

PLAYEUM LTD.

[UEN. 201333807K]

[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 2022**

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Fiducia LLP

(UEN. T10LL0955L)

Public Accountants and
Chartered Accountants of Singapore

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T: (65) 6846 8376
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DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of Playeum Ltd. (the "Company") for the financial year ended 31 March 2022.

In the opinion of the directors,

- a) the financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2022 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:

Irene Liu	
Loh Nee Sian	
Sumitra Pasupathy	
Susan Carol Adams	
Toh Wee Boon, Leon	(Resigned on 01 August 2022)
Jaelle Ang Ker Tjia	(Resigned on 10 May 2021)
Petrina Kow Wei Shih	(Resigned on 10 May 2021)

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 auditors

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:

9EF5BFF0ADC9419...
Irene Liu
Director

DocuSigned by:

43CD78831C814B4...
Susan Carol Adams
Director

Singapore, 22 September 2022

Fiducia LLP

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Independent auditor's report to the members of:

Playeum Ltd.

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Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Playeum Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2022, and the statement of financial activities, statement of changes in funds and statement of cash flows of the Company for the financial 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 1967 (the "Companies Act"), the Charities Act 1994 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 2022 and of the financial activities, changes in the funds and cash flows of the Company for the financial 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 ("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 audit opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (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.

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(CONT'D)

Independent auditor's report to the members of:

Playeum Ltd.

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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.

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(CONT'D)

Independent auditor's report to the members of:

Playeum Ltd.[UEN. 201333807K]
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[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 financial year:

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

DocuSigned by:



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Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, 22 September 2022

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

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

		2022	2021
	Note	S\$	S\$
INCOME			
Donations	6	75,415	293,741
Grants income	7	369,375	707,615
Programme income	5	21,913	9,710
Services rendered	5	49,448	76,943
Teachers training	5	65,880	42,680
Other income		<u>2,567</u>	<u>12,413</u>
TOTAL INCOME		<u>584,598</u>	<u>1,143,102</u>
LESS: EXPENDITURE			
Cost of generating funds			
Advertisement		107	29
Event management		46,366	42,109
Fund-raising		0	35,456
Maintenance		0	263
Production and material costs		3,038	1,166
Subcontracting		19,311	18,997
Transport and installation log		<u>1,220</u>	<u>1,621</u>
		<u>70,042</u>	<u>99,641</u>
Governance and other administrative costs			
Bad debt expense		400	0
Bank charges		521	474
Depreciation of property, plant and equipment	11	37	17,524
Insurance		2,586	782
General expenses		4,399	1,800
Office supplies		8,301	15,335
Operating lease	17	12,551	22,296
Professional fees		12,043	9,186
Repairs and maintenance		333	3,333
Staff costs	8	370,840	414,943
Training costs		1,274	1,455
Transaction fees		0	561
Travelling		<u>415</u>	<u>82</u>
		<u>413,700</u>	<u>487,771</u>
Total expenditure		<u>483,742</u>	<u>587,412</u>
Net income for the year		<u>100,856</u>	<u>555,690</u>
Total funds at the beginning of the year		<u>565,670</u>	<u>9,980</u>
Total funds at the end of the year		<u><u>666,526</u></u>	<u><u>565,670</u></u>

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

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Note	2022 S\$	2021 S\$
ASSETS			
Current assets			
Cash and cash equivalents	9	891,046	667,045
Trade and other receivables	10	<u>30,861</u>	<u>47,795</u>
		921,907	714,840
Non-current assets			
Property, plant and equipment	11	<u>698</u>	<u>0</u>
Total assets		<u>922,605</u>	<u>714,840</u>
LIABILITIES			
Current liabilities			
Other payables	12	<u>256,079</u>	<u>149,170</u>
Total liabilities		<u>256,079</u>	<u>149,170</u>
NET ASSETS		<u>666,526</u>	<u>565,670</u>
FUNDS			
Unrestricted fund			
General fund	14	<u>571,557</u>	<u>515,097</u>
Restricted funds			
Invictus fund	15	5,594	23,760
President's Challenge fund	15	<u>89,375</u>	<u>26,813</u>
		<u>94,969</u>	<u>50,573</u>
TOTAL FUNDS		<u>666,526</u>	<u>565,670</u>

