

**ART OUTREACH SINGAPORE  
LIMITED**

[UEN. 200304127K]

[IPC No. IPC000073]

[A company limited by guarantee and not having  
share capital]

[Incorporated in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
31 MARCH 2021**

---

**CONTENTS**

Directors' Statement	2
Independent Auditor's Report	3
Statement of Financial Activities	6
Statement of Financial Position	10
Statement of Changes in Funds	11
Statement of Cash Flows	12
Notes to the Financial Statements	13

---

**Fiducia LLP**

(UEN. T10LL0955L)

Public Accountants and

Chartered Accountants of Singapore

71 Ubi Crescent  
Excalibur Centre, #08-01  
Singapore 408571  
T: (65) 6846.8376  
F: (65) 6491.5218

---

## **DIRECTORS' STATEMENT**

The directors present their statement to the members together with the audited financial statements of Art Outreach Singapore Limited (the "Company") for the financial year ended 31 March 2021.

In the opinion of the directors,

- a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2021 and the financial performance, changes in funds and cash flows of the Company for the financial year then ended; and
- b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

### **Directors**

The directors of the Company in office at the date of this statement are as follows:

Yo Mae-Yin Mabelin Mrs Mabelin Yo Anderson  
Phng Hwee Hieh Audrey  
Kaori Kathleen Zage  
Asa Tucker

### **Arrangements to enable directors to acquire benefits**

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### **Other matters**

As the Company is limited by guarantee, matters relating to interest in shares, debentures or share options are not applicable.

### **Independent auditor**

The independent auditor, Messrs. Fiducia LLP, Public Accountants and Chartered Accountants of Singapore, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,

DocuSigned by:

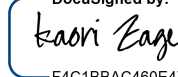


C45F63CA908E4B9...

---

Yo Mae-Yin Mabelin Mrs Mabelin Yo Anderson  
Director

DocuSigned by:



F4C1BBAC460E47E...

---

Kaori Kathleen Zage  
Director

Singapore, 29 November 2021

---

## Fiducia LLP

Public Accountants and  
Chartered Accountants of  
Singapore

71 Ubi Crescent  
Excalibur Centre, #08-01  
Singapore 408571  
T: (65) 6846.8376  
F: (65) 6491.5218

Independent auditor's report to the members of:

### **ART OUTREACH SINGAPORE LIMITED**

[UEN. 200304127K]  
[IPC No. IPC000073]  
[A company limited by guarantee and not having share capital]  
[Incorporated in the Republic of Singapore]

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

### **Opinion**

We have audited the financial statements of Art Outreach Singapore Limited (the "Company"), which comprise the statement of financial position as at 31 March 2021, and the statement of financial activities, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Companies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2021 and of the financial performance, changes in the funds and cash flows of the Company 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 the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the Statement by the Management Committee (set out on page 2), but does not include the financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report, and the annual report, which we expected to be made available to us after that date.

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

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.

---

## Fiducia LLP

Public Accountants and  
Chartered Accountants of  
Singapore

71 Ubi Crescent  
Excalibur Centre, #08-01  
Singapore 408571  
T: (65) 6846.8376  
F: (65) 6491.5218

(CONT'D)

Independent auditor's report to the members of:

### **ART OUTREACH SINGAPORE LIMITED**

[UEN. 200304127K]

[IPC No. IPC000073]

[A company limited by guarantee and not having share capital]

[Incorporated in the Republic of Singapore]

## **Responsibilities of Management and Those Charged with Governance 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 Companies Act, the Charities Act and Regulations and FRSS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance comprises the directors. Their responsibilities include overseeing the Company'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 the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

## Fiducia LLP

Public Accountants and  
Chartered Accountants of  
Singapore

71 Ubi Crescent  
Excalibur Centre, #08-01  
Singapore 408571  
T: (65) 6846.8376  
F: (65) 6491.5218

(CONT'D)

Independent auditor's report to the members of:

### **ART OUTREACH SINGAPORE LIMITED**

[UEN. 200304127K]  
[IPC No. IPC000073]  
[A company limited by guarantee and not having share capital]  
[Incorporated in the Republic of Singapore]

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

- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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**

In our opinion, the accounting and other records required to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, and the Charities Act and Regulations.

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

- a) the Company has not used the donation moneys in accordance with the objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- b) the Company has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

DocuSigned by:

  
A863FCC12BAB474...

