ST. KITTS AND NEVIS FOOTBALL ASSOCIATION INC.

Financial Statements

December 31, 2021

(Expressed in Eastern Caribbean Dollars)

CONTENTS

REGISTERED OFFICE
Lozack Road
P.O. Box 465
Basseterre, St. Kitts and Nevis
West Indies

BOARD MEMBERS
Atiba Harris– President
Shawn White – 1st Vice President
Cuthbert Caines – 2nd Vice President
Sheila Patricia – Member
Javiem Blanchette – Member
Phil Cooper – Member
John Bergan – Member
Ernest Queeley – Member
Carlton Pinney – Member
Alleyne Morris – Member
Techell McLean – General Secretary

BANKERS
St. Kitts-Nevis-Anguilla National Bank Ltd.
Basseterre
St. Kitts & Nevis
West Indies

The Royal Bank of Canada
Fort & Bay St.
P.O. Box 91
Basseterre
St. Kitts & Nevis
West Indies

AUDITORS
BDO LLC
Chartered Accountants
First Floor MAICO Headquarter
Cosley Drive
The Valley, Anguilla, B.W.I.

BDO LLC
P.O. Box 136
Fairplay Complex
Cosley Drive
The Valley, AI-2640
Anguilla, B.W.I.

Tel: 264-497-5500
Fax: 264-497-3755
e-Mail: claudel.romney@bdoecc.com
Website: www.bdocaribbean.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of St. Kitts and Nevis Football Association Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of St. Kitts and Nevis Football Association Inc. (the "Association"), which comprise:

- the statement of financial position as at December 31, 2021;
- the statements of comprehensive income, changes in accumulated fund balance and cash flows for the year then ended; and
- notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Eastern Caribbean, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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

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Anguilla, B.W.I.

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e-Mail: claudel.romney@bdoecc.com
Website: www.bdocaribbean.com

INDEPENDENT AUDITOR'S REPORT *(continued)*

To the Board of Directors of St. Kitts and Nevis Football Association Inc.

Report on the Audit of the Financial Statements *(continued)*

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 ISAs 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 ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern.
- If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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INDEPENDENT AUDITOR'S REPORT *(continued)*

To the Board of Directors of St. Kitts and Nevis Football Association Inc.

Report on the Audit of the Financial Statements *(continued)*

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

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

BDO LLC

Chartered Accountants
23rd of August 2022
The Valley
Anguilla
British West Indies

ST. KITTS AND NEVIS FOOTBALL ASSOCIATION INC.
Statement of Financial Position
As at December 31, 2021

[Expressed in Eastern Caribbean Dollars (EC$)]

	Notes	**2021**	2020
ASSETS			
Current assets			
Cash in banks	*7*	**2,293,720**	1,043,450
Prepayments and other assets	*8*	**18,546**	22,312
Noncurrent asset			
Property and equipment - net	*9*	**576,567**	658,208
Total assets		**2,888,833**	1,723,970
LIABILITIES AND ACCUMULATED FUND			
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	*10*	**395,017**	607,164
Capital grants	*11*	**411,397**	461,710
Total liabilities		**806,414**	1,068,874
Accumulated fund		**2,082,419**	655,096
Total liabilities and accumulated fund		**2,888,833**	1,723,970

These financial statements were approved on behalf of the Board Members and management committee on 23rd of August 2022 by the following:

Atiba Harris
President

Techell McLean
General Secretary

The notes on pages 9 to 31 are integral part of these financial statements.

ST. KITTS AND NEVIS FOOTBALL ASSOCIATION INC.
Statement of Comprehensive Income
For the Year Ended December 31, 2021

[Expressed in Eastern Caribbean Dollars (EC$)]

	Note	**2021**	2020
REVENUE			
Grants			
FIFA		**6,260,530**	5,045,086
CONCACAF		**1,672,519**	248,767
CFU		**807,003**	-
Olympic		**27,000**	27,000
Total grants		**8,767,052**	5,320,853
Gate receipts		**34,718**	304,634
Sponsorships and contributions		**46,434**	114,911
Subscriptions and team registration		**11,200**	18,200
Others		**19,289**	16,520
		8,878,693	5,775,118
OPERATING EXPENSES	*12*		
Local competitions		**(4,239,960)**	(1,868,656)
Administrative		**(1,395,334)**	(1,641,943)
Football development		**(1,862,023)**	(1,358,460)
Advertising and promotions		**(52,327)**	(65,961)
		(7,549,644)	(4,935,020)
NET SURPLUS FOR THE YEAR		**1,329,049**	**840,098**
Other comprehensive income		**-**	
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**1,329,049**	**840,098**

The accompanying notes on pages 9 to 31 are integral part of these financial statements.