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

STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	Balance at beginning of financial year S\$	Net income/ (expenditure) for the year S\$	Balance at end of financial year S\$
2022				
Unrestricted fund				
General fund	14	<u>515,097</u>	<u>56,460</u>	<u>571,557</u>
Restricted funds				
Invictus fund	15	23,760	(18,166)	5,594
President's Challenge fund	15	<u>26,813</u>	<u>62,562</u>	<u>89,375</u>
		<u>50,573</u>	<u>44,396</u>	<u>94,969</u>
Total funds		<u><u>565,670</u></u>	<u><u>100,856</u></u>	<u><u>666,526</u></u>
2021				
Unrestricted fund				
General fund	14	<u>9,980</u>	<u>505,117</u>	<u>515,097</u>
Restricted funds				
Invictus fund	15	0	23,760	23,760
President's Challenge fund	15	<u>0</u>	<u>26,813</u>	<u>26,813</u>
		<u>0</u>	<u>50,573</u>	<u>50,573</u>
Total funds		<u><u>9,980</u></u>	<u><u>555,690</u></u>	<u><u>565,670</u></u>

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 S\$	2021 S\$
Cash flows from operating activities			
Net income for the year		100,856	555,690
Adjustments for:			
- Depreciation of property, plant and equipment	11	37	17,524
- Utilisation of donation received in advance		0	(219,800)
- Utilisation of grants received in advance	13	<u>(21,927)</u>	<u>(94,167)</u>
Operating cash flow before changes in working capital		<u>78,966</u>	<u>259,247</u>
Changes in working capital			
- Trade and other receivables		16,934	41,148
- Other payables		<u>42,236</u>	<u>(87,706)</u>
Net cash generated from operating activities		<u>138,136</u>	<u>212,689</u>
Cash flows from investing activity			
Purchase of property, plant and equipment		<u>(735)</u>	<u>0</u>
Net cash used in investing activity		<u>(735)</u>	<u>0</u>
Cash flows from financing activities			
Receipts of grants	13	<u>86,600</u>	<u>100,882</u>
Net cash generated from financing activity		<u>86,600</u>	<u>100,882</u>
Net increase in cash and cash equivalents		224,001	313,571
Cash and cash equivalents at beginning of financial year		<u>667,045</u>	<u>353,474</u>
Cash and cash equivalents at end of financial year	9	<u><u>891,046</u></u>	<u><u>667,045</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 2022**

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

1. General information

Playeum Ltd. (the "Company") is incorporated and domiciled in Singapore. The Company's registered office and the principal place of operation is located at 21 Bedok North Street 1, #01-01 Singapore, 469659.

The principal activities of the Company are those of promoting dramatic arts, music and other art activities.

The Company is a company limited by guarantee. The Company was incorporated on 17 December 2013 and was registered as a charity under the Charities Act 1994 since 11 August 2014. The Company has been accorded the Institutions of a Public Character ("IPC") status from 1 December 2020 to 31 December 2021. The Company has renewed its IPC status from 1 January 2022 to 31 December 2023.

Every member of the Company undertakes to contribute to the assets of the Company, in the event of its being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities of the Company contracted before he ceases to be a member, and of 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 one dollar (S\$1).

As at 31 March 2022, the Company has 5 (2021:5) 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 1994. 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 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.

2.1.1 Interpretations and amendments to published standards effective in 2021

In the current financial year, the Company has adopted all the new and revised FRSs and interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective on 1 April 2021. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

The adoption of these new or amended FRSs and INT FRSs 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. Significant accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

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 not yet effective:

Description	Effective for annual periods beginning on or after
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to:	
- FRS 16: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
- FRS 37: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
- FRS 103: Reference to the Conceptual Framework in FRS Standards	1 January 2022
- FRS 1: Classification of Liabilities as Current or Non-current	1 January 2023
- FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
- FRS 8: Definition of Accounting Estimates	1 January 2023
- FRS 12: Deferred tax related Assets and Liabilities arising from a Single Transaction	1 January 2023
- FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

Management believes that the adoption of the revised standards and interpretations will have no material impact on the financial statements in the period 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. Income is recognised as follows:

2.2.1 Donations

Donations are recognised and accrued in the statement of financial activities as and when they are committed. Uncommitted donations 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

Revenue from services is recognised over the period in which the services are performed and rendered.

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

Income is recognised as follows: (Cont'd)

2.2.3 Programme income

Income generated from social activities, events and programmes are recognised when the related event is held.

2.2.4 Teachers training

Income generated from training programmes, learning journeys and retreats provided to teachers are recognised when the related event is held.

