

**\*SCAPE CO., LTD.**

**Annual Report FY14/15**

The Company is limited by guarantee. It was registered as a charity under the Charities Act (Chapter 37) since 22 November 2007.

The Company is under the purview of Ministry of Culture, Community and Youth (“MCCY”).

Unique Entity Number (UEN) : 200712761D

Registered Address : 2 Orchard Link #04-01 Singapore 237978

## **ABOUT \*SCAPE**

\*SCAPE Co. Ltd is a non-profit organisation with its mission and vision rooted in support of youth, talent and leadership development. The organisation aims to facilitate youth-oriented programmes and support within various communities of youth interests in Singapore. The youth of today will be inspired and empowered to DREAM IT AND LIVE IT at \*SCAPE.

## **VISION**

To be a celebrated talent and resource hub for aspiring youth, offering diverse, cutting-edge and trend-setting possibilities to all young Singaporeans

## **MISSION**

\*SCAPE steps forward as a platform for youth expression, an enabler of youth initiatives and an engine for identifying, developing and promoting youth talents

## BOARD OF DIRECTORS

The \*SCAPE team keeps itself accountable to a Board of Directors comprising of government representatives and leaders from both people and public sectors with vested interest and commitment towards the development of youth in Singapore.

The Board meets to deliberate on issues pertaining to the strategic direction of \*SCAPE and are also involved in an advisory capacity in areas such as financial management, programming and partnership evaluations.

Directors in office at September 2015:

1. Muhamad Imaduddin Bin Abdul Karim
2. Ng Chun Pin
3. Ong Boon Hwee
4. Terrence Chia Yong Wei
5. Douglas Foo Peow Yong
6. Loi Terway, Jeshar
7. Noor Effendy Bin Ibrahim
8. Kuik Shiao-yin
9. Ng Joo Lin Jean
10. William Ng Wee Liang
11. Prakash S/O Somo Sundram
12. Pragasam Christopher Joachim
13. Chua David

The principal activities of the Company are to carry on the activities of promoting social responsibility among youths through activities, projects and related activities.

### Memberships

The Company does not have a share capital. The members of the Company guarantee to contribute a sum not more than S\$1 each to the assets of the Company in the event of winding up. As at 31 March 2015, the Company has 2 members.

Executive Director

Mr Pragasam Christopher Joachim is the appointed Executive Director since 7 October 2014.

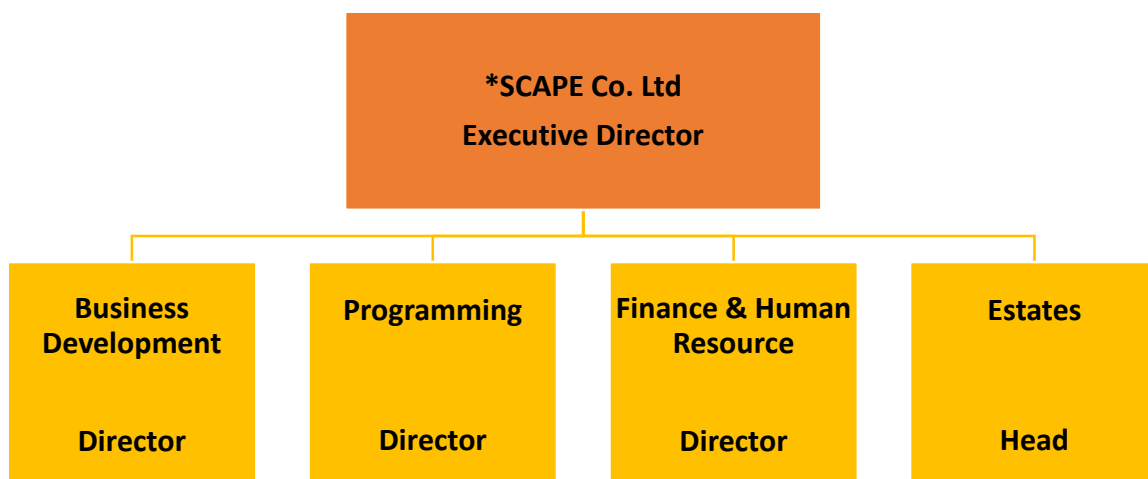
Chairman of Board of Director

Mr Chua David is the appointed Chairman since 12 July 2015.

Management of conflict of interest

If the Director of the Company is directly or indirectly interested in any contract, proposed contract, or other matter and is present at a meeting of the Company or any sub-committee thereof, at which the contract or other matter is the subject of consideration, the Director shall, at the meeting and as soon as practicable after it commences, disclose the fact, and shall not thereafter be present during the consideration or discussion of, and shall not vote on, any question with respect to the that contract or other matter.

**ORGANISATIONAL CHART**



## REVIEW OF THE YEAR 2014/2015

### Programming Signature Events

\*SCAPE maintains a calendar chockfull of events catered to youth interests. As part of the organisation's mission as a platform for youth expression, \*SCAPE curates a list of Signature Events throughout the year to actively engage our youth.

#### **YouTube FanFest (May 2014)**

Held on weekend of 24 and 25 May 2014, this edition of the YouTube FanFest is held at \*SCAPE for the first time, presenting some of YouTube's biggest international and regional stars in three exclusive live shows. The line-up features superstar YouTubers such as Jenna Marbles, Ryan Higa, Vsauce, Bethany Mota, Tobuscus, Tyler Oakley and IISuperwomanII, as well as YouTube sensations from Singapore, such as Dee Kosh, ShiGGa Shay and Tosh Rock and Tree Potatoes.