ST. KITTS AND NEVIS FOOTBALL ASSOCIATION INC.
Statement of Changes in Accumulated Fund
For the Year Ended December 31, 2021

[Expressed in Eastern Caribbean Dollars (EC$)]

	Note	**2021**	2020
ACCUMULATED FUND (DEFICIT)			
Balance at beginning of the year		**655,096**	(206,938)
Prior period adjustment	*10*	**98,274**	21,936
Balance at beginning of the year, adjusted		**753,370**	(185,002)
Net surplus for the year		**1,329,049**	840,098
Balance at end of the year		**2,082,419**	655,096

The accompanying notes on pages 9 to 31 are integral part of these financial statements.

ST. KITTS AND NEVIS FOOTBALL ASSOCIATION INC.
Statement of Cash Flows
For the Year Ended December 31, 2021

[Expressed in Eastern Caribbean Dollars (EC$)]

	Notes	**2021**	2020
Cash flows from operating activities			
Net surplus for the year		**1,329,049**	840,098
Adjustment for:			
Depreciation	*9*	**115,997**	144,936
Amortization of capital grant	*11*	**(50,313)**	(50,313)
Adjusted net surplus before working capital changes		**1,394,733**	934,721
(Increase)/decrease in prepayments and other assets		**3,766**	(22,312)
Increase /(decrease) in accounts payable and accrued liabilities		**(113,873)**	221,324
Net cash provided by operating activities		**1,284,626**	1,133,733
Cash flow used in investing activity			
Acquisition of property and equipment	*9*	**(34,356)**	(242,407)
Net increase in cash and bank overdraft during the year		**1,250,270**	891,326
Cash and bank overdraft at beginning of year		**1,043,450**	152,124
Cash and bank overdraft at end of the year		**2,293,720**	1,043,450

		2021	2020
Cash, net of bank overdraft	*7*	**2,293,720**	1,043,450

The accompanying notes on pages 9 to 31 are integral part of these financial statements.

1. Reporting entity

St. Kitts and Nevis Football Association Inc. (the "Association") was incorporated in 1999 pursuant to the St. Kitts and Nevis Football Association (Incorporated) Act Chapter 23.27. The aims and objectives of the Association are as follows:

a) To regulate and control the conduct of football in St. Kitts and Nevis under Fédération Internationale de Football Association ("FIFA"; English: International Federation of Association Football) and to provide playing fields and conveniences in connection therewith;
b) To promote local and inter-territorial matches and to provide prizes or awards to participants thereof; and
c) To foster and promote the playing football under the said system and to become members of or affiliated to Association's having similar objectives.

The registered office of the Association is located at Basseterre, St. Kitts, West Indies.

2. Basis of preparation

The principal accounting policies applied in the preparation of the Association's financial statements are set out below. These policies have been consistently applied in the current year, unless otherwise stated.

a) Statement of compliance
The financial statements of the Association have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

b) Basis of measurement
The financial statements are prepared under the historical cost basis.

c) Functional and presentation currency
The financial statements are presented in Eastern Caribbean Dollars (EC$) which is the Association's functional and presentation currency. Except as indicated, financial information presented in EC$ has been rounded to the nearest dollar.

d) Use of estimates and judgments
The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

2. Basis of preparation (continued)

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is described in Note 6 to the financial statements.

e) Changes in accounting policies

New standards, interpretations, and amendments effective from 1 January 2021

The accounting policies adopted are consistent with those of the previous financial year except that the Company has adopted the following new and amended IFRS (International Financial Reporting Standards) interpretations as of January 1, 2021:

COVID-19-Related Rent Concessions (Amendments to IFRS 16)

Effective 1 June 2020, IFRS 16 was amended to provide a practical expedient for lessees accounting for rent concessions that arise as a direct consequence of the COVID-19 pandemic and satisfy the following criteria:

(a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
(b) The reduction in lease payments affect only payments originally due on or before 30 June 2021; and
(c) There is no substantive change to other terms and conditions of the lease.

Rent concessions that satisfy these criteria may be accounted for in accordance with the practical expedient, which means the lessee does not assess whether the rent concession meets the definition of a lease modification. Lessees apply other requirements in IFRS 16 in accounting for the concession.

Amendment to IFRS 16 is not relevant to the Company.

New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the group has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2022:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and
- References to Conceptual Framework (Amendments to IFRS 3).