2.2.5 Other income

Other income is recognised as income 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.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

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 generating voluntary income and fundraising activities. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

2.4.2 Governance and administrative costs

Governance 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. Significant accounting policies (Cont'd)

2.5 Property, plant and equipment

2.5.1 Measurement

All property, 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 property, 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 property, plant and equipment if the obligation for dismantlement, removal and restoration is included as a consequence of acquiring or using the property, plant and equipment.

2.5.2 Depreciation

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

	Useful lives
Computers	1 year
Office equipment	3 years
Furniture and fittings	5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in statement of financial activities when the changes arise.

Fully depreciated assets still in use are retained in the financial statements.

2.5.3 Subsequent expenditure

Subsequent expenditure relating to property, 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 repairs and maintenance expenses are recognised in statement of financial activities when incurred.

2.5.4 Disposal

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

2. Significant accounting policies (Cont'd)**2.6 Impairment of non-financial assets**

Non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment, 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 inflows 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 as an impairment loss in statement of financial activities, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill 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 this 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 any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.7 Cash and cash equivalents

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

2.8 Financial assets**(a) Classification and measurement**

The Company classifies its financial assets into amortised cost measurement category.

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

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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

At initial recognition

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

2 Significant accounting policies (Cont'd)**2.8 Financial assets (Cont'd)**

(a) Classification and measurement (cont'd)

At subsequent measurementDebt instrument

Debt instruments of the Company mainly comprise of cash and cash equivalents and trade 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 represents 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 and loss when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

(b) Impairment

The Company assesses on forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other receivables and cash and cash equivalents, 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.

(c) 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 profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

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

Financial liabilities are recognised 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" in the statement of financial position.

Financial liabilities are derecognised when the obligations under the liability is discharged or cancelled or expires. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability or 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 cost, if any, both at initial recognition and at subsequent measurement. Transaction costs are recognised as expenditure in the statement of financial activities as incurred. Accruals are recognised at the best estimate of the amount payable.

2.11 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.

2.12 Leases

At the inception of the contract, the Company assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

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.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

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.

2. Significant accounting policies (Cont'd)

2.12 Leases (Cont'd)

As lessee (Cont'd)

Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Company shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

For contract that contain both lease and non-lease components, the Company allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Company has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

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.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Company's assessment of whether it will exercise an extension option; or
- There are modifications in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in the statement of financial activities if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has applied the amendment to FRS 116 Leases: Covid-19-Related Rent Concessions. The Company applies the practical expedient allowing it not to assess whether a rent concession related to COVID-19 is a lease modification. The Company applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Company chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Company assesses whether there is a lease modification.

2. Significant accounting policies (Cont'd)**2.12 Leases (Cont'd)****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 terms of 12 months or less 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 Employee compensation

2.13.1 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 obligation once the contributions have been paid. The Company's contribution to defined contribution plans are recognised as employee compensation expense when they are due.

2.13.2 Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.14 Funds

Restricted fund balances 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.

2.15 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. Significant accounting policies (Cont'd)**2.16 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. Significant accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of income, expenditure, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

The key critical judgements in applying the entity's accounting policies concerning the future at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

3.1.1 Government grants

Government grants to meet operating expenses are recognised as income in statement of financial activities 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.

3.2 Key sources of estimation uncertainty

Management is of the opinion that there are no key sources of estimation uncertainty at the end of the financial year that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2.1 Impairment of trade and other receivables

ECLs are unbiased probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

The Company has used relevant historical information and loss experience to determine the probability of default of the instruments and incorporated forward looking information, including significant changes in external market indicators which involved significant estimates and judgements.

In determining the ECL of trade and other receivables, the Company has used one year of historical losses data to determine the loss rate and applied an adjustment against the historical loss rate based on the change in Gross Domestic Product (GDP) and unemployment rate to reflect the current and forward-looking information.

As at the reporting date, there is no ECL provided.

4. Income tax

The Company is a charity registered under the Charities Act since 11 August 2014. Consequently, the income of the Company is exempted from tax under the provisions of Section 13 of the Income Tax Act 1947.

5. Revenue from contracts with customers

Disaggregation of revenue from contracts with customers

	2022 S\$	2021 S\$
Revenue from:		
Programme income	21,913	9,710
Services rendered	49,448	76,943
Teachers training	65,880	42,680
	<u>137,241</u>	<u>129,333</u>

All the income above are recognised at a point in time.