### **Fiducia LLP**

Public Accountants and  
Chartered Accountants

Singapore, 29 November 2021

Partner-in-charge: Gan Chek Huat  
PAB No.: 01939

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

		Unrestricted fund	Restricted fund	Total unrestricted and restricted funds
		General fund S\$	Cultural Matching Fund S\$	S\$
<b>2021</b>	Note			
<b>INCOME</b>				
<b>Income from generated funds</b>				
<u>Voluntary income</u>				
Donations		4,586	0	4,586
<u>Activities for generating funds</u>				
Gala Dinner and Auction proceeds	6	7,000	0	7,000
<i>Grants:</i>				
- Cultural Matching Grant		0	152,182	152,182
- National Arts Council - Major Grant		99,000	0	99,000
- National Arts Council – Digital Presentation Grant for the Arts		16,000	0	16,000
- National Arts Council – Arts and Culture Resilience Package Operating Grant		50,000	0	50,000
- National Arts Council – Singapore Arts Week		48,000	0	48,000
- Singapore Tourism Board – Art Encounters		74,212	0	74,212
- Singapore Tourism Board – Leisure Events Fund		89,896	0	89,896
- Singapore Business Federation – SG United Traineeship Program Grant		6,857	0	6,857
		<u>383,965</u>	<u>152,182</u>	<u>536,147</u>
		<u>395,551</u>	<u>152,182</u>	<u>547,733</u>
<b>Income from charitable activities</b>				
Service income				
- Public Art Assembly		4,000	0	4,000
Hearth Art Space		600	0	600
Merchandise sales		<u>3,122</u>	<u>0</u>	<u>3,122</u>
		<u>7,722</u>	<u>0</u>	<u>7,722</u>
<b>Other income</b>				
Jobs Support Scheme		101,233	0	101,233
Wages Credit Scheme		9,169	0	9,169
Miscellaneous income		<u>18,830</u>	<u>0</u>	<u>18,830</u>
		<u>129,232</u>	<u>0</u>	<u>129,232</u>
<b>TOTAL INCOME</b>		<u>532,505</u>	<u>152,182</u>	<u>684,687</u>

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)**

		Unrestricted fund	Restricted fund	Total unrestricted and restricted funds
		General fund S\$	Cultural Matching Fund S\$	S\$
<b>2021 (CONT'D)</b>	Note			
<b>EXPENDITURE</b>				
<b>Cost of charitable activities</b>				
Service projects				
- Art Encounters		99,251	0	99,251
- Community programme		77	0	77
- Public Art Assembly		657	0	657
- Hearth Art Space		1,087	0	1,087
- IMPART programme		125,594	0	125,594
Staff costs	7	81,386	159,588	240,974
		<u>308,052</u>	<u>159,588</u>	<u>467,640</u>
<b>Governance and administrative costs</b>				
Accounting fees		9,370	0	9,370
Audit fees		3,180	5,487	8,667
Amortisation of right-of-use assets	11	32,477	0	32,477
Bank fees		3,341	7	3,348
Depreciation	11	46,055	0	46,055
Fines and penalties		4	0	4
Insurance		637	0	637
Intern		4,971	0	4,971
Office supplies		5,045	0	5,045
Postage and courier		164	0	164
Printing and stationary		203	0	203
Software subscription		1,613	0	1,613
Sponsor and partner recognition		1,846	0	1,846
Staff cost	7	77,290	0	77,290
Telephone and internet		2,117	0	2,117
Transportation		200	0	200
Upkeep of office		1,878	0	1,878
Utilities		869	0	869
Webhosting and maintenance		1,560	0	1,560
		<u>192,820</u>	<u>5,494</u>	<u>198,314</u>
<b>Finance cost</b>				
Interest expense on lease liabilities	17	2,518	0	2,518
<b>TOTAL EXPENDITURE</b>		<u>503,390</u>	<u>165,082</u>	<u>668,472</u>
<b>NET INCOME/(EXPENDITURE) FOR THE FINANCIAL YEAR</b>		<u>29,115</u>	<u>(12,900)</u>	<u>16,215</u>

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

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)**

2020 (As restated)	Note	Unrestricted fund  General fund S\$	Restricted fund  Cultural Matching Fund S\$	Total unrestricted and restricted funds S\$
<b>INCOME</b>				
<b>Income from generated funds</b>				
<u>Voluntary income</u>				
Donations		18,237	0	18,237
<u>Activities for generating funds</u>				
Gala Dinner and Auction proceeds	6	280,216	0	280,216
<i>Grants:</i>				
- Cultural Matching Grant		0	195,440	195,440
- National Arts Council – Major Grant		120,000	0	120,000
- National Arts Council – VisualThinking – Community Learning		2,061	0	2,061
- National Arts Council – Other		32,000	0	32,000
- Singapore Tourism Board – Art Encounters		157,369	0	157,369
- Tote Board Fundraising Grant		150,000	0	150,000
- NCSS VCF Info – Technology Grant		2,400	0	2,400
		<u>463,830</u>	<u>195,440</u>	<u>659,270</u>
		762,283	195,440	957,723
<b>Income from charitable activities</b>				
Service income				
- Art in the MRT		8,000	0	8,000
- Public Art Assembly		6,730	0	6,730
- The Singapore Story Assembly		4,800	0	4,800
Bicentennial public art		800	0	800
Tour fees		15,135	0	15,135
		<u>35,465</u>	<u>0</u>	<u>35,465</u>
<b>Other income</b>				
Wages credit scheme		4,422	0	4,422
Miscellaneous income		779	0	779
		<u>5,201</u>	<u>0</u>	<u>5,201</u>
<b>TOTAL INCOME</b>		<u>802,949</u>	<u>195,440</u>	<u>998,389</u>
<b>EXPENDITURE</b>				
<b>Cost of generating funds</b>				
Fund-raising expenses	6	65,395	0	65,395



