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

SportSG considers a financial asset in default when internal or external information indicates that SportSG is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

##### Derecognition of financial assets

SportSG derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If SportSG neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, SportSG recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If SportSG retains substantially all the risks and rewards of ownership of a transferred financial asset, SportSG continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

##### Available-for-sale financial assets

Available-for-sale financial assets pertain to debt securities. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2019

#### 2. Summary of significant accounting policies (cont'd)

After initial recognition, 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 impairment losses which are recognised in the income and expenditure statement. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to income and expenditure as a reclassification adjustment when the financial asset is de-recognised.

##### Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or fair value through other comprehensive income are measured at FVTPL.

Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 10.

#### **(b) Financial liabilities and equity instruments**

##### Classification as debt or equity

Financial liabilities and equity instruments issued by SportSG are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of SportSG after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

##### Financial liabilities

Financial liabilities are initially measured 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.

Interest-bearing bank loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with SportSG's accounting policy for borrowing costs (Note 2.18).

**SPORT SINGAPORE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 March 2019**

**2. Summary of significant accounting policies (cont'd)**

*De-recognition of financial liabilities*

SportSG derecognises financial liabilities when, and only when, SportSG's obligations are discharged, cancelled or expired. An existing financial liability that is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified such as through exchange or modification, is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in income and expenditure.

*Derivative financial instruments*

SportSG uses interest rate swaps to hedge its risk associated with interest rates when appropriate. The significant interest rate risk arises from SportSG's borrowings.

The use of financial derivatives by SportSG is approved by SportSG members who ensure that the use of financial derivatives is consistent with SportSG's risk management strategy. SportSG does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in income and expenditure immediately unless the derivatives is designated and effective as a hedging instrument, in which event the timing of the recognition in income and expenditure depends on the nature of the hedging relationship.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

*Hedge accounting*

SportSG designates interest rate swaps as cash flow hedges.

At the inception of the hedge relationship, SportSG documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions and whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in cash flows of the hedged item.

Note 14 contains details of the fair value of derivative instrument used for hedging purpose. Movements in the hedging reserve in equity are detailed in the statements of changes in share capital, capital account, accumulated surplus and funds.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in income and expenditure, as part of other gains and losses.

## **SPORT SINGAPORE**

### **NOTES TO THE FINANCIAL STATEMENTS**

**31 March 2019**

#### **2. Summary of significant accounting policies (cont'd)**

Amounts deferred in equity are recycled in income and expenditure in the periods when the hedged item is recognised in income and expenditure. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

Hedge accounting is discontinued when SportSG revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss deferred in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in income and expenditure. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in income and expenditure.

#### **2.6 Share capital**

Pursuant to the Capital Management Framework FCM M26/2008 which builds on Debt-Equity Framework FCM M8/2007, equity injections from Ministry of Finance ("MOF") are recorded as share capital.

#### **2.7 Government grants**

Government grants are not recognised until there is reasonable assurance that SportSG will comply with the conditions attaching to them and the grants will be received.

Government grants received prior to the application of FCM M26/2008 on capital management framework issued by MOF for the purchase of depreciable assets are taken to the Deferred Capital Grants Account. Fund injections received after the application are treated as equity and recorded as share capital.

Non-monetary contributions are taken to property, plant and equipment and the Deferred Capital Grants Account at fair value.

Deferred capital grants are recognised in income and expenditure over the periods necessary to match the depreciation of the assets with the related grants. On disposal of property, plant and equipment, the balance of related grants is recognised in income and expenditure to match the carrying amounts of the property, plant and equipment disposed.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to SportSG with no future related costs are recognised in income and expenditure in the period in which they become receivable.

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS 31 March 2019

#### 2. Summary of significant accounting policies (cont'd)

##### 2.8 *Non-government grants*

Contributions from other organisations for the purpose of depreciable assets are taken to the Deferred Capital Grant - Non-Government in the statement of financial position and transferred to income and expenditure on a systematic and rational basis over the useful lives of the related assets.

##### 2.9 *Deferred revenue*

Income from leasing of lettable areas and facilities received in advance is stated at initial amount less accumulated amortisation. Amortisation is calculated on a straight-line basis to reduce the initial amount over the lease term and is recognised in income and expenditure.

##### 2.10 *Funds*

In view of the limitations and restrictions placed on the use of certain funds, resources for various purposes are classified for accounting and reporting purposes into separate funds in accordance with the activities or objectives specified for the use of those funds.

In the financial statements of SportSG, three main groups of funds are distinguished: the Capital Fund, the General Fund and the Restricted Funds.

###### (i) *Capital Fund*

Equity injections, capital grants and contributions for the establishment of SportSG and for its major capital expenditure, other than in respect of the Singapore Indoor Stadium ("SIS"), are accounted for in the Capital Fund.

###### (ii) *General Fund*

Income and expenditure relating to the main activities of SportSG are accounted for in the General Fund.

The General Fund was set up to fund for Sport Singapore activities, maintenance and operations of sports facilities.

###### (iii) *Restricted Funds*

Income and expenditure relating to specific activities are accounted for directly in the funds to which they relate. The Restricted Funds were set up for the following specific projects/purposes:

<b>Name of Fund</b>	<b>Projects/Purpose</b>
Runme Shaw Centre for Sports Medicine and Research	To fund sports medical research and the purchase of related sports medicine and research equipment.
Sports Aid Fund	To provide financial assistance to athletes and selected sports and training facilities.
Vision 2030 Fund	A trust fund set up for donors to contribute in support of Vision 2030 initiatives. It is a registered charity and has been granted IPC status.