6. Donations

	2022 S\$	2021 S\$
Tax deductible donations	60,689	283,663
Non-tax deductible donations	14,726	10,078
	<u>75,415</u>	<u>293,741</u>

During the financial year, the Company issued tax deductible receipts, for donations totaling S\$145,689 (2021: S\$52,404) pursuant to its IPC status.

7. Grants income

	Note	2022 S\$	2021 S\$
ACRP Operating Grant		9,384	0
Bicentennial Community Fund		24,016	375,984
Charities Aid Foundation America		6,819	0
Cultural Matching Fund		175,756	85,466
Digital Presentation Grant		5,756	3,844
Invictus Fund	15	0	50,000
Jobs Support Scheme		84,292	140,388
President's Challenge	15	62,562	26,813
SG Strong Fund		0	4,194
The Community Foundation of Singapore grant		0	10,000
Workforce Advancement Federation grant		0	5,000
Other grants		790	5,926
		<u>369,375</u>	<u>707,615</u>

8. Staff costs

	2022 S\$	2021 S\$
CPF and SDL contributions	41,698	51,200
Salaries and related costs	329,142	363,743
	<u>370,840</u>	<u>414,943</u>

9. Cash and cash equivalents

	2022 S\$	2021 S\$
Cash at banks	<u>891,046</u>	<u>667,045</u>

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

10. Trade and other receivables

	2022 S\$	2021 S\$
Trade receivables	<u>21,725</u>	<u>24,013</u>
Other receivables		
Grant receivables – Jobs Support Scheme	0	20,948
Deposits	2,430	1,800
Prepayments	6,706	1,034
	<u>9,136</u>	<u>23,782</u>
	<u>30,861</u>	<u>47,795</u>

Trade receivables are non-interest bearing and are generally on 30 days' (2021: 30 days') terms.

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.

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

Receivables that are past due but not impaired

The Company had trade receivables amounting to S\$20,600 (2021: S\$20,453) that were past due at the reporting date but not impaired. These receivables were unsecured and the analysis of their aging at the reporting date is as follows:

	2022 S\$	2021 S\$
Trade receivables past due but not impaired:		
Less than 30 days	0	9,070
31 to 60 days	0	3,000
More than 60 days	20,600	8,383
	<u>20,600</u>	<u>20,453</u>

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

11. Property, plant and equipment

	Computer S\$	Office equipment S\$	Furniture and fittings S\$	Total S\$
Cost				
At 1 April 2020	34,277	8,856	144,668	187,801
Written off	0	(8,856)	(144,668)	(153,524)
At 31 March 2021	34,277	0	0	34,277
Additions	0	0	735	735
At 31 March 2022	34,277	0	735	35,012
Accumulated depreciation				
At 1 April 2020	33,652	5,733	130,892	170,277
Depreciation	625	13,776	3,123	17,524
Written off	0	(19,509)	(134,015)	(153,524)
At 31 March 2021	34,277	0	0	34,277
Depreciation	0	0	37	37
At 31 March 2022	34,277	0	37	34,314
Carrying amount				
31 March 2021	0	0	0	0
31 March 2022	0	0	698	698

At the reporting date, the carrying amounts of property, plant and equipment approximate their fair values.

12. Other payables

	Note	2022 S\$	2021 S\$
Accruals		6,734	10,687
Deferred grant income – Jobs Support Scheme		0	38,780
Donation received in advance		85,000	0
Grants received in advance	13	164,345	99,672
Others		0	31
		<u>256,079</u>	<u>149,170</u>

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.

Donation received in advance was received from a private donor to fund “Play Programme for children with Special Needs” programme to be carried out in the next financial year.

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

13. Grants received in advance

	IMDA S\$	ACRP Operating Grant S\$	Charities Aid Foundation America S\$	Charity Support Fund S\$	DPG S\$	CMF S\$	NCSS – VCF Fund S\$	SG Strong Fund S\$	Total S\$
2022									
Beginning of the year	0	75,000	6,819	0	4,156	(32)	8,729	5,000	99,672
Grants received	0	35,000	0	50,000	1,600	0	0	0	86,600
Utilised during the year	0	(9,384)	(6,819)	0	(5,756)	32	0	0	(21,927)
End of the year	0	100,616	0	50,000	0	0	8,729	5,000	164,345
2021									
Beginning of the year	0	0	6,819	0	0	77,409	8,729	0	92,957
Grants received	200	75,000	463	0	8,000	8,025	0	9,194	100,882
Utilised during the year	(200)	0	(463)	0	(3,844)	(85,466)	0	(4,194)	(94,167)
End of the year	0	75,000	6,819	0	4,156	(32)	8,729	5,000	99,672