**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)**

	Unrestricted fund	Restricted fund	Total unrestricted and restricted funds
<b>2020 (As restated) (CONT'D)</b>	General fund	Cultural Matching Fund	S\$
	S\$	S\$	S\$
<b>EXPENDITURE (CONT'D)</b>			
<b>Cost of charitable activities</b>			
Service projects			
- Community programme	20,084	0	20,084
- Gillman Barracks	9	0	9
- IMPART programme	207,130	1,605	208,735
- School programme	73	0	73
- AO volunteer program	5,439	0	5,439
- Art Encounters	88,489	0	88,489
Staff costs	7	120,592	190,573
Tour fees	7,470	0	7,470
	<u>398,675</u>	<u>122,197</u>	<u>520,872</u>
<b>Governance and administrative costs</b>			
Accounting fee	7,062	0	7,062
Amortisation of right-of-use assets	11	0	2,706
Audit fees	6,313	2,354	8,667
Bank charges	870	44	914
Depreciation	11	0	11,959
Insurance	1,136	0	1,136
Marketing and communication	1,502	0	1,502
Office equipment	17,540	0	17,540
Office supplies	225	0	225
Operating lease expense - rental	36,369	0	36,369
Postage and courier	59	0	59
Printing and stationery	1,632	0	1,632
Refreshment	1,636	0	1,636
Secretarial fee	2,122	0	2,122
Staff costs	7	0	46,545
Staff recruitment	23	0	23
Telephone	2,155	0	2,155
Transportation	3,161	0	3,161
Trademark and licenses	715	0	715
Upkeep of office	16,240	0	16,240
Penalty	62	0	62
Utilities	1,931	0	1,931
Website hosting and maintenance	362	0	362
	<u>162,325</u>	<u>2,398</u>	<u>164,723</u>
<b>Finance cost</b>			
Interest expense on lease liabilities	17	0	284
	<u>284</u>	<u>0</u>	<u>284</u>
<b>TOTAL EXPENDITURE</b>	<u>626,679</u>	<u>124,595</u>	<u>751,274</u>
<b>NET INCOME FOR THE FINANCIAL YEAR</b>	<u>176,270</u>	<u>70,845</u>	<u>247,115</u>

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

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021**

	Note	2021 S\$	2020 S\$ (As restated)
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	1,021,424	618,952
Other receivables	10	<u>37,084</u>	<u>312,392</u>
		1,058,508	931,344
<b>Non-current assets</b>			
Plant and equipment	11	<u>109,922</u>	<u>188,454</u>
<b>Total assets</b>		<u>1,168,430</u>	<u>1,119,798</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables	12	71,197	7,015
Lease liabilities	13	<u>30,616</u>	<u>34,338</u>
		101,813	41,353
<b>Non-current liabilities</b>			
Lease liabilities	13	<u>0</u>	<u>28,043</u>
<b>Total liabilities</b>		<u>101,813</u>	<u>69,396</u>
<b>NET ASSETS</b>		<u>1,066,617</u>	<u>1,050,402</u>
<b>FUNDS</b>			
<b>Unrestricted fund</b>			
General fund	14	802,594	773,479
<b>Restricted fund</b>			
Cultural Matching Fund	14	<u>264,023</u>	<u>276,923</u>
<b>Total funds</b>		<u>1,066,617</u>	<u>1,050,402</u>

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

**STATEMENT OF CHANGES IN FUNDS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

	Unrestricted fund Accumulated fund S\$	Restricted fund Cultural Matching Fund S\$	Total funds S\$
<b>2021</b>			
<b>At beginning of financial year</b>	773,479	276,923	1,050,402
Total comprehensive income for the year	29,115	(12,900)	16,215
<b>At end of financial year</b>	<b>802,594</b>	<b>264,023</b>	<b>1,066,617</b>

	Note	Unrestricted fund Accumulated fund S\$	Restricted fund Cultural Matching Fund S\$	Total funds S\$
<b>2020</b>				
<b>At beginning of financial year</b>		597,209	206,078	803,287
Total comprehensive income for the year		18,901	70,845	89,746
<b>At end of financial year, as previously reported</b>		616,110	276,923	893,033
Prior period adjustments	23	157,369	0	157,369
<b>At end of financial year, as restated</b>		<b>773,479</b>	<b>276,923</b>	<b>1,050,402</b>

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

**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

	Note	2021 S\$	2020 S\$ (As restated)
<b>Cash flows from operating activities</b>			
Net income for the financial year		16,215	247,115
Adjustments for:			
- Amortisation of right-of-use asset	11	32,477	2,706
- Depreciation	11	46,055	11,959
- Interest expense on lease liabilities	17	2,518	284
- Rental concession received from landlord	13	(8,565)	0
Operating cash flows before working capital changes		88,700	104,695
Changes in working capital			
- Other receivables		275,308	(274,475)
- Other payables		64,182	(39,486)
<b>Net cash generated from/(used in) operating activities</b>		<u>428,190</u>	<u>(51,897)</u>
<b>Cash flows from investing activity</b>			
Purchase of plant and equipment, representing net cash used in investing activity		<u>0</u>	<u>(138,165)</u>
<b>Cash flows from financing activities</b>			
Payment of principal portion of lease liabilities		(23,200)	(2,573)
Interest paid	17	(2,518)	(284)
<b>Net cash used in financing activities</b>		<u>(25,718)</u>	<u>(2,857)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		402,472	(192,919)
Cash and cash equivalents at beginning of financial year		<u>618,952</u>	<u>811,871</u>
<b>Cash and cash equivalents at end of financial year</b>	9	<u><u>1,021,424</u></u>	<u><u>618,952</u></u>

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

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

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

**1. General information**

Art Outreach Singapore Limited (the "Company") is incorporated and domiciled in Singapore. The Company's registered office and principal place of business is located at 47 Malan Road, #01-24, Gillman Barracks, Singapore 109444.