## **SPORT SINGAPORE**

### **NOTES TO THE FINANCIAL STATEMENTS 31 March 2019**

#### **2. Summary of significant accounting policies (cont'd)**

##### **2.11 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

###### *SportSG as lessor*

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

###### *SportSG as lessee*

Assets held under finance leases are recognised as assets of SportSG at the lower of their fair value at the inception of the lease or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to income and expenditure, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with SportSG's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rentals payable under operating leases are charged to income and expenditure on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expenditure in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

##### **2.12 Prepaid land premium**

Prepaid land premium comprises premium paid for leasehold land and is charged to income and expenditure on a straight-line basis over the lease term of 20 years.

##### **2.13 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand which are subject to an insignificant risk of changes in value.

## **SPORT SINGAPORE**

### **NOTES TO THE FINANCIAL STATEMENTS 31 March 2019**

#### **2. Summary of significant accounting policies (cont'd)**

##### **2.14 *Property, plant and equipment***

Property, plant and equipment are carried at cost, less accumulated depreciation and any accumulated impairment losses.

Work-in-progress consists of construction costs and consultancy expenses incurred during the period of construction.

Depreciation is charged so as to write-off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

Leasehold land	- the period of the lease from 15 to 101 years
Buildings	- the period of the lease from 3 to 40 years
Furniture, equipment and other fixed assets	- 3 to 10 years

Depreciation is not provided on work-in-progress until completion of work and the asset is available for use.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, if there is no certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income and expenditure.

##### **2.15 *Impairment of non-financial assets***

At the end of each reporting period, SportSG reviews the carrying amounts of its 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 the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, SportSG estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

## **SPORT SINGAPORE**

### **NOTES TO THE FINANCIAL STATEMENTS 31 March 2019**

#### **2. Summary of significant accounting policies (cont'd)**

Recoverable amount is the higher of fair value less costs to of disposal and value in use. In assessing 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in income and expenditure.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in income and expenditure.

#### **2.16 Provisions**

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

#### **2.17 Income recognition**

Income is measured at the fair value of the consideration received or receivable. Income is reduced for estimated rebates and other similar allowances. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised. Utilised ActiveSG\$ is treated as discount and offset against revenue (2019: \$6,362,017; 2018: \$7,768,000). Income, other than donations and contributions, is accounted for on an accrual basis. SportSG recognise revenue when it transfers control of the goods or services to a customer.

Income from services is recognised at a point in time as and when services are performed. Revenue from ticketing sales are recognised at point in time upon sales of tickets to customers.

## **SPORT SINGAPORE**

### **NOTES TO THE FINANCIAL STATEMENTS**

**31 March 2019**

#### **2. Summary of significant accounting policies (cont'd)**

Car park revenue, which is collected by the Urban Redevelopment Authority ("URA") on behalf of SportSG, is recognised in income and expenditure of the General Funds based on amounts estimated by URA at point in time. The estimated car park revenue is subject to adjustments by URA based on car park occupancy surveys.

Interest income is accrued on a time-proportion basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the right to receive payment has been established.

Revenue from sponsorship is from sponsors for the promotion, development and advancement of events. Value-in-kind sponsorships are recognised at point in time upon delivery of the goods or acceptance of the services. Value-in-kind sponsorships are measured at the fair value of the goods and services received.

Rental income arising from operating leases on property, plant and equipment is accounted for on a straight line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

SportSG has applied the practical expedient not to disclose the related unsatisfied performance obligations as the performance obligation of SportSG is part of a contract that has an original expected duration of 12 months.

#### **2.18 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are expensed when incurred.

#### **2.19 Cyclical maintenance of properties**

Expenses incurred on the cyclical maintenance of properties are not capitalised but are charged to income and expenditure statement as normal maintenance expenses.

## **SPORT SINGAPORE**

### **NOTES TO THE FINANCIAL STATEMENTS 31 March 2019**

#### **2. Summary of significant accounting policies (cont'd)**

##### **2.20 Employee benefits**

###### **(a) Retirement benefit costs**

Payments to defined contribution retirement plans are charged as an expense as they fall due. Payments made to state-managed retirement schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where SportSG's obligations under the plans are equivalent to those arising in a defined contribution retirement plan.

###### **(b) 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 end of the reporting period.

##### **2.21 Contribution to consolidated fund**

Under Section 13(1) (e) of the Income Tax Act (Cap. 134, 2004 Revised Edition), the income of SportSG is exempt from income tax.

SportSG is required to make a contribution to the consolidated fund in accordance with the section 3(a) of the Statutory Corporation (Contribution to Consolidated Fund) Act (Cap. 319A). The provision is based on the guidelines specified by the Ministry of Finance. It is computed based on the net surplus of SportSG for each of the financial year at the prevailing corporate tax rate for the Year of Assessment. Contribution to consolidated fund is provided on an accrual basis.

#### **3. Critical accounting judgements and key sources of estimation uncertainty**

In the application of SportSG's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumption are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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.

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2019

#### 3. Critical accounting judgements and key sources of estimation uncertainty (cont'd)

##### *Key sources of estimation uncertainty*

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. SportSG based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of SportSG. Such changes are reflected in the assumptions when they occur.

##### Impairment of property, plant and equipment

Management performs periodic assessment of SportSG's property, plant and equipment to determine if any of these assets are impaired. Management has evaluated the carrying amount of the property, plant and equipment included in the statement of financial position as at 31 March 2019 of \$1,666,449,000 (2018: \$1,629,513,000) and had provided for impairment loss of \$1,040,000 (2018: \$3,392,000) as at year end.

##### Fair value of derivative financial instruments

SportSG uses interest rate swaps to manage its exposure to interest rate movements on its bank loans (Note 14) by swapping the loans from floating rates to fixed rates. As described in Note 14, the fair values of the two swaps entered in the financial year are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates. The carrying amount of the derivative financial instruments at end of the reporting period is approximately \$5,459,000 (2018: \$5,166,000).