3. Significant accounting policies

The accounting policies set out below have been applied consistently by the Association in the periods presented in the financial statements.

a) Financial assets and financial liabilities

Date of recognition
The Association recognizes a financial asset or a financial liability in the statements of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using settlement date accounting.

Initial recognition and measurement
Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability). The initial measurement of financial instruments, except for those designated at fair value through profit and loss (FVPL), includes transaction cost.

“Day 1” difference
Where the transaction in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Association recognizes the difference between the transaction price and fair value (a “Day 1” difference) in profit or loss. In cases where there is no observable data on inception, the Association deems the transaction price as the best estimate of fair value and recognizes “Day 1” difference in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Association determines the appropriate method of recognizing the “Day 1” difference.

Classification
The Association classifies its financial assets at initial recognition under the following categories: (a) financial assets at FVPL, (b) financial assets at amortized cost and (c) financial assets at fair value through other comprehensive income (FVOCI). Financial liabilities, on the other hand, are classified as either financial liabilities at FVPL or financial liabilities at amortized cost. The classification of a financial instrument largely depends on the Company’s business model and its contractual cash flow characteristics.

Financial assets and liabilities at FVPL
Financial assets and liabilities at FVPL are either classified as held for trading or designated at FVPL. A financial instrument is classified as held for trading if it meets either of the following conditions:

- it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;

3. Significant accounting policies (continued)

a) Financial assets and financial liabilities *(continued)*

Financial assets and liabilities at FVPL *(continued)*

- on initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

This category includes equity instruments which the Association had not irrevocably elected to classify at FVOCI at initial recognition. This category includes debt instruments whose cash flows are not "solely for payment of principal and interest" assessed at initial recognition of the assets, or which are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

The Association may, at initial recognition, designate a financial asset or financial liability meeting the criteria to be classified at amortized cost or at FVOCI, as a financial asset or financial liability at FVPL, if doing so eliminates or significantly reduces accounting mismatch that would arise from measuring these assets or liabilities.

After initial recognition, financial assets at FVPL and held for trading financial liabilities are subsequently measured at fair value. Unrealized gains or losses arising from the fair valuation of financial assets at FVPL and held for trading financial liabilities are recognized in profit or loss.

For financial liabilities designated at FVPL under the fair value option, the amount of change in fair value that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income (rather than in profit or loss), unless this creates an accounting mismatch. Amounts presented in other comprehensive income are not subsequently transferred to profit or loss.

As of December 31, 2021, the Association does not have financial assets and liabilities at FVPL.

Financial assets at amortized cost
Financial assets shall be measured at amortized cost if both of the following conditions are met:
- 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.

After initial recognition, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less allowance for impairment, if any. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. Gains and losses are

3. Significant accounting policies (continued)

a) Financial assets and financial liabilities *(continued)*

recognized in profit or loss when the financial assets are derecognized and through amortization process.

Financial assets at FVOCI

As of December 31, 2021, the Association's cash in banks are included under this category (see Note 7).

For debt instruments that meet the contractual cash flow characteristic and are not designated at FVPL under the fair value option, the financial assets shall be measured at FVOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling the financial assets; 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.

For equity instruments, the Association may irrevocably designate the financial asset to be measured at FVOCI in case the above conditions are not met.

Financial assets at FVOCI are initially measured at fair value plus transaction costs. After initial recognition, interest income (calculated using the effective interest rate method), foreign currency gains or losses and impairment losses of debt instruments measured at FVOCI are recognized directly in profit or loss. When the financial asset is derecognized, the cumulative gains or losses previously recognized in OCI are reclassified from equity to profit or loss as a reclassification adjustment.

Dividends from equity instruments held at FVOCI are recognized in profit or loss when the right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Foreign currency gains or losses and unrealized gains or losses from equity instruments are recognized in OCI and presented in the equity section of the statements of financial position. These fair value changes are recognized in equity and are not reclassified to profit or loss in subsequent periods.

As of December 31, 2021, the Association does not have financial assets at FVOCI.

Financial liabilities at amortized cost
Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Association having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

These financial liabilities are initially recognized at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part

3. Significant accounting policies (continued)

a) Financial assets and financial liabilities *(continued)*

of the effective interest rate. Gains and losses are recognized in profit or loss when the liabilities are derecognized or through the amortization process.

As of December 31, 2021, the Associations liabilities arising from its accounts payable and accrued liabilities is included under this category (see Note 10).

Reclassification
The Association reclassifies its financial assets when, and only when, it changes its business model for managing those financial assets. The reclassification is applied prospectively from the first day of the first reporting period following the change in the business model (reclassification date).

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVPL, any gain or loss arising from the difference between the previous amortized cost of the financial asset and fair value is recognized in profit or loss.