The principal activities of the Company are as follows:

- (a) To promote, foster, improve, develop and inculcate interest in the visual arts in Singapore Schools;
- (b) To undertake an arts education programme for schools in Singapore;
- (c) To produce, manage and conduct arts appreciation talks, seminars, workshops, master classes, exhibitions for teachers, parents and school children in Singapore;
- (d) To provide training and conduct courses, classes, workshops and educational programme and other means for a fee or otherwise for painters, artists, sculptures in all aspect of visual arts; and
- (e) To do such other lawful things as are incidental of conductive to the attainment of the above object and provided that nothing shall be done for commercial reasons or solely for profit.

The Company is a company limited by guarantee. The Company was incorporated on 5 May 2003 and was registered as a charity on 15 October 2003. It has been accorded an Institutions of a Public Character ("IPC") status from 1 April 2019 to 31 March 2022.

Each member of the company undertakes to contribute to the assets of the Company in the event of it being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Company contracted before he ceases to be a member, and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves, such amount as may be required, not exceeding S\$100. As of the reporting date, the Company have 3 members (2020: 3 members).

**2. Significant accounting policies****2.1 Basis of preparation**

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore ("FRSs") and the disclosure requirements of the Charities Act (Chapter 37). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar ("S\$"), which is the Company's functional currency.

The preparation of these financial statements in conformity with the FRSs requires management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

---

**2. Significant accounting policies (Cont'd)****2.1 Basis of preparation (Cont'd)****2.1.1 Interpretations and amendments to published standards effective in 2020**

In the current financial year, the Company has adopted all the new and revised FRSs and Interpretations of the FRS ("INT FRSs") that are relevant and mandatory to its operations and effective on 1 April 2020. The adoption of the standard did not have any material effect on the financial statements.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

**2.1.2 Standards issued but not yet effective**

The Company has not adopted the following relevant new/revised FRSs, INT FRSs and amendments to FRSs that were issued but are not yet effective:

Descriptions	Effective for annual periods beginning on or after
Amendments to FRS 109, FRS 39, FRS 107, FRS 104 and FRS 116: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to FRS 103: Reference to the Conceptual Framework	1 January 2022
Amendments to FRS 16: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to FRS 37: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 1: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The directors believe that the adoption of the revised standards and interpretations will have no material impact on the financial statements in the year of initial application.

**2.2 Income recognition**

Income is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Income is recognised when the Company satisfies a performance obligation by transferring a promised good and service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of income recognised is the amount allocated to the satisfied performance obligation.

---

**2. Significant accounting policies (Cont'd)****2.2 Income recognition (Cont'd)**

Income is recognised as follows:

**2.2.1 Donations**

Donations are taken up and accrued as and when they are committed. Those uncommitted donations, income from charity events and all income except as listed below, are recognised on receipt basis. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

**2.2.2 Rendering of services and programme fees**

Revenue from rendering of services and programme fees are recognised when the services have been performed and rendered.

**2.2.3 Rental income**

Rental income earned during event is recognised when event is held.

**2.2.4 Sales of goods**

Revenue from sale of goods is recognised upon the issuance of invoice. Satisfaction of performance obligation is at a point in time. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

**2.2.5 Other income**

Other income is recognised upon receipt.

**2.3 Government grants**

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to the statement of financial activities over the expected useful life of the relevant asset by equal annual instalments.

**2.4 Expenditure recognition**

All expenditure is accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible, where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

**2.4.1 Cost of generating funds**

Cost of generating funds comprises all directly attributable costs incurred in the fundraising activities, other than those costs incurred in undertaking charitable activities in furtherance of the Company's objects.

**2.4.2 Cost of charitable activities**

Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Company. The total costs of charitable expenses are apportionment of overhead and shared costs.

## **2. Significant accounting policies (Cont'd)**

### **2.4 Expenditure recognition (Cont'd)**

#### 2.4.3 Governance and administrative costs

Governance and administrative costs include the costs of governance arrangement, which relate to the general running of the Company, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

### **2.5 Plant and equipment**

#### 2.5.1 Measurement

All plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal and restoration is included as a consequence of acquiring or using the plant and equipment.

#### 2.5.2 Depreciation

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives
Computers and software	5 years
Furniture and fixtures	3 years
Office equipment	3 years
Project equipment	3 years
Renovation	3 years
Premises	Over the remaining lease term

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, each reporting date. The effects of any revision of the residual value and useful lives are included in the statement of financial activities on the financial year that the charges arise.

Fully depreciated plant and equipment are retained in the financial statement until they are no longer in use and no further charge for depreciation is made in respect of these assets.

#### 2.5.3 Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in statement of financial activities when incurred.



---

**2. Significant accounting policies (Cont'd)****2.5 Plant and equipment (Cont'd)**

## 2.5.4 Disposal

On disposal of an item of plant and equipment, the difference between the net disposals proceeds and its carrying amount is recognised in statement of financial activities.

**2.6 Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever there is any indication that these assets may be impaired.

For the purpose of impairment testing of the assets, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised in the statement of financial activities.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in the statement of financial activities.

**2.7 Financial assets**

## 2.7.1 Classification and measurement

The Company classifies its financial assets as at amortised cost.

The classification of debt instruments depends on the Company's business model for managing the financial asset as well as the contractual terms of the cash flows of the financial asset.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

(i) At initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of financial activities.