##### Fair value of financial assets at FVTPL

The investments through quoted fund offer SportSG the opportunity for returns through fair value gains. As disclosed in Note 10, the fair value of the quoted fund is based on closing quoted market prices on the last market day of the financial year provided by the fund manager. The carrying amount of the financial assets at FVTPL (2018: Available-for-sale investments) at end of the reporting period is approximately \$709,970,000 (2018: \$698,655,000).

**SPORT SINGAPORE****NOTES TO THE FINANCIAL STATEMENTS  
31 March 2019****4. Financial instruments, financial risks and capital risks management****(a) Categories and fair value of financial instruments**

The following table sets out the financial instruments as at the end of the reporting period:

	<b>Note</b>	<b>2019</b> \$'000	<b>2018</b> \$'000
<b>Financial assets</b>			
Financial assets at FVTPL (Level 2)	10	709,970	-
Available-for-sale investment (Level 2)	10	-	<u>698,655</u>
Receivables	12	1,163,827	1,252,367
Cash and cash equivalents	13	253,051	196,957
Long-term loans and interest receivable	11	<u>15,557</u>	<u>14,911</u>
Financial assets at amortised cost		<u>1,432,435</u>	<u>1,464,235</u>
<b>Financial liabilities</b>			
Derivative financial instruments (Level 2)	14	<u>5,459</u>	<u>5,166</u>
Payables and accrued liabilities	15	145,508	89,472
Finance lease	19	1,029,915	1,060,013
Loans and borrowings	16	54,978	61,356
Refundable deposits		<u>3,374</u>	<u>3,698</u>
Financial liabilities at amortised cost		<u>1,233,775</u>	<u>1,214,539</u>

SportSG classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements (Note 2.1).

There were no transfers between the levels of the fair value hierarchy during the financial year.

- (i) *Fair value of financial assets and financial liabilities that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value*

The carrying amounts of cash and cash equivalents, receivables, payables, and refundable deposits, finance lease and long-term loan approximate their respective fair values due to the relatively short-term maturity of these financial instruments or they are re-priced to interest rates approximate to current market level.

**NOTES TO THE FINANCIAL STATEMENTS**

**31 March 2019**

**4. Financial instruments, financial risks and capital risks management (cont'd)**

(ii) *Fair value of financial assets and financial liabilities that are carried at fair value*

The fair value of financial assets at FVTPL and derivative financial instruments is calculated using quoted prices. More details are disclosed in Notes 10 and 14 to the financial statements.

(b) ***Financial risk management policies and objectives***

SportSG's overall financial risk management seeks to minimise potential adverse effects on the financial performance of SportSG.

(i) *Credit risk*

SportSG's principal financial assets are cash and cash equivalents and receivables.

The credit risk on liquid funds and derivative financial instrument is limited because the counterparts have high credit rating. SportSG has policies in place to ensure that the rendering of services is made to customers with appropriate credit history.

SportSG has significant receivables due from the Government amounting to \$1,136,101,000 (2018: \$1,220,841,000) (Note 12), representing 97% (2018: 97%) of total receivables balance as at the year end. Such credit risk is deemed minimal by the management.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents SportSG's maximum exposure to credit risk.

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2019

#### 4. Financial instruments, financial risks and capital risks management (cont'd)

##### (b) *Financial risk management policies and objectives (cont'd)*

###### (ii) *Interest rate risk*

Interest bearing financial assets and liabilities of SportSG are mainly cash and cash equivalent, bank loans, long-term loans to Premier Park Foundation ("PPF") and finance lease. The interest rates for Cash with Accountant-General's Department ("AGD") are based on deposit rates determined by the financial institutions with which the cash are deposited and are expected to move in tandem with market interest rate movements. SportSG has long-term bank loans at variable rates and uses interest rate swaps as cash flow hedge of future interest payments, which has the economic effect of converting borrowings from floating rates and swap them into fixed rates that are lower than those available if SportSG borrowed at fixed rates directly. Under the interest rate swap, SportSG agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating interest amounts calculated by reference to the agreed notional principal amount. With the interest rate swaps arrangement in place and the repayment of the bank loans including the interest is funded by the Government, management determined that there is no significant interest rate risk. Further details of the interest rate swaps can be found in Note 14.

The fixed deposits are short-term in nature and at market interest level. Any future variations in interest rates will not have a material impact on the results of SportSG.

The finance lease and long-term loan extended to PPF bears interest at fixed interest rates. Any future variations in interest rates will not have a material impact on the results of SportSG. Further details on the long-term loans and finance lease can be found in Notes 16 and 19 respectively.

Accordingly, no interest rate sensitivity analysis is presented.

###### (iii) *Foreign exchange risk*

SportSG has no significant foreign currency risk as its financial assets and liabilities are substantially denominated in Singapore dollar.

Accordingly, no foreign exchange sensitivity analysis is presented.