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVOCI, any gain or loss arising from a difference between the previous amortized cost of the financial asset and fair value is recognized in OCI. For a financial asset reclassified out of the financial assets at FVPL category to financial assets at amortized cost, its fair value at the reclassification date becomes its new gross carrying amount.

For a financial asset reclassified out of the financial assets at FVOCI category to financial assets at amortized cost, any gain or loss previously recognized in OCI, and any difference between the new amortized cost and maturity amount, are amortized to profit or loss over the remaining life of the investment using the effective interest method. If the financial asset is subsequently impaired, any gain or loss that has been recognized in OCI is reclassified from equity to profit or loss.

In the case of a financial asset that does not have a fixed maturity, the gain or loss shall be recognized in profit or loss when the financial asset is sold or disposed. If the financial asset is subsequently impaired, any previous gain or loss that has been recognized in OCI is reclassified from equity to profit or loss.

For a financial asset reclassified out of the financial assets at FVPL category to financial assets at FVOCI, its fair value at the reclassification date becomes its new gross carrying amount. Meanwhile, for a financial asset reclassified out of the financial assets at FVOCI category to financial assets at FVPL, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment at the reclassification date.

Impairment of financial assets at amortized cost and FVOCI
The Association records an allowance for “expected credit loss” (ECL). ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Association expects to receive. The difference is then discounted at an approximation to the asset’s original effective interest rate.

3. Significant accounting policies (continued)

a) Financial assets and financial liabilities *(continued)*

Impairment of financial assets at amortized cost and FVOCI *(continued)*
For debt instruments measured at amortized cost and FVOCI, the ECL is based on the 12-month ECL, which pertains to the portion of lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since initial recognition, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Association compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

Derecognition of financial assets and liabilities

Financial assets
A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the right to receive cash flows from the asset has expired;
- the Association retains the right to receive cash flows from the financial asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Association has transferred its right to receive cash flows from the financial asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Association has transferred its right to receive cash flows from a financial asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset nor transferred control of the financial asset, the financial asset is recognized to the extent of the Association continuing involvement in the financial asset. Continuing involvement that takes the form of a guarantee over the transferred financial asset is measured at the lower of the original carrying amount of the financial asset and the maximum amount of consideration that the Association could be required to repay.

Financial liabilities
Financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive income.

3. Significant accounting policies (continued)

a) Financial assets and financial liabilities *(continued)*

Derecognition of financial assets and liabilities *(continued)*

Financial liabilities *(continued)*
A modification is considered substantial if the present value of the cash flows under the new terms, including net fees paid or received and discounted using the original effective interest rate, is different by at least 10% from the discounted present value of remaining cash flows of the original liability.

The fair value of the modified financial liability is determined based on its expected cash flows, discounted using the interest rate at which the Association could raise debt with similar terms and conditions in the market. The difference between the carrying value of the original liability and fair value of the new liability is recognized in the statements of comprehensive income.

On the other hand, if the difference does not meet the 10% threshold, the original debt is not extinguished but merely modified. In such case, the carrying amount is adjusted by the costs or fees paid or received in the restructuring.

Offsetting of financial assets and liabilities
Financial assets and financial liabilities are offset, and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statements of financial position.

Classification of financial instrument between liability and equity
A financial instrument is classified as liability if it provides for a contractual obligation to:
- Deliver cash or another financial asset to another entity;
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or
- Satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Association does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

3. Significant accounting policies (continued)

b) Foreign currency

Transactions in foreign currencies are translated to the Association's functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognized in the statement of profit or loss.

c) Cash in banks

Cash in banks comprise current and savings account which are subject to an insignificant risk of changes in value net of any bank overdraft.

d) Property and equipment, net

i. Recognition and measurement
Items of property and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

The initial cost of property and equipment consists of its purchase price, import duties, taxes and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

ii. Subsequent costs
The cost of replacing part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Association any and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of comprehensive income as incurred.

All cost that are directly and clearly association with the construction of certain property and equipment, including borrowing costs, are capitalized, if any.

3. Significant accounting policies (continued)

d) Property and equipment, net *(continued)*

iii. Depreciation and amortization

Depreciation is recognized in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Depreciation commences once the asset is available for use in the operation. Land is not depreciated.

The estimated useful lives and depreciation rate of the property and equipment are as follows:

Asset class	Estimated useful life	Rate
Building	20 years	5%
Furniture and fixtures	10 years	10%
Motor vehicles	5 years	20%
Recording equipment	5 years	20%
Computer equipment	5 years	20%
Office equipment	5 years	20%
Other equipment	5 years	20%

The assets' useful lives and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment. For assets which have residual values, they are reviewed and adjusted if appropriate, at end of each reporting period.