---

**2. Significant accounting policies (Cont'd)****2.7 Financial assets (Cont'd)**

## 2.7.1 Classification and measurement (cont'd)

(ii) At subsequent measurement

Debt instruments of the Company mainly comprise of cash and cash equivalents and other receivables.

There are three prescribed subsequent measurement categories, depending on the Company's business model in managing the assets and the cash flow characteristic of the assets. The Company managed these group of financial assets by collecting the contractual cash flow and these cash flows represented solely payment of principal and interest. Accordingly, these group of financial assets are measured at amortised cost subsequent to initial recognition.

A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

## 2.7.2 Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost.

For cash and cash equivalents and other receivables, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

## 2.7.3 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in the statement to financial activities. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to the statement of financial activities.

**2.8 Cash and cash equivalents**

Cash and cash equivalents include cash on hand and deposits with financial institutions, which are subject to an insignificant risk of change in value.

---

**2. Significant accounting policies (Cont'd)****2.9 Financial liabilities**

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of financial activities. Financial liabilities include "Other payables" and "Lease liabilities" in the statement of financial position.

Financial liabilities is derecognised when the obligations under the liability is discharged, cancelled or expire. When existing financial liabilities are replaced by another from the same lender on substantially different 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 respective carrying amounts is recognised in the statement of financial activities.

**2.10 Other payables**

Other payables, excluding accruals, are recognised at their transaction price, excluding transaction costs, if any, both at initial recognition and at subsequent measurement. Transaction costs will be recognised as expenditure in the statement of financial activities as incurred. Accruals are recognised at the best estimate of the amount payable.

**2.11 Employee compensation****2.11.1 Defined contribution plans**

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The Company's contribution to defined contribution plans are recognised as employee compensation expense when they are due.

**2.11.2 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 date of the statement of financial position.

**2.12 Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**(a) As lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

---

**2. Significant accounting policies (Cont'd)****2.12 Leases (Cont'd)**

## (a) As lessee (Cont'd)

Right-of-use asset

The Company recognised a right-of-use asset and lease liabilities at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted of any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, with depreciation expense recognised under the statement of financial activities. The Company's right-of-use asset is presented within the "Plant and equipment" as disclosed in Note 11.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.6.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are disclosed in Note 13.

---

**2. Significant accounting policies (Cont'd)****2.12 Leases (Cont'd)**

## (a) As lessee (Cont'd)

Short-term leases and leases of low-value assets

The Company has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease term of 12 months or less from the commencement date and do not contain a purchase option and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to the statement of financial activities on a straight-line basis over the lease term.

Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Company shall recognise those lease payments in the statement of financial activities in the periods that triggered those lease payments.

**2.13 Borrowing costs**

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the statement of financial activities in the period in which they are incurred.

**2.14 Borrowings**

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in statement of comprehensive income over the period of the borrowings using the effective interest method.

**2.15 Provisions for other liabilities and charges**

Provisions for other liabilities and charges are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

**2.16 Funds**

Restricted funds balance are restricted by outside sources and may only be utilised in accordance with the purposes for which they are established. Designated funds are earmarked for specific purposes and are largely made up of funds allocated at the discretion of the Board of Directors. These designated funds are treated as restricted funds as they contain funds restricted by outside sources.

The Board of Directors retains full control over the use of unrestricted funds for any of the Company's purposes.

---

**2. Significant accounting policies (Cont'd)****2.17 Contingencies**

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

**2.18 Events after the reporting date**

Post year-end events that provide additional information about the Company's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

**3. Critical accounting estimates, assumptions and judgements**

Estimates, assumptions and judgements 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.

**3.1 Critical accounting estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company 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 the Company. Such changes are reflected in the assumptions when they occur.

**3.1.1 Useful lives of plant and equipment**

Management determines the estimated useful lives and the related depreciation for its plant and equipment based on the period over which the plant and equipment are expected to provide economic benefits. Management's estimation of the useful lives of plant and equipment is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets.

The estimation of the useful lives of the plant and equipment could change significantly due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of plant and equipment. The depreciation charge is increased where useful lives are less than previously estimated lives.

The carrying value of the Company's plant and equipment was disclosed in Note 11 to the financial statements.

Based on management's assessment, no change in the estimated useful lives of plant and equipment are required as of 31 March 2021 and 31 March 2020.

**3. Critical accounting estimates, assumptions and judgements (Cont'd)****3.2 Critical judgements in applying the entity's accounting policies**

In the process of applying the Company's accounting policies, the management has made certain judgement, apart from those involving estimations, which has significant effect on the amounts recognised in the financial statements is discussed below.

Government grants

Government grants to meet operating expenses are recognised as income in the income and expenditure statement on the accrual basis in the year these operating expenses were incurred and there is reasonable assurance that the Company will comply with the conditions attached to it. For certain grants, the government agencies reserve the right to withdraw, withhold or reduce the amount of any funds approved but not yet disbursed or to call for the refund of all funds which have been disbursed to the Company if the conditions are not met.

**4. Revenue from contracts with customers**

Disaggregation of revenue from contracts with customers:

	2021 S\$	2020 S\$
Donations	4,586	18,237
Gala Dinner and Auction proceeds	7,000	280,216
Service income	4,000	19,530
Merchandise sales	3,122	0
Hearth Art Space	600	0
Bicentennial Public Art	0	800
Tour fees	0	15,135
	<u>19,308</u>	<u>333,918</u>

All revenue are recognised at a point in time.

There are no contract liabilities balances as at 31 March 2021 and 2020.