**SPORT SINGAPORE**

**NOTES TO THE FINANCIAL STATEMENTS**

**31 March 2019**

**4. Financial instruments, financial risks and capital risks management (cont'd)**

**(b) Financial risk management policies and objectives (cont'd)**

*(iv) Liquidity risk*

SportSG has minimal exposure to liquidity risk as its operations are generally funded by Government, which include funding for payments of the instalments (principal and interest) of SportSG's bank loans (Note 16) and finance lease (Note 19). SportSG ensures that sufficient liquidity through highly liquid assets in the form of cash and short-term demand deposits are maintained to meet its financial obligations.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of SportSG's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	2019 \$'000				2018 \$'000			
	Less than one year	One to five years	Over five years	Total	Less than one year	One to five years	Over five years	Total
<b>Financial assets:</b>								
Financial assets at FVTPL	-	-	709,970	709,970	-	-	-	-
Available-for-sale investment	-	-	-	-	-	-	698,655	698,655
Financial assets at amortised cost	418,373	443,104	1,264,691	2,126,168	428,581	443,104	1,375,466	2,247,151
Long term loan and interest receivable	680	17,805	-	18,485	649	3,701	14,783	19,133
<b>Total undiscounted financial assets</b>	<b>419,053</b>	<b>460,909</b>	<b>1,974,661</b>	<b>2,854,623</b>	<b>429,230</b>	<b>446,805</b>	<b>2,088,904</b>	<b>2,964,939</b>
<b>Financial liabilities:</b>								
Trade and other payables	148,882	-	-	148,882	93,170	-	-	93,170
Finance lease	110,776	443,104	1,264,691	1,818,571	110,776	443,104	1,375,466	1,929,346
Loans and borrowings	7,299	17,219	36,878	61,396	7,441	20,307	41,089	68,837
Derivative financial instruments	406	1,551	3,502	5,459	377	1,509	3,280	5,166
<b>Total undiscounted financial liabilities</b>	<b>267,363</b>	<b>461,874</b>	<b>1,305,071</b>	<b>2,034,308</b>	<b>211,764</b>	<b>464,920</b>	<b>1,419,835</b>	<b>2,096,519</b>
<b>Total net undiscounted financial assets / (liabilities)</b>	<b>151,690</b>	<b>(965)</b>	<b>669,590</b>	<b>820,315</b>	<b>217,466</b>	<b>(18,115)</b>	<b>669,069</b>	<b>868,380</b>

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2019

#### 4. Financial instruments, financial risks and capital risks management (cont'd)

##### (c) Capital risk management policies and objectives

SportSG manages its capital to ensure that SportSG will be able to continue as a going concern while fulfilling its objective as a statutory board.

The capital structure of SportSG consists of debt, which includes the borrowings disclosed in Note 16, and share capital, capital account, accumulated surplus and funds. SportSG's overall strategy remains unchanged from last financial year.

#### 5. Related party transactions

Some of SportSG's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

SportSG had the following significant transactions with MCCY and other related parties during the year other than those disclosed elsewhere in the financial statements:

	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
<b>Ministries and statutory boards</b>		
Grants disbursed	4,830	4,728

##### **Compensation of key management personnel**

The remuneration of members of key management during the financial year was as follows:

	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Short-term employment benefits	3,362	3,178
Post-employment benefits	143	151
	<u>3,505</u>	<u>3,329</u>

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2019

#### 6. Share capital and dividend

##### (a) *Share capital*

	<b>31 March 2019</b>	<b>31 March 2018</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
	No. of shares '000	No. of shares '000	\$'000	\$'000
Issued and paid up:				
As at beginning of the year	998,815	805,699	998,815	805,699
Shares issued	71,912	193,116	71,912	193,116
As at financial year end	<u>1,070,727</u>	<u>998,815</u>	<u>1,070,727</u>	<u>998,815</u>

The shares carry neither voting rights nor par value.

Additions pertain to the equity injection from Ministry of Finance ("MOF") recognised as share capital under Capital Management Framework ("CMF") for Statutory Board under FCM M26/2008.

##### (b) *Dividend*

During the financial year ended 31 March 2019, SportSG declared total dividends of \$1,627,000 on the share capital issued to the MOF in respect of the financial year ended 31 March 2018.

During the financial year ended 31 March 2018, SportSG declared total dividends of \$11,769,000 on the share capital issued to the MOF in respect of the financial year ended 31 March 2017.

**SPORT SINGAPORE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**31 March 2019**

**7. Property, plant and equipment**

	Capital and General Funds										Restricted Funds	
	Sports Hub			Other Sports Facilities							Furniture, equipment and other fixed assets	
	Leasehold land \$'000	Buildings \$'000	Furniture, equipment and other fixed assets \$'000	Leasehold land \$'000	Buildings \$'000	Furniture, equipment and other fixed assets \$'000	Work-in-progress \$'000	Sub-total \$'000		Furniture, equipment and other fixed assets \$'000	Grand total \$'000	
<b>Cost:</b>												
At 1 April 2017	261,481	1,238,143	45,305	259,079	711,323	48,042	93,943	2,656,316		436	2,656,742	
Additions	-	-	-	-	2,512	1,757	17,955	22,224		49	22,273	
Transfers	-	-	-	-	94,727	374	(95,101)	-		-	-	
Written off	-	-	-	-	(450)	(372)	-	(822)		-	(822)	
At 31 March 2018	261,481	1,238,143	45,305	259,079	808,112	49,801	15,797	2,677,718		475	2,678,193	
Additions	-	-	-	-	410	944	124,529	125,883		-	125,883	
Transfers	-	-	-	-	870	4,098	(4,968)	-		-	-	
Written off	-	-	-	(375)	(20,374)	(729)	(2,576)	(24,054)		-	(24,054)	
At 31 March 2019	261,481	1,238,143	45,305	256,704	789,018	54,114	132,762	2,779,547		475	2,780,022	
<b>Accumulated depreciation:</b>												
At 1 April 2017	41,960	153,795	25,271	183,696	517,174	38,977	-	960,873		426	961,299	
Charge for the financial year	3,919	32,035	7,087	8,064	30,366	3,141	-	84,639		10	84,649	
Written off	-	-	-	-	(349)	(311)	-	(660)		-	(660)	
At 31 March 2018	45,879	185,830	32,358	191,760	547,211	41,814	-	1,044,852		436	1,045,288	
Charge for the financial year	3,918	32,034	7,087	8,046	31,209	4,336	-	86,630		10	86,640	
Written off	-	-	-	(345)	(18,331)	(719)	-	(19,395)		-	(19,395)	
At 31 March 2019	49,797	217,864	39,445	199,461	560,089	45,431	-	1,112,087		446	1,112,533	
<b>Impairment:</b>												
At 1 April 2017	-	-	-	-	3,513	-	-	3,513		-	3,513	
Impairment for the year	-	-	-	-	24	-	-	24		-	24	
Writeback	-	-	-	-	(145)	-	-	(145)		-	(145)	
At 31 March 2018	-	-	-	-	3,392	-	-	3,392		-	3,392	
Written off	-	-	-	-	(2,352)	-	-	(2,352)		-	(2,352)	
At 31 March 2019	-	-	-	-	1,040	-	-	1,040		-	1,040	
<b>Carrying amount:</b>												
At 31 March 2019	211,684	1,020,279	5,860	59,243	227,889	8,683	132,762	1,666,420		29	1,666,449	
At 31 March 2018	215,602	1,052,313	12,947	67,319	252,565	7,987	20,741	1,629,474		39	1,629,513	

Sports Hub includes Singapore Indoor Stadium ("SIS").