Fully depreciated assets are retained in the accounts unless derecognized and removed from the books if no future benefit that can be obtained upon ultimate disposal.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation and any impairment loss are removed from the accounts. Gains or losses arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and carrying amount of the asset and is recognized in the Association’s statement of comprehensive income.

An asset’s carrying amount is written down to its recoverable amount if the carrying amount is greater than its estimated recoverable amount. The recoverable amount of the Association’s asset is higher between their fair value less cost of disposal and value in use.

e) Leases

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Association’s incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability

3. Significant accounting policies (continued)

e) Leases *(continued)*

assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:
- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Association if it is reasonable certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets is initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Association revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

f) Impairment of non-financial assets

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

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Is 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.

3. Significant accounting policies (continued)

f) Impairment of non-financial assets *(continued)*

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in the profit or loss.

In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

g) Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable and accrued liabilities are classified as current liability if payments are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Accounts payable and accrued liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

h) Related party transactions

Parties are considered related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. The key management personnel of the Association are also considered to be related parties.

Transactions between related parties are based on terms similar to those offered to non-related parties. In considering each possible related relationship, attention is directed to the substance of the relationship and not merely its legal form.

i) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the Association's activities. Revenue is shown net of refunds and discounts. To determine whether to recognise revenue, the Association follows a 5-step process:

1. Identifying the contract with a customer;
2. Identifying the performance obligations;
3. Determining the transaction price;
4. Allocating the transaction price to the performance obligations; and
5. Recognising revenue when/as performance obligation(s) are satisfied.

3. Significant accounting policies (continued)

i) Revenue recognition *(continued)*

For Step 1 to be achieved, the following five criteria must be present:

- the parties to the contract have approved the contract either in writing, orally or in accordance with other customary business practices;
- each party's rights regarding the goods or services to be transferred or performed can be identified;
- the payment terms for the goods or services to be transferred or performed can be identified;
- the contract has commercial substance (i.e., the risk, timing or amount of the future cash flows is expected to change as a result of the contract); and
- collection of the consideration in exchange of the goods and services is probable.

The Association recognises contract liabilities (deferred revenue), if any, for consideration received in respect of unsatisfied performance obligations and reports these amounts as contract liabilities in the statement of financial position. Similarly, if the Association satisfies a performance obligation before it receives the consideration, the Association recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Also, the Association applies the revenue recognition criteria set out below.

Grants and deferred income
Grants received in respect of capital expenditure are credited to a deferred grant account and are released to the statement of comprehensive income over the expected lives of the relevant assets by matching the relevant depreciation expense. Where a grant relates to an asset which is not depreciated, the grant remains in deferred grants until the end of the asset's life or when the asset is sold.

Revenue grants are credited to income when the grants are received.

Gate receipts, sponsorships and contributions, subscriptions and team registrations and broadcast rights
Revenue earned from gate receipts, sponsorships and contributions, subscriptions and team registrations and broadcast rights are recognised on the accrual basis.

Interest income
Interest income on deposits with banks is recognized when earned and presented.

Other income
Other income and other miscellaneous income, etc. which are not directly attributable to the ordinary conduct of Association operations are recognized as income in the period earned.

3. Significant accounting policies (continued)

j) Expense recognition

Expenses are recognized when decreased in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. Expenses are recognized when they are incurred.

k) Employee benefits

Short-term benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. Unpaid benefits at the end of the accounting period are recognized as accrued expense while benefits paid in advance, if any are recognized as prepayment to the extent that it will lead to a reduction in future payments. Short-term benefits given by the Association to its employees include salaries and wages, short-term compensated absences, bonuses and holiday pays, if any.

l) Taxation

Under the existing laws of St. Kitts and Nevis, the Association is not subject to assessment or liable to income tax in the Federation of St. Kitts and Nevis.

m) Provisions

A provision is recognized if, as a result of a past event, the Association has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

When it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability unless the probability of outflow of economic benefits is remote.

n) Subsequent events

Post year-end events that provide additional information about the Association's position at reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are non-adjusting events are disclosed in the notes when material.

4. Determination of fair values

IFRS 7 requires certain disclosures which require the classification of financial assets and financial liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurement. The fair value hierarchy has the following levels:

Level 1: Quoted market price (unadjusted) in an active market for an identical measurement.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

4. Determination of fair values (continued)

The level in the fair value hierarchy within which the financial asset or financial liability is categorized is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the three levels.