**5. Donations**

	2021 S\$	2020 S\$
Tax deductible	11,050	155,774
Non-tax deductible	536	1,655
	<u>11,586</u>	<u>157,429</u>

The donations were allocated as follows:

• Donations		
- Tax deductible	4,050	18,182
- Non-tax deductible	536	55
• Gala Auction Lots		
- Tax deductible	0	9,000
- Non-tax deductible	0	0
• Gala Table Sales		
- Tax deductible	0	57,792
- Non-tax deductible	0	600
• Impart Gala Donations		
- Tax deductible	7,000	70,800
- Non-tax deductible	0	1,000
	<u>11,586</u>	<u>157,429</u>

During the financial year, the Company issued tax-deductible receipts for donations totalling S\$11,050 (2020: S\$155,774) pursuant to its IPC status.

**6. Fund-raising – Gala dinner**

	2021 S\$	2020 S\$
<b>Income</b>		
Community Program Sponsorship	0	52,800
Fund-raising from Gala Auction Lots	1,000	150,024
Fund-raising from Gala Table Sales	6,000	58,392
IMPART Fund-raising Gala Donations	0	19,000
	<u>7,000</u>	<u>280,216</u>
<b>Expenditures</b>		
IMPART Fund-raising Gala	<u>0</u>	<u>65,395</u>
Net income from fund-raising – gala dinner	<u>7,000</u>	<u>214,821</u>
Percentage of fund-raising expenditures over fund-raising income	<u>0%</u>	<u>23%</u>



**7. Staff costs**

	2021 S\$	2020 S\$
Staff salaries, allowance and bonuses	245,690	218,315
Staff training	11,303	2,126
Staff welfare	1,338	2,100
Unused leaves	18,374	0
Employer's contribution to CPF	41,115	14,293
SDL	444	284
	<u>318,264</u>	<u>237,118</u>
	2021 S\$	2020 S\$
The staff costs were allocated as follows:		
- Cost of charitable activities	240,974	190,573
- Governance and administrative costs	77,290	46,545
	<u>318,264</u>	<u>237,118</u>

**8. Income tax**

The Company is a registered charity under the Charities Act, Chapter 37 since 15 October 2003. Consequently, the income of the Company is exempted from tax under the provisions of Section 13 of the Income Tax Act Cap. 134.

**9. Cash and cash equivalents**

	2021 S\$	2020 S\$
Cash at bank	<u>1,021,424</u>	<u>618,952</u>

At the reporting date, the carrying amount of cash and cash equivalents approximate their fair values.

**10. Other receivables**

	2021 S\$	2020 S\$ (As restated)
Grant receivables	0	207,369
Grant receivables – Jobs Support Scheme	14,204	0
Security deposits	7,828	7,828
Service and fee receivables	<u>15,052</u>	<u>97,195</u>
	<u>37,084</u>	<u>312,392</u>

The Jobs Support Scheme (JSS) provides wage support to employers to help them retain their local employees (Singapore citizens and Permanent Residents) during this period of economic and pandemic uncertainty. JSS payouts are intended to offset local employees wages and help protect their jobs.

At the reporting date, the carrying amounts of other receivables approximate their fair values.

## 11. Plant and equipment

	Computers and software S\$	Furniture and fixtures S\$	Office equipment S\$	Renovation S\$	Project equipment S\$	Right-of-use assets S\$	Total S\$
<b>Cost</b>							
As at 1 April 2019	21,625	5,641	8,972	29,458	0	0	65,696
Additions	0	0	0	0	138,165	64,954	203,119
As at 31 March 2020 and 31 March 2021	21,625	5,641	8,972	29,458	138,165	64,954	268,815
<b>Accumulated depreciation</b>							
As at 1 April 2019	21,625	5,641	8,972	29,458	0	0	65,696
Depreciation	0	0	0	0	11,959	2,706	14,665
At 31 March 2020	21,625	5,641	8,972	29,458	11,959	2,706	80,361
Depreciation	0	0	0	0	46,055	32,477	78,532
At 31 March 2021	21,625	5,641	8,972	29,458	58,014	35,183	158,893
<b>Carrying amount</b>							
At 31 March 2020	0	0	0	0	126,206	62,248	188,454
At 31 March 2021	0	0	0	0	80,151	29,771	109,922

Right-of-use assets acquired under leasing arrangement is presented together with the owned assets of the same class. Details of the leased asset is disclosed in Note 17.

## 12. Other payables

	2021 S\$	2020 S\$
Accruals	38,303	6,699
Deferred grant income – Jobs support scheme	14,204	0
Provision for unutilised leaves	18,374	0
Other payables	316	316
	<u>71,197</u>	<u>7,015</u>

Other payables are non-trade in nature, unsecured, non-interest bearing and repayable on demand.

The deferred grant income – Jobs Support Scheme (JSS) will be recognised as a grant income, on a systematic basis, over the estimated 17 months of economic uncertainty till August 2021 in which the entity recognises the related salary costs.

At the reporting date, the carrying amounts of other payables approximate their fair values.