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS 31 March 2019

#### 7. Property, plant and equipment (cont'd)

##### Assets held under finance lease

On 2 July 2014, SportSG acquired building, equipment and furniture and other assets with an aggregate cost of \$1.23 billion by means of finance leases.

The carrying amount of building, equipment and furniture and other assets held under finance leases at the end of the reporting period were \$0.98 billion (2018: \$1.02 billion) and \$0.01 billion (2018: \$0.13 billion) respectively.

Leased assets are pledged as security for the related finance lease liabilities.

##### Impairment of assets

The carrying amount of the impairment loss of \$1.04 million (2018: \$3.39 million) arose from the intended demolition of certain sports facilities for new developments after the end of the reporting period.

#### 8. Prepaid land premium

	<b>31 March 2019</b>	<b>31 March 2018</b>
	\$'000	\$'000
Prepaid land premium	1,659	1,975
Less: Current portion	(316)	(316)
Non-current portion	<u>1,343</u>	<u>1,659</u>

#### 9. Associate

	<b>31 March 2019</b>	<b>31 March 2018</b>
	\$'000	\$'000
Cost of investment	11,692	11,692
Share of post-acquisition results, net of dividend received	(1,365)	(827)
	<u>10,327</u>	<u>10,865</u>

Details of SportSG's associate as at end of the reporting period are as follows:

Name of associate	Country of incorporation and operation	Proportion of ownership and voting power held		Principal activity
		31 March 2019 %	31 March 2018 %	
<b>Held by SportSG</b>				
SISTIC.COM Pte Ltd	Singapore	49	49	Ticketing services

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2019

#### 9. Associate

The summarised financial information in respect of the associate, based on its financial statements and a reconciliation with the carrying amount of the investment in the financial statements are as follows:

	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Current assets	19,795	23,207
Non-current assets	6,360	6,475
Current liabilities	11,924	15,165
Non-current liabilities	893	919
<b>Net assets</b>	<u>13,338</u>	<u>13,598</u>
SportSG's share of assets	6,536	6,663
Fair value uplift on identifiable assets (net of amortisation)	1,638	2,049
Goodwill on acquisition	<u>2,153</u>	<u>2,153</u>
Carrying amount of the investment	<u>10,327</u>	<u>10,865</u>

Summarised statement of comprehensive income:

Sales	13,723	14,317
Cost of sales	<u>(3,506)</u>	<u>(3,381)</u>
<b>Gross profit</b>	10,217	10,936
Other income	317	316
Expenses	<u>(10,734)</u>	<u>(9,897)</u>
<b>(Loss)/Profit before income tax</b>	(200)	1,355
Income tax expense	<u>(60)</u>	<u>(241)</u>
<b>(Loss)/Profit after tax and total comprehensive income</b>	<u>(260)</u>	<u>1,114</u>
<b>Dividend received from the associate during the year</b>	<u>-</u>	<u>1,469</u>

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS 31 March 2019

#### 10. Financial assets at fair value through profit or loss (from 1 April 2018)

	<b>31 March 2019</b> \$'000
Quoted investment fund at fair value	<u>709,970</u>
Carrying amount:	
As at 1 April 2018	698,655
Fair value changes taken to profit or loss	<u>11,315</u>
As at 31 March 2019	<u>709,970</u>

#### Available-for-sale investment (before 1 April 2018)

	<b>31 March 2018</b> \$'000
Quoted investment fund at fair value	<u>698,655</u>
Carrying amount:	
As at 1 April 2017	581,019
Cost of investment during the year	100,000
Fair value changes taken to equity	<u>17,636</u>
As at 31 March 2018	<u>698,655</u>

The investments through quoted fund offer SportSG the opportunity for returns through fair value gains. The fair value of the quoted fund is based on closing quoted market prices on the last market day of the financial year provided by the fund manager. The investments are managed under the Accountant-General's Department ("AGD") fund management scheme.

#### 11. Long-term loan and interest receivable

	<b>31 March 2019</b> \$'000	<b>31 March 2018</b> \$'000
Loans	14,367	14,373
Interest receivable	<u>1,190</u>	<u>538</u>
	<u>15,557</u>	<u>14,911</u>

Under the Project Agreement ("PA") with Sportshub Pte Ltd ("SHPL"), SHPL is required to set up a Premier Park Foundation ("PPF") Fund to fund the enhancement of existing facilities, development of new facilities and development and operation of sports, cultural and community events at the Sports Hub. SportSG approved loans of up to \$20 million to PPF to fund a major sports event from 2014 to 2018. The advances are to be repaid over 10 years at a margin of 2.5% on a fixed basis, pegged to the 10-year Singapore Dollars Interest Rate Swap ("IRS").

The 4 tranches of \$4 million advances each were released over 4 years. Partial repayment was received during the year. The all-in fixed interest rate is 4.31% and is determined by the 10-year Singapore Dollars IRS of 1.81% as at value date 10 May 2013, plus margin of 2.50%.