The summary of carrying amounts and fair values of the Association's financial assets and liabilities is as follow:

	2021		2020	
	Carrying value	**Carrying value**	Fair value	Fair value
Financial asset				
Cash	**2,293,720**	**2,293,720**	1,043,450	1,043,450
Financial liabilities				
Accounts payable and accrued liabilities	**395,017**	**395,017**	607,164	607,164

Due to the short-term nature of the transactions, the fair value of cash in banks, bank overdraft, accounts payable and accrued liabilities approximate their carrying amounts as at reporting date.

5. Financial risk management

The Association's activities expose it to a variety of financial risks: market risk (including foreign currency risk, fair value interest rate risk and cash flow interest rate risk and price risk), credit risk and liquidity risk. The Association has not entered into forward contracts to reduce risk exposures. The Association's overall risk management programme seeks to minimize potential adverse effects on the Association's financial performance. Risk management is carried out by management under policies approved by the Management Committee. The Management Committee identifies and evaluates financial risks in close cooperation with the Association's management.

The most significant financial risks to which the Association is exposed to are described below.

i. Market risk

Foreign currency risk
Substantially all of the Association's transactions and assets and liabilities are denominated in either Eastern Caribbean dollars or United States dollars. Currency risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Association's exposure to foreign currency risk is limited as its transactions are mainly denominated in United States or Eastern Caribbean dollars. The exchange rate of the Eastern Caribbean dollar (EC$) to the United States dollar (US$) has been formally pegged at EC$2.70 = US$1.00 since July 1976. Management does not believe significant foreign currency risk exists as of December 31, 2021 and 2020.

5. Financial risk management (continued)

Interest rate risk
Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The interest-bearing financial assets include cash in banks disclosed in Note 7. The Association is exposed to risk associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Management does not believe significant interest rate risk exists of December 31, 2021 and 2020.

Price risk
Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Association is not exposed to equity securities price risk or exposed to commodity price risk.

ii. Credit risk

Credit risk arises from the possibility that counterparties may default on their obligations to the Association. The Association's credit risk arises from cash in banks. Cash in banks are only placed with well-known reputable banks which represent minimum risk of default. The credit qualities of these financial assets are considered to be of high grade. While cash in banks are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

iii. Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash balances and the availability of funding from an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying operations management maintains flexibility in funding by monitoring availability under committed credit lines. All of the Association's financial liabilities are contractually due within 12 months after the end of the reporting period.

iv. Capital risk management

The Association maintains a level of capital that is sufficient to meet several objectives, including an acceptable total debt-to-equity ratio to provide access to adequate funding sources to support current operations and fulfilment of its strategic plan. The Association's capital is represented by its accumulated fund. As of December 31, 2021 and 2020, the Association's accumulated fund amounted to $2,082,419 and $655,096, respectively.

The Association manages its capital structure and makes adjustments in light of changes in activities, economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Association may sell assets to reduce debt and seek additional grant funding.

6. Critical accounting estimates and judgments

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Judgements, estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

At year end, in the opinion of management, there were no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

7. Cash in banks

	2021	2020
St. Kitts-Nevis-Anguilla Bank Limited (SKNAB)		
Current account – US$	**1,357,252**	762,987
Current account - EC$	**10,273**	76,356
Savings account – EC$	**500**	388
Savings account – EC$, U-20 Mexico	**102**	102
	1,368,127	839,833
The Royal Bank of Canada		
Current account – US$	**103,811**	186,964
Current account - EC$	**807,574**	16,653
	911,385	203,617
Debit Card	**14,016**	-
Petty Cash Fund	**192**	-
	2,293,720	1,043,450

Savings account held with SKNAB earns interest at 2% per annum. Total interest income earned included in “Others” in the statement of comprehensive income amounted to $10 in 2021 and 2020 respectively.

8. Prepayments and other assets

	2021	2020
Advances to staffs	**12,565**	12,565
Prepaid Insurance	**5,981**	9,748
	18,546	22,312