## 13. Lease liabilities

	2021 S\$	2020 S\$
Current	30,616	34,338
Non-current	0	28,043
	<u>30,616</u>	<u>62,381</u>

A reconciliation of liabilities arising from financing activities is as follow:

	1 April 2020 S\$	Cash flows S\$	Non-cash changes			31 March 2021 S\$
			Accretion of interest S\$	Rent Concession S\$	Others S\$	
Liabilities						
Lease liabilities						
- Current	34,338	(25,718)	2,518	(8,565)	28,043	30,616
- Non-current	28,043	0	0	0	(28,043)	0
<b>Total</b>	<b>62,381</b>	<b>(25,718)</b>	<b>2,518</b>	<b>(8,565)</b>	<b>0</b>	<b>30,616</b>

	1 April 2019 S\$	Additions S\$	Cash flows S\$	Non-cash changes		31 March 2020 S\$
				Accretion of interest S\$	Others S\$	
Liabilities						
Lease liabilities						
- Current	0	34,338	(2,857)	284	2,573	34,338
- Non-current	0	30,616	0	0	(2,573)	28,043
<b>Total</b>	<b>0</b>	<b>64,954</b>	<b>(2,857)</b>	<b>284</b>	<b>0</b>	<b>62,381</b>

**14. Funds**

Funds comprise of unrestricted and restricted funds.

a) Unrestricted general fund

This fund represents accumulated surplus and is for the purpose of meeting operating expenses incurred by the Company.

b) Restricted fund

Fund balances restricted by outside sources are indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purpose established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its company purposes.

**Cultural Matching Fund ("CMF")**

The Cultural Matching Fund (CMF) is a fund set up by the Ministry of Culture, Community and Youth ("MCCY") to provide dollar-for-dollar matching grants for private cash donations to arts and heritage charities or IPC. The CMF doubles the value of every cash donation for the receiving charities or IPC which can be put to various uses, including developing the capabilities for the long-term sustainability of the charities or IPC and the cultural sector as a whole. The National Arts Council ("NAC") is the appointed CMF Secretariat for the administration of the CMF.

If the funds are not utilised in accordance with the approved uses of the CMF, the charities or IPC will not be allowed to apply for future matching grants from the CMF. The CMF Board of Trustees reserves the right to request for the monies to be returned, so that other eligible charities or IPC can benefit from the fund.

The grant shall be fully utilized for permitted purposes by 31 March 2024.

**15. Related party transactions****(a) Related party transactions and balances**

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and its related parties took place at terms agreed between the parties during the financial year:

	2021 S\$	2020 S\$
Donation received from the directors	1,000	12,000
Donation received from other related parties	<u>0</u>	<u>6,000</u>

Other related parties refer to parties closely related to the Company's directors.

**15. Related party transactions (Cont'd)**

**(b) Key management personnel compensation**

The remuneration of key management personnel during the financial year is as follows:

	2021 S\$	2020 S\$
<u>Executive Director/Manager and Chief Creative</u> Salaries, allowance and bonuses	103,000	53,240
	2021 S\$	2020 S\$
Post-employment benefits:		
Central Provident Fund	17,102	9,051
Skill Development Levy	135	63
	17,237	9,114

During the current and previous year, none of the Directors received any remuneration from the Company.

**16. Employees' remuneration**

No. of employee in remuneration bands:

	2021	2020
Below S\$100,000	4	5
Above S\$100,000 and below S\$200,000	1	0

**17. Leases**

The carrying amount of the right-of-use asset classified within the plant and equipment is as follows:

	Note	2021 S\$	2020 S\$
<u>Premises</u>			
Beginning of financial year		62,248	0
Additions		0	64,954
Depreciation		(32,477)	(2,706)
End of financial year	11	29,771	62,248

**Amount recognised in the statement of financial activities:**

	Note	2021 S\$	2020 S\$
Depreciation	11	32,477	2,706
Interest expense on lease liabilities	13	2,518	284
Total		34,995	2,990

Total cash outflow:

The Company had a total cash outflows for leases amounting to S\$25,718 (2020: S\$39,226).

**18. Financial instruments by category**

The aggregate carrying amounts of financial assets and financial liabilities at amortised costs are as follows:

	2021 S\$	2020 S\$ (As restated)
Financial assets, at amortised cost	1,058,508	931,344
Financial liabilities, at amortised cost	<u>69,235</u>	<u>69,396</u>

**19. Financial risk management**

The Company is mainly exposed to credit risk, liquidity risk and interest rate risk.

Risk management is carried out under policies approved by the Board of Directors. The Board reviews and agrees on policies and procedures for management of these risks.

**19.1 Credit risk**

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

Exposure to credit risk

The Company has no significant concentration of credit risk. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Company. Cash and bank balances are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

There are no financial assets that are either past due or impaired for the financial year ended 31 March 2021 and 31 March 2020.

**19.2 Liquidity risk**

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting its financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets or liabilities.

The Company manages its liquidity risk by monitoring and maintaining a level of cash and bank balances deemed adequate by the directors to fund the Company's charitable activities.