**SPORT SINGAPORE****NOTES TO THE FINANCIAL STATEMENTS****31 March 2019****12. Receivables and prepayments**

	<b>31 March 2019</b>	<b>31 March 2018</b>
	\$'000	\$'000
<b>Non-current:</b>		
Receivable from Government	<u>1,066,663</u>	<u>1,101,421</u>
<b>Current:</b>		
Receivable from Government	69,438	119,420
Trade receivables	12,514	24,572
Other debtors	<u>15,212</u>	<u>6,954</u>
Receivables	97,164	150,946
Prepayments	<u>5,693</u>	<u>7,050</u>
Receivables and prepayments	<u>102,857</u>	<u>157,996</u>

The average credit period is 30 days (2018: 30 days) except for receivable from Government which has no credit terms. No interest is charged on the amounts over-due.

Included in receivables from Government was an amount of \$1,101,421,000 (2018: \$1,212,197,000) related to the matching of grants receivable from Government to the expected repayment of finance lease for the Public Private Partnership arrangement between Sport Hub Pte Ltd and SportSG (Note 19).

Loss allowance for trade receivables has been measured at an amount equal to lifetime ECL. The ECL on receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate. Management expects credit losses on trade receivables to be immaterial.

Ageing of trade receivables that are past due but not impaired as follows:

	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
30 to 90 days	753	553
More than 90 days	<u>8,075</u>	<u>120</u>
	<u>8,828</u>	<u>673</u>

In 2018, trade receivables were provided for based on estimated irrecoverable amounts from the rendering of services, determined by reference to past default experience. In determining the recoverability of the receivables, SportSG considered any change in the credit quality of the receivables from the date credit was initially granted up to the end of the reporting period.

Based on the credit evaluation process performed by management, \$23,899,000 of the trade receivables that were neither past due nor impaired relate to customers that SportSG had assessed to be credit worthy. Included in the trade receivables of SportSG were debts with a carrying amount of \$673,000 which were past due for more than 30 days for which SportSG has not provided as there has not been a significant change in credit quality and the amounts were still considered recoverable. SportSG did not hold any collateral over these balances.

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2019

#### 13. Cash and cash equivalents

	<b>31 March 2019</b>	<b>31 March 2018</b>
	\$'000	\$'000
Cash at bank and held under CLM	<u>253,051</u>	<u>196,957</u>

Cash on hand and bank mainly consists of cash with AGD which is held under the Centralised Liquidity Management ("CLM") scheme as set out in the Accountant-General's Circular No. 4/2009 CLM for Statutory Boards and Ministries. The cash under CLM scheme are available upon request.

#### 14. Derivative financial instruments

	<b>31 March 2019</b>	<b>31 March 2018</b>
	\$'000	\$'000
Interest rate swaps	5,459	5,166
Less: Current portion	<u>(406)</u>	<u>(377)</u>
Non-current portion	<u>5,053</u>	<u>4,789</u>

SportSG uses interest rate swaps to manage its exposure to interest rate movements on its bank loans (Note 16) by swapping the loans from floating rates to fixed rates.

The first contract with notional value of \$90 million has fixed interest payments at 3.63% per annum for a tenure of 25 years and has floating interest receipts based on six-month Singapore Swap Offer Rate plus credit margin, which approximates an average interest rate of 1.90% (2018: 1.29%) per annum.

The fair value of swap entered into on 7 April 2008 is estimated at \$5,441,000 (2018: \$5,090,000) (liability) as at 31 March 2019, measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates. The interest rate swap is designated and effective as cash flow hedge and the fair value thereof has been deferred in equity. An amount of \$1,007,000 (2018: \$735,000) has been offset against hedged interest payment made.

The second contract with notional value of \$25 million has fixed interest payments at 2.82% per annum for a tenure of 10 years and has floating interest receipts based on six-month Singapore Swap Offer Rate plus credit margin, which approximates an average interest rate of 3.01% (2018: 2.53%) per annum.

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2019

#### 14. Derivative financial instruments (cont'd)

The fair value of swap entered into on 16 March 2010 is estimated at \$18,000 (2018: \$76,000) (liability) as at 31 March 2019, measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates. The interest rate swap is designated and effective as cash flow hedge and the fair value thereof has been deferred in equity. An amount of \$146,000 (2018: \$195,000) has been offset against hedged interest payment made.

The interest rate swaps are settled on a six-monthly basis. SportSG settles the difference between the fixed and floating interest rates on a net basis.

#### 15. Payables and accrued liabilities

	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Account payables	35,726	6,474
Accrued liabilities	109,782	82,998
	<u>145,508</u>	<u>89,472</u>

These amounts are non-interest bearing. Account payables are normally settled on 30 days term.

#### 16. Bank loans

	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Term loans - unsecured	54,978	61,356
Less: Amount due for settlement within 12 months (current liabilities)	<u>(6,378)</u>	<u>(6,378)</u>
Amount due for settlement after 12 months (non-current liabilities)	<u>48,600</u>	<u>54,978</u>

##### \$90 million loan

A term loan with an initial amount of \$90 million was converted from the bridging loan on 7 April 2008 and will mature on 7 April 2033. It bears interest based on six-month Swap Offer Rate which approximates an average interest rate of 1.90% (2018: 1.29%) per annum.

SportSG uses interest rate swap to hedge the fluctuation in interest rates (Note 14). The loan is repayable over 50 six-monthly instalments.

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2019

#### 16. Bank loans (cont'd)

##### \$25 million loan

SportSG had drawn down a \$16 million loan on 16 March 2010 with tenure of ten years. An additional loan of \$4 million was drawn on 16 June 2010 and \$5 million was drawn down on 16 March 2011. The total loan drawn down amounts to \$25 million. The full loan will mature on 16 March 2020. The term loan bears interest based on six-month Swap Offer Rate which approximates an average interest rate of 3.01% (2018: 2.53%) per annum. SportSG uses interest rate swap to hedge the fluctuation in interest rates (Note 14). The loan is repayable over 18 six-monthly instalments, commencing 16 September 2011.

Management is of the opinion that the fair values of SportSG's bank loans approximate their carrying values as the interest rates are at the current market level.

The table below details changes in the SportSG's liability arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be classified in SportSG's statement of cash flows from financing activities.