9. Property and equipment - net

	Land	Building	Furniture and fixtures	Motor vehicles	Recording equipment	Computer equipment	Office equipment	Other equipment	Total
Cost									
At December 31, 2019	45,969	1,033,260	45,719	422,647	41,212	33,839	75,248	15,799	1,713,693
Additions	**-**	**-**	**-**	**236,500**	**-**	**-**	**5,907**	**-**	**242,407**
Disposal	-	-	-	-	-	-	-	-	-
At December 31, 2020	**45,969**	**1,033,260**	**45,719**	**659,147**	**41,212**	**33,839**	**81,155**	**15,799**	**1,956,100**
Additions	**-**	**-**	**-**	**17,550**	**7,837**	**2,700**	**-**	**6,269**	**34,356**
Disposal	-	-	-	-	-	-	-	-	-
At December 31, 2021	**45,969**	**1,033,260**	**45,719**	**676,697**	**49,049**	**36,539**	**81,155**	**22,068**	**1,990,456**
Accumulated depreciation									
At December 31, 2019	-	589,822	38,129	390,926	39,128	32,736	54,011	8,204	1,152,956
Additions	-	51,663	1,415	79,021	2,084	1,103	7,923	1,727	144,936
Disposal	-	-	-	-	-	-	-	-	-
At December 31, 2020	**-**	**641,485**	**39,544**	**469,947**	**41,212**	**33,839**	**61,934**	**9,931**	**1,297,892**
Additions (Note 12)	**-**	**51,663**	**1,415**	**50,810**	**1,567**	**540**	**7,024**	**2,978**	**115,997**
Disposal	-	-	-	-	-	-	-	-	-
At December 31, 2021	**-**	**693,148**	**40,959**	**520,757**	**42,779**	**34,379**	**68,958**	**12,909**	**1,413,889**
Net book value									
At December 31, 2020	45,969	391,775	6,175	189,200	-	-	19,221	5,868	658,208
At December 31, 2021	**45,969**	**340,112**	**4,760**	**155,940**	**6,270**	**2,160**	**12,197**	**9,159**	**576,567**

Management believes that there is no indication of impairment on the remaining assets as of December 31, 2021 and 2020. The costs of fully depreciated assets still used in operations amounted to $582,636 in 2021 and 2020 respectively.

9. Property and equipment - net (continued)

There were no items of property and equipment that had restricted title or were pledged as security for liabilities as at December 31, 2021 and 2020.

There were no outstanding contractual commitments with respect to the Association's property and equipment as at December 31, 2021 and 2020.

10. Accounts payable and accrued liabilities

	Note	**2021**	2020
Accounts payable		**165,720**	470,386
Accrued liabilities		**229,297**	136,778
		395,017	607,164

Accounts payables pertain to purchases of goods and services on account and are payable on demand. The details of the accounts payable are as follow:

	2021	2020
Comptroller Of Customs	**95,426**	158,152
Bird Rock Beach Hotel	**24,517**	71,259
Travel Word	**12,545**	-
Sasha Boland	**12,050**	-
Accountant General	**5,000**	5,040
Island Purified Water	**1,984**	5,761
Director Of Social Security	**-**	171,491
Elite Laundro Enterprise	**-**	24,770
Others	**14,198**	33,913
	165,720	470,386

Accrued liabilities pertain to accruals for professional fees and other payables incurred during the year but invoices are not yet received by the Association.

In 2021, the Association made some prior period adjustments to correct certain errors which had a net effect of $98,274 to the beginning balance of its accumulated funds. The adjustments are not significant; thus, the comparative statement was not restated. Details of these adjustments follow:

	Effect on Accumulated Funds
Waived social security fines and penalties	67,085
Check and bills subsequently voided	31,189
	98,274

11. Capital grants

11.1 The Association received capital grants from FIFA to purchase land and construct the Association's building located at Basseterre. St. Kitts. Upon completion of the construction of the building, the related asset cost was transferred to property and equipment which forms part of the "Building" account (see Note 9). The related depreciation charges for the year for this asset are shown as depreciation expense in the statement of comprehensive income while the related deferred grants are released to the statement of comprehensive income as grant income. Total depreciation charges for the year amounted to $50,313 (2020: $50,313).

The movement of the deferred grants as of December 31 is as follows:

	2021	2020
Land	**45,969**	45,969
Building		
Cost	**1,006,260**	1,006,260
Accumulated depreciation	**(640,832)**	(590,519)
	365,428	415,741
	411,397	461,710

12. Expenses

The details of the expenses by nature are as follow:

	Note	**2021**	2020
Transportation and travel		**1,835,692**	125,838
Salaries, wages, social security and levy	*12.2*	**1,260,763**	1,308,148
League expenses		**587,478**	821,274
Accommodation		**540,424**	115,502
National team		**483,393**	448,167
Medical		**307,976**	32,493
Seminars/workshops		**288,269**	21,280
Cleaning and ground maintenance		**193,978**	400,913
Customs duties		**176,669**	2,538
Rental		**175,460**	77,221
Facilitators fees		**173,229**	67,686
Supplies		**159,618**	203,422
Professional fees		**140,873**	43,784
Referes and allowances		**136,547**	204,974
League prizes		**135,699**	54,417
Insurance		**121,331**	42,380
Depreciation	*9*	**115,997**	144,936
Entertainment		**89,083**	99,429
Security		**82,991**	159,135
Advertising and promotion		**80,761**	123,509
Utilities		**76,846**	12,228