#### **\*SCAPE SG(almost)50 (August 2014)**

SG(almost)50 is \*SCAPE's very own National Day celebrations featuring local games, exhibitions, sporting events and music performances. SG(almost)50 also kicks off a series of celebratory events towards Singapore's Jubilee Year, SG50, at \*SCAPE. The event attracted more than 850 youth and 157 beneficiaries and was run by 32 youth leaders with help from 62 youth volunteers.



### **Museum of Horrors V: The Relic (October 2014)**

The Museum of Horrors (MOH) returned to \*SCAPE for its fifth edition with The Relic. The scare fest drew more than 1,000 participants between Friday, 24 October through to Sunday, 2 November 2014, at \*SCAPE, The Ground Theatre.



### **\*SCAPE Meet the Masters - Jenn Lim & StartingUp 2014 #theConference (October 2014)**

Jointly organised with \*SCAPE institutional partner ideasinc and in collaboration with US Embassy, \*SCAPE is proud to present its seventh edition of Meet the Masters featuring Jenn Lim, Co-founder, CEO and Chief Happiness Officer of Delivering Happiness. The event was held at \*SCAPE The Ground Theatre on Sunday, 12 October 2014. Meet the Masters is a platform for big names in the industry to speak about their pet topics, personal entrepreneurship journeys and lessons learnt along the way. This edition of Meet the Masters is also the concluding keynote for StartingUp 2014 #theConference.



**\*SCAPE Collision 2015: Illumine Countdown Party (December 2014)**

The \*SCAPE Collision 2015: Illumine is the youth's countdown to a fantastic 2015. Held on New Year's Eve on Wednesday, 31 December 2014, the event features a 7-to-smoke dance battle followed by the party with local DJs spinning and electrifying live performances by international and local dance acts.



**RadikalForze Jam 2015 X \*SCAPEdance (March 2015)**

Held over three days, 19 to 21 March 2015, the RADIKAL FORZE JAM 2015 X \*SCAPEdance is one of Asia-Pacific's largest urban street festivals that offer local and regional Urban Arts practitioners the opportunities to excel in their art-forms through world-class training, education and networking, and thus elevating the regional Urban Arts scene to top industry professionals of the world.



### **Interest Group Partnership Events**

\*SCAPE plays host to over 15 interest groups, ranging from cheerleading to slacklining and K-Pop dance off. Some of the interest groups would plan and organise their own events which is run and managed by the youth. Here are some of the key events in the past year:

#### **BOX'OUT 2014 (August 2014)**

BOX'OUT 2014 is organised by \*SCAPE institutional partner BEAT'ABOX (as part of \*SCAPE interest group as well) and is Singapore's Largest Cajon Festival. The event held on Sunday, 31 August 2014 once again broke the Singapore Book of Records of being Largest Cajon Ensemble in Singapore of 431 participants! Alongside awesome local talents such as the singing trio, SASS and from the percussion group, Bloco Singapura who both brought the house down with their power-packed performance, the BEAT'ABOX crew ended the show with a massive performance.



#### **International Cosplay Day Singapore (August 2014)**

Held on Saturday, 24 August 2014, the International Cosplay Day Singapore 2014 is organised by \*SCAPE cosplay interest group, Neo Tokyo Project, and features internationally acclaimed cosplayers, as well as a gamut of pop-culture content spanning three levels of \*SCAPE, including Singapore's Annual Cosplay Chess stage show. Guests-of-honour at ICDS this year will include one of the world's few professional cosplayers and costume makers Kamui, and the sizzling hot Dat-Baka Cosplay, an Australian-based cosplayer best known for portraying characters from iconic fandoms.



### **K-Pop All-In: S.W.A.G (December 2014)**

Organised by \*SCAPE interest group KPOP Dance Off, the K-Pop All-In: S.W.A.G was a great success. Special thanks goes out to all the fanclubs, KPOP fans, sponsors, and everyone who came in celebration of the K-Pop culture. Completing the evening was a spruced up version of the KPOP Dance Off, with a live DJ spinning tracks for all to enjoy.





## Concert Events

\*SCAPE The Ground Theatre proved to be a popular concert venue due to the location's accessibility in town. Some of the concerts held at \*SCAPE include:

### **Alex Goot & Against The Current Live in Singapore (August 2014)**

YouTube sensations Alex Goot and Against The Current (Chrissy Costanza) performed a co-headlining concert at \*SCAPE The Ground Theatre on Thursday, 21 August 2014 with local musicians, Gentle Bones and The Summer State as opening acts. Together, they played to a crowd of over 400 enthusiastic youths.



### **You Me At Six LIVE in Singapore (September 2014)**

British band, You Me At Six performed LIVE in Singapore for the first time to a 400-strong crowd on Wednesday, 3 September 2014 at \*SCAPE The Ground Theatre. Opening the concert was local band, The Caulfield Cult.



### **New Found Glory (February 2015)**

American punk-rock band, New Found Glory returned to Singapore on Thursday, 12 February 2015 for a concert at \*SCAPE The Ground Theatre with local band Aspectrum as their opening act. The band played to a crowd of over 300.



### **Mew – Live in Singapore 2015 (March 2015)**

Marking their return to the shores of Singapore since headlining Camp Symmetry in 2013, Mew dropped by \*SCAPE The Ground Theatre on Monday, 30 March 2015 for an electrifying concert that blew away the 700-strong audience with their supersonic sound.



## RETAIL MANAGEMENT

\*SCAPE retail outlets continue to be youth focussed with emphasis on fashion, lifestyle, F&B and entertainment outlets.