##### Non-cash changes

	1 April 2018	Financing cash flows	Fair value adjustments	Other changes <sup>(1)</sup>	31 March 2019
	\$'000	\$'000	\$'000	\$'000	\$'000
Bank loans (Note 16)	61,356	(6,378)	-	-	54,978
Finance lease (Note 19)	1,060,013	(30,098)	-	-	1,029,915
Derivative financial liabilities (Note 14)	5,166	-	293	-	5,459
	<u>1,126,535</u>	<u>(36,476)</u>	<u>293</u>	<u>-</u>	<u>1,090,352</u>

##### Non-cash changes

	1 April 2017	Financing cash flows	Fair value adjustments	Other changes <sup>(1)</sup>	31 March 2018
	\$'000	\$'000	\$'000	\$'000	\$'000
Bank loans (Note 16)	67,732	(6,301)	-	(75)	61,356
Finance lease (Note 19)	1,087,884	(27,871)	-	-	1,060,013
Derivative financial liabilities (Note 14)	5,882	-	(716)	-	5,166
	<u>1,161,498</u>	<u>(34,172)</u>	<u>(716)</u>	<u>(75)</u>	<u>1,126,535</u>

<sup>(1)</sup> Other changes include interest accruals and payments.

**SPORT SINGAPORE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 March 2019**

**17. Deferred revenue**

	<b>31 March 2019</b>	<b>31 March 2018</b>
	\$'000	\$'000
Balance at the beginning of year	4,714	4,907
Addition during the year	6,914	5,642
Less: Transfer to income	<u>(7,022)</u>	<u>(5,835)</u>
	4,606	4,714
Less: Current portion	<u>(3,263)</u>	<u>(3,055)</u>
Non-current portion	<u>1,343</u>	<u>1,659</u>

**18. Grants received in advance**

	<b>Operating grants</b>		<b>Development grants</b>		<b>Total</b>	
	<b>31 March 2019</b>	<b>31 March 2018</b>	<b>31 March 2019</b>	<b>31 March 2018</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at the beginning of year	28,864	43,441	11	11	28,875	43,452
Add: Government grants received	354,152	325,145	-	-	354,152	325,145
Less: Transfer to income and expenditure statement	<u>(373,341)</u>	<u>(339,722)</u>	-	-	<u>(373,341)</u>	<u>(339,722)</u>
Balance at the end of year	<u>9,675</u>	<u>28,864</u>	<u>11</u>	<u>11</u>	<u>9,686</u>	<u>28,875</u>

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS 31 March 2019

#### 19. Finance lease

Under the Public-Private-Partnership arrangement between Sports Hub Pte Ltd ("SHPL") and SportSG, SportSG is required to make monthly unitary payments to SHPL for building, financing, maintaining and operating the Sports Hub. The building and operations of the Sports Hub will be returned to SportSG after 25 years from date of Project Agreement (25 August 2010). Thus, this arrangement is treated as a finance lease.

The Sports Hub project was refinanced on 7 December 2015 and has been accounted for as a lease modification with a corresponding advance recognised in the financial year ended 31 March 2016. At 31 March 2019, the carrying amount of the advance is \$71,507,000 (2018: \$73,596,000) of which \$2,257,000 (2018: \$2,090,000) is classified as "Current Liabilities" on the statement of financial position.

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	31 March 2019		31 March 2018	
	Minimum lease payments	Present value of payments	Minimum lease payments	Present value of payments
	\$'000	\$'000	\$'000	\$'000
Not later than one year	110,776	32,502	110,776	30,098
Later than one year but not later than five years	443,104	158,130	443,104	146,432
Later than five years	1,264,690	839,283	1,375,466	883,483
Total minimum lease payments	1,818,570	1,029,915	1,929,346	1,060,013
Less: Amounts representing finance charges	(788,655)	-	(869,333)	-
Present value of minimum lease payments	1,029,915	1,029,915	1,060,013	1,060,013

#### Obligations under finance lease

This obligation is secured by a charge over the leased assets (Note 7). The average discount rate implicit in the leases is 7.71% p.a. (2018: 7.71%).

**SPORT SINGAPORE****NOTES TO THE FINANCIAL STATEMENTS****31 March 2019****20. Deferred capital grants - government**

	<b>31 March 2019</b>	<b>31 March 2018</b>
	\$'000	\$'000
Balance at the beginning of year	1,261,201	1,319,690
Grants drawn down during the year	3,973	3,833
	<u>1,265,174</u>	<u>1,320,145</u>
Less: Grants taken to the income and expenditure statement:		
(i) To match property, plant and equipment written off	(782)	(103)
(ii) To match depreciation	(76,241)	(62,364)
(iii) To match impairment written back	-	145
Balance at the end of year	<u>1,188,151</u>	<u>1,261,201</u>

**21. Deferred capital grants - non-government**

	<b>31 March 2019</b>	<b>31 March 2018</b>
	\$'000	\$'000
Balance at the beginning of year	23,496	25,793
Less: Grants taken to the income and expenditure statement:		
(i) To match depreciation	(2,342)	(2,297)
Balance at the end of year	<u>21,154</u>	<u>23,496</u>

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS 31 March 2019

#### 22. Operating expenses

Operating expenses comprise mainly expenditure on sports facilities, grants disbursements, program and event expenditures. Included in operating expenses are mainly the following:

	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Grant expenses*	57,881	62,853
Program/event expenses	44,099	31,832
Utilities	18,079	15,602
Rental of equipment	12,283	9,299
Unitary expenses#	99,417	103,326
Loss on property, plant and equipment written-off/disposed	2,307	162
Write-back on impairment loss on property, plant and equipment (Note 7)	-	(145)
Impairment loss on property, plant and equipment (Note 7)	-	24

\* Grant expenses mainly pertain to the disbursements made to the various National Sports Associations.