12. Expenses (continued)

	Note	**2021**	2020
Passport/citizenship fees		**58,719**	-
Telephone and faxes		**53,593**	53,036
Photographic services		**46,604**	32,164
Bank charges		**34,799**	23,354
Repairs and maintenance		**34,038**	10,469
Freight charges		**19,706**	30,011
Office uniforms		**18,802**	1,296
Printing and stationery		**12,551**	7,783
Donations		**10,807**	51,296
Brokerage fees		**9,513**	4,520
Subscriptions		**5,555**	3,023
Postage		**2,068**	577
Taxes and licenses		**1,731**	9,251
Special events		**-**	9,078
Allowances		**-**	169,261
Others		**78,081**	20,627
		7,549,644	**4,935,020**

12.1 The expenses of the Association are classified into four (4) major functions as presented in the statement of comprehensive income as follows:

	2021	2020
Football development	**4,239,960**	1,358,460
Administrative	**1,862,023**	1,641,943
Local competitions	**1,395,334**	1,868,656
Advertising and promotions	**52,327**	65,961
	7,549,644	4,935,020

12.2 The details of the salaries, wages, and related expenses are as follows:

	2021	2020
Salaries and wages	**1,206,793**	1,051,656
Government levy	**23,152**	22,080
Social security	**30,818**	234,412
	1,260,763	1,308,148

The total key management compensation and related benefits included in the above account amounted to $63,425 (2020: $52,650).

13. Related party transactions and balances

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

The Association related party transactions are summarized below:

	2021	2020
Statement of comprehensive income		
Key management personnel	**45,750**	52,650

Key management personnel compensation refers to short-term employee benefits, which is part of "Salaries, wages, social security and levy account", consisting of salaries, wages, allowance, bonuses and other short-term benefits.

13. Significant event during the financial year and subsequent to the end of the reporting period

On-going effects of COVID-19

As at report date, the coronavirus (COVID-19) outbreak which became an official pandemic on March 11, 2020 has prompted global health and economic concerns. Coronavirus affected entities in nearly every sector, due to the following impacts:

- Reduced consumer demand for goods and services due to lost income and/or restrictions on consumers' ability to move freely;
- Lack of investment in capital improvements and construction reducing demand for many goods and services;
- Reduction in market prices for commodities and financial assets, including equity and debt instruments; and
- Disruption of global supplies chains due to restrictions placed on the movement of people and goods.

The above resulted in various closures of businesses, travel bans and border closures in different countries. Social distancing was strictly implemented, and mass gatherings were prohibited to limit the spread of the virus. This severely restricted the extent to which the crowd and fans can attend and participate in sporting events and some leagues were halted/cancelled. This resulted to significant financial consequences including the Association. Various health measures need to be observed by the Association which require additional costs such as medical supplies, hygiene kits and quarantine costs of players.

There is no definite period when this pandemic end and the Association cannot ascertain as of the moment the total impact of this in its financial statements as of December 31, 2021.

The Association will continue to assess, monitor and will remain cognizant on the ongoing effect of the COVID-19 pandemic to the country, globally and specifically to the Association's revenue and financial statements as at and for the year ended December 31, 2021.

14. Other matters

a. In September 2020, St. Kitts and Nevis Social Security Board (SKNSSB) conducted an examination of the Association's compliance to remittances of social security contributions and levy. Based on the result of its examination, the Association is liable of $205,789, inclusive of $98,850 fines and penalties, for understated remittances covering month of February in 2018 up until December in 2019. The Association paid $34,298 of the outstanding amount and made an appeal for the waiver of fines and penalties. In September 2021, SKNSSB has formally responded to the Association's appeal of wavering 75% on all fines and penalties. With this, the fine and penalties totalled to $28,847.75.

b. During the Senior Men's match in the Concacaf Nations League in 2019, Mr. Devaughn Elliot, one of the players has sustained injury and file a case against the Association. He is claiming loss of earnings because of injury. The Association made an offer to settle the amount of his medical expenses for his surgery in the amount of $47,267 which also included airfare and accommodation and his legal cost, however, through his lawyer, he has not accepted the offer and will proceed to court trial. As of December 31, 2021, there is not yet a definite conclusion on the said matter and the amount of liability cannot be reliably estimated as of the moment.