The movements of the grants received in advance relates to the IMDA, Art and Culture Resilience Package (“ACRP”) Operating Grant, Charities Aid Foundation America, Community Chest Charity Support Fund, Digital Presentation Grant for the Arts (“DPG”), Cultural Matching Fund (“CMF”), VWOs-Charities Capability Fund Consultancy Grant (“VCF”), and Singapore (“SG”) Strong Fund.

IMDA encourages companies to move into e-invoicing network.

ACRP operating grant provides fund to support Company’s programme and activities.

Charities Aid Foundation America provides funds to support the Company’s programmes and activities.

Community Chest Charity Support Fund is established by National Council of Social Service (NCSS) to provide programmes to empower service users and families, capital expenditure and capability building for community engagements with the aim of unlocking resources for service users.

DPG provides fund to support “Artists in Session for Playeum at Home LIVE”.

CMF is a dollar-for-dollar matching grant for private cash donations to registered charities in the arts and heritage sector.

VCF fund is established by National Council of Social Service (NCSS) which aims to facilitate the development of internal control policies and procedures of the Company.

SG Strong Fund Aims to develop and distribute art-based STEM (Science, Technology, Engineering and Mathematics) kits that children can play with and experiment. The team has also developed a manual with lesson ideas and video to assist the teachers. The whole kit comes with all essential art materials including paints. They aim to serve 1400 primary school children.

14. Unrestricted fund

General fund

General fund is expendable at the discretion of the Board of Directors for the achieving of the Company's overall objectives and purposes.

15. Restricted funds

Invictus fund

	Note	2022 S\$	2021 S\$
Balance at beginning of financial year		23,760	0
Grant income received during the year	7	0	50,000
Disbursement		<u>(18,166)</u>	<u>(26,240)</u>
		<u>5,594</u>	<u>23,760</u>

Invictus fund is received from National Council of Social Service. The purpose of the grant provided is to support the Company in maintaining service delivery and serving clients safely and effectively during the pandemic.

President's challenge fund

	Note	2022 S\$	2021 S\$
Balance at beginning of financial year		26,813	0
Grant income received during the year	7	<u>62,562</u>	<u>26,813</u>
		<u>89,375</u>	<u>26,813</u>

President's challenge fund represents grant received from National Council of Social Service (NCSS) which seeks to empower vulnerable groups by building a digitally inclusive society where digital technologies are accessible to all, so that no one is left behind.

The supported programme is "Giving Tuesdays: Open Minds, Open Doors". Little is known on how play supports children with a disability in terms of the development of executive and 21st century skills. Understanding what children can do through play is a process of discovery and Giving Tuesdays provides the opportunity for further exploration and observation on this.

16. Related party transactions

- (a) The following transactions took place between the Company and related parties during the financial year at terms agreed between the parties:

	2022 S\$	2021 S\$
<u>With directors</u>		
Donations received from directors	2,830	426
Sales to directors	0	600
Donations received from director's spouse	1,077	12,753
Donations received from related party	<u>200</u>	<u>0</u>

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

	2022 S\$	2021 S\$
Salaries and other short-term employee benefits	165,472	196,824
Post-employment benefits - employer's contributions to CPF	<u>17,549</u>	<u>23,178</u>
	<u>183,021</u>	<u>220,002</u>

No. of executive of the Company in remuneration bands:		
Above S\$100,000 and below S\$200,000	1	1
S\$100,000 and below	<u>1</u>	<u>1</u>

The key management personnel are those Executive Director and Director of Operations who are not members of the Board of Directors.

The Director of Operations resigned from the Company on 20 September 2021.

During the current and previous year, none of the Board of Directors received any remuneration from the Company except for 1 of the director disclosed above.

17. Leases

	2022 S\$	2021 S\$
Lease expense not capitalised as liabilities:		
<u>Expense relating to short-term leases</u>		
Rental of premises *		
- Governance and administrative costs	<u>11,556</u>	<u>21,365</u>
Rental of storage space		
- Governance and administrative costs	<u>995</u>	<u>0</u>
Leasing of software and photocopy machine		
- Governance and administrative costs	<u>0</u>	<u>931</u>
	<u>12,551</u>	<u>22,296</u>

* This includes COVID-19 related rent concessions received during the year from lessor of S\$NIL (2021: S\$38,049).