# Unitary expenses pertain to payments for Sports Hub project.

#### 23. Employee benefits expense

Employee benefit expense comprises the following:

	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Salaries and bonuses	76,045	71,907
Cost of defined contribution plans	12,086	13,314
Staff training and welfare	1,864	1,192
Other employee benefits	7,643	5,311

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2019

#### 24. Other expenses

Other expenses comprise the following:

	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Board Members' allowances	245	243
Transport and travelling	1,406	1,306
Consultancy costs	2,622	4,025
Security services	535	1,052
Logistics	366	132
Prizes and souvenirs	1,215	563
Catering services	508	474
Uniform and clothing	276	276
Insurance	165	170
Fire alarm and security system	250	200
Assets expensed off	1,849	965
Miscellaneous expenses	2,584	2,336
	<u>12,021</u>	<u>11,742</u>

Included in miscellaneous expenses was \$4,000 (2018 : \$Nil) relating to Restricted Funds.

#### 25. Other income

Other income comprises the following:

	<b>Capital and General Funds</b>		<b>Restricted Funds</b>		<b>Total</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Interest income	2,799	2,711	230	284	3,029	2,995
Finance income	86,280	88,660	-	-	86,280	88,660
	<u>89,079</u>	<u>91,371</u>	<u>230</u>	<u>284</u>	<u>89,309</u>	<u>91,655</u>

Finance income pertains to the unwinding of discount for receivables from Government.

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

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#### 26. Contribution to consolidated fund

SportSG is required to make a contribution to the Consolidated Fund in accordance with Section 3(a) of the Statutory Corporations (Contributions to Consolidated Fund) Act (Chapter 319A) at the prevailing corporate tax rate of 17% for Year of Assessment 2020 (Year of Assessment 2019: 17%) of the surplus, excluding fair value changes on financial assets measured at FVTPL.

#### 27. Capital commitments

2019	2018
\$'000	\$'000

Capital expenditures approved by SportSG but not provided for in the financial statements are:

Amount approved but not contracted for	40,117	15,137
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#### 28. Service concession arrangement and commitment

SportSG has entered into a PA with SHPL. Pursuant to this PA, SportSG granted a 25-year lease of land to SHPL commencing from August 25, 2010. SHPL will design, build, finance and operate a Sports Hub, comprising of a new 55,000-seat National Stadium with a retractable roof, the existing Singapore Indoor Stadium, a 3,000-seat Multi-Purpose Indoor Arena, a 6,000-seat Aquatic and Water Leisure Centre, a Water Sports Centre, office space for SportSG, a Sports Information Resource Centre, Commercial Development/Retail Outlets and other ancillary facilities.

Upon the completion of the construction of Sports Hub, SHPL is required to operate and maintain the Sports Hub in accordance with required service performance standards and to ensure that the facilities are available for use by SportSG and third parties for sports and entertainment events. SHPL will also provide venue marketing, event planning, catering, car park management and retail property management services. In return, SportSG will pay SHPL Monthly Unitary Payment ("MUP") over the 25-year project term starting from Aug 25, 2010. Payment to SHPL has been agreed upon based on SHPL making available of facilities according to agreed specifications. The MUP will be subject to deductions for any unavailability of facilities and / or if the service performance does not meet the standards stipulated in the PA. Upon conclusion of the project term and the lease, the rights to the facilities will be returned to SportSG.

SHPL will also generate Third Party Revenue ("TPR") from rental of Sports Hub facilities, such as rental from event promoters, revenue from events promoted by SHPL, corporate box sales, revenue from sale of naming rights, commercial/ retail rental, advertising revenue and car-park revenue. SHPL is obliged to share any TPR generated with SportSG under pre-agreed sharing percentages set out in the PA.

The construction of Sports Hub has been completed and the Project Operations Date ("POD") was on 2 July 2014. SportSG accounted for the Sports Hub assets in accordance with SB-FRS 16 *Property, Plant and Equipment* and SB-FRS 17 *Leases* as a finance lease asset, and recorded certain amount of the MUP as finance lease obligations to SHPL.

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

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Future minimum lease payments under finance leases are as follows:

	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
<b>Capital expenditures</b>		
Within one year	32,502	30,098
In the second to fifth years inclusive	158,130	146,432
More than five years	839,283	883,483
	<u>1,029,915</u>	<u>1,060,013</u>
<b>Service and interest cost</b>		
Within one year	178,151	179,193
In the second to fifth years inclusive	698,521	704,561
More than five years	1,740,119	1,912,230
	<u>2,616,791</u>	<u>2,795,984</u>

#### 29. Operating lease arrangements

##### *SportSG as lessee*

	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Minimum lease payments under operating leases included in income and expenditure	<u>13,986</u>	<u>2,626</u>

Included in minimum lease payments above is an amount of \$12,064,000 relating to lease payments/payable to People's Association.

At the end of the reporting period, outstanding commitments under non-cancellable operating leases, which falls due as follows:

	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Within one year	6,952	2,205
In the second to fifth years inclusive	16,000	90
	<u>22,952</u>	<u>2,295</u>

Operating lease represents minimum lease payments for rental of office equipment, and office and data storage space. The leases are negotiated for terms of 2 to 4 years and are fixed for an average of 3 years.

## SPORT SINGAPORE

### NOTES TO THE FINANCIAL STATEMENTS

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#### *SportSG as lessor*

SportSG rents out its office space, food and beverage outlets, carparks and golf courses, located at various sports and swimming complexes, sports halls and centres, stadiums and golf courses to third parties under operating leases.

All of the properties leased have committed tenants for the next 1 to 20 years.

At the end of the reporting period, SportSG has contracted with tenants for the following future minimum lease payments:

	<b>2019</b>	<b>2018</b>
	\$'000	\$'000
Within one year	17,818	16,654
In the second to fifth years inclusive	14,208	18,582
After five years	4,044	154
	<u>36,070</u>	<u>35,390</u>

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