## 19. Financial risk management (Cont'd)

### 19.2 Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on the contractual undiscounted repayment obligations:

<b>2021</b>	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
<b>Financial assets</b>			
Cash and cash equivalents	1,021,424	0	1,021,424
Other receivables	37,084	0	37,084
	<u>1,058,508</u>	<u>0</u>	<u>1,058,508</u>
<b>Financial liabilities</b>			
Other payables (excluding deferred grant income – Jobs support scheme and provision for unutilised leaves)	(38,619)	0	(38,619)
Lease liabilities	(33,134)	0	(33,134)
	<u>(71,753)</u>	<u>0</u>	<u>(71,753)</u>
Net financial assets	<u>986,755</u>	<u>0</u>	<u>986,755</u>
	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
<b>2020 (As restated)</b>			
<b>Financial assets</b>			
Cash and cash equivalents	618,952	0	618,952
Other receivables	312,392	0	312,392
	<u>931,344</u>	<u>0</u>	<u>931,344</u>
<b>Financial liabilities</b>			
Other payables	(7,015)	0	(7,015)
Lease liabilities	(34,283)	(31,426)	(65,709)
	<u>(41,298)</u>	<u>(31,426)</u>	<u>(72,724)</u>
Net financial assets/(liabilities)	<u>890,046</u>	<u>(31,426)</u>	<u>858,620</u>



## 19. Financial risk management (Cont'd)

### 19.3 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from the loans from related corporations and borrowings.

#### Sensitivity analysis for interest rate risk

At the reporting date, the interest rate profile of the Company interest-bearing financial instruments was as follows:

	2021 S\$	2020 S\$
<b>Fixed rate instruments</b>		
<u>Financial liabilities</u>		
Lease liabilities	30,616	62,381

The sensitivity analysis is based on changes in the interest rates of variable rate financial instruments.

At the reporting date, the Company does not have variable rate interest-bearing financial instruments.

## 20. Fair values

As at 31 March 2021, the carrying amounts of the financial assets and liabilities recorded in the financial statements of the Company approximate their fair values due to their short-term nature.

The carrying amounts of non-current lease liabilities approximate their fair values as they are subject to interest rate close to market rate of interests for similar arrangements with financial institutions.

## 21. Reserve policy and position

The Company's reserve position for financial year ended 31 March 2021 and 31 March 2020 are as follows:

		2021 S\$'000	2020 S\$'000	Increase/ (Decrease) %
			(As restated)	
A	Unrestricted funds			
	Accumulated general fund	802	773	3.75
B	Restricted or Designated funds			
	Designated funds	N/A	N/A	
	Restricted funds	264	277	(4.69)
C	Endowment funds	N/A	N/A	
D	Total funds	1,066	1,050	1.52
E	Total annual operating expenditure	666	751	(11.31)
F	Ratio of funds to annual operating expenditure (A/E)	1.60	1.40	

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a company to spend as grants.
- D. Total funds include unrestricted, restricted / designated and endowment funds.
- E. Total annual operating expenditure includes expenses related to Cost of Generating Funds, Cost of Charitable Activities and Governance and Administrative Costs.

## 21. Reserve policy and position (Cont'd)

The Company's Reserve Policy is as follows:

The reserves that the management have set aside provide financial stability and the means for the development of the Company's principal activity. The management intend to establish the reserves at a level equivalent to 1 year of operating expenditure through increasing awareness of their activities, seeking more donors both private and corporate and fund-raising efforts. The Board reviews yearly the amount of reserves that are required to ensure that they are adequate to fulfil their continuing obligations.

## 22. Management of conflict of interest

There is no paid staff in the Company's Board of Directors.

The Board of Directors are required to disclose any interest that they may have, whether directly or indirectly, that the Company may enter into or in any organisations that the Company has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Company's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Director may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

## 23. Prior period adjustments

The comparative figures for the financial year ended 31 March 2020 have been restated in these financial statements due to the Company's under-recognition of grant income in the prior year.

The effect of the restatement is summarised as below:

	As previously reported S\$	Restatement S\$	As restated S\$
<b>2020</b>			
<b>Statement of financial activities</b>			
<u>Under unrestricted fund</u>			
Income from generated funds			
Grants			
- Singapore Tourism Board – Art Encounters	0	157,369	157,369
<b>Statement of financial position</b>			
<u>Current assets</u>			
Other receivables	155,023	157,369	312,392
<u>Funds</u>			
Unrestricted fund	616,110	157,369	773,479
<b>Statement of cash flows</b>			
Net income for the financial year	89,746	157,369	247,115
Changes in working capital			
- Other receivables	(117,106)	(157,369)	(274,475)

---

**24. Impact of COVID-19 (Coronavirus Disease 2019)**

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Company's significant operations are in Singapore which have been affected by the spread of COVID-19 in 2021. The principal activities of the Company are to promote, foster, improve, develop and inculcate interest in the visual arts in Singapore Schools. Management summarises the impact of COVID-19 as below on the Company's financial performance reflected in this set of financial statements for the year ended 31 March 2021:

- i. The Company has assessed that the going concern basis of preparation for this set of financial statements remains appropriate. The Directors are continuously monitoring the COVID-19 pandemic situation and will take further action as necessary in response to the service disruption.
- ii. The Singapore Multi-Ministry Taskforce implemented an elevated set of safe distancing measures as a circuit breaker from 7 April 2020 to 1 June 2020, to pre-empt the trend of increasing local transmission of COVID-19. Except for those providing essential services and selected economic sectors which are critical for our local and the global supply chains, all businesses are required to suspend all in-person activities and the Company's physical operations were temporarily closed to adhere to the respective governments' movement control measures.
- iii. The government has also implemented assistance measures which might mitigate some of the impact of COVID-19 on the Company's results and liquidity.

As the global COVID-19 situation remains very fluid as at the date these financial statements were authorised for issuance, the Company cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the next financial period. If the situation persists beyond management's current expectations, the Company's assets may be subject to further write downs in the subsequent financial periods.

**25. Authorisation of financial statements**

The financial statements for the financial year ended 31 March 2021 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 29 November 2021.