During the financial year, the Company's total cash outflows for leases amounts to S\$12,551 (2021: S\$15,201).

18. Financial instruments by category

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

	2022 S\$	2021 S\$
Financial assets, at amortised cost	915,201	713,806
Financial liabilities, at amortised cost	<u>6,734</u>	<u>10,718</u>

19. Financial risk management

The Company is mainly exposed to liquidity risk, credit 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 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations due to shortage of funds. The Company exposure to liquidity risk arises primarily from mis-matches of the maturities of financial assets or liabilities.

The Board monitors and ensures that the Company maintains a level of cash and cash equivalents deemed adequate to finance the Company's operations.

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

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2022			
Financial assets			
Cash and cash equivalents	891,046	0	891,046
Trade and other receivables (excluding prepayments)	<u>24,155</u>	<u>0</u>	<u>24,155</u>
	<u>915,201</u>	<u>0</u>	<u>915,201</u>
Financial liabilities			
Other payables (excluding, donations and grants received in advance)	<u>(6,734)</u>	<u>0</u>	<u>(6,734)</u>
	<u>(6,734)</u>	<u>0</u>	<u>(6,734)</u>
Net financial assets	<u>908,467</u>	<u>0</u>	<u>908,467</u>

19. Financial risk management (Cont'd)

19.1 Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Company's financial assets and liability at the end of the reporting date based on the contractual undiscounted repayment obligations: (Cont'd)

2021

Financial assets

Cash and cash equivalents	667,045	0	667,045
Traded and other receivables (excluding prepayments)	46,761	0	46,761
	<u>713,806</u>	<u>0</u>	<u>713,806</u>

Financial liabilities

Other payables (excluding deferred grants - JSS and grants received in advance)	(10,718)	0	(10,718)
	<u>(10,718)</u>	<u>0</u>	<u>(10,718)</u>

Net financial assets

	<u>703,088</u>	<u>0</u>	<u>703,088</u>
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19.2 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

Other than those disclosed in the financial statements, there are no financial assets that are either past due or impaired for the financial year ended 31 March 2022.

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 their cash and cash equivalents.

The Company does not expect any significant effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

20. Fair values

As at 31 March 2022, the carrying amounts of the financial assets and liabilities recorded in the financial statements of the Company approximates their fair values due to their short-term nature.

21. Reserve position and policy

The Company's reserve position for financial year ended 31 March 2022 is as follows:

		2022	2021	Increase/ (Decrease)
		S\$'000	S\$'000	%
A	Unrestricted Funds			
	General fund	572	515	11
B	Restricted or Designated Funds			
	Restricted Funds	95	51	86
C	Endowment Funds	0	0	0
D	Total Funds	667	566	18
E	Total Annual Operating Expenditure	484	587	(18)
F	Ratio of Funds to Annual Operating Expenditure (D/E)	1.38	0.96	

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.

The Company's reserve policy is as follows:

The reserves that the Board of Directors have set aside to provide financial stability and the means for the development of the Company's principal activities. The Company intend to establish the reserves at a level equivalent to 2 years of operating expenditure through increasing awareness of the activities, seeking more donors both private and corporate and fund-raising efforts. The Board of Directors reviews yearly the amount of reserves that are required to ensure that they are adequate to fulfil the continuing obligations.

22. 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 nature of the Company's activities are those of promoting dramatic arts, music and other arts. The Company is maintained through donations received from the public and grants provided by the government authority. Therefore, the impact of COVID-19 on the Company's operations are minimal. Below is the summary of the impact of COVID-19 on the Company's financial performance reflected in this set of financial statements for the year ended 31 March 2022:

- i. The Company has assessed that the going concern basis of preparation for this set of financial statements remains appropriate. The Board of Directors is continuously monitoring the COVID-19 pandemic situation and will take further action as necessary in response to the service disruptions.
- ii. The government has also implemented assistance measure which might mitigate some of the impact of COVID-19 on the Company's results and liquidity.

As the global COVID-19 situation remains 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 financial year ending 31 March 2023. 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.

23. Authorisation of financial statements

The financial statements for the financial year ended 31 March 2022 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 22 September 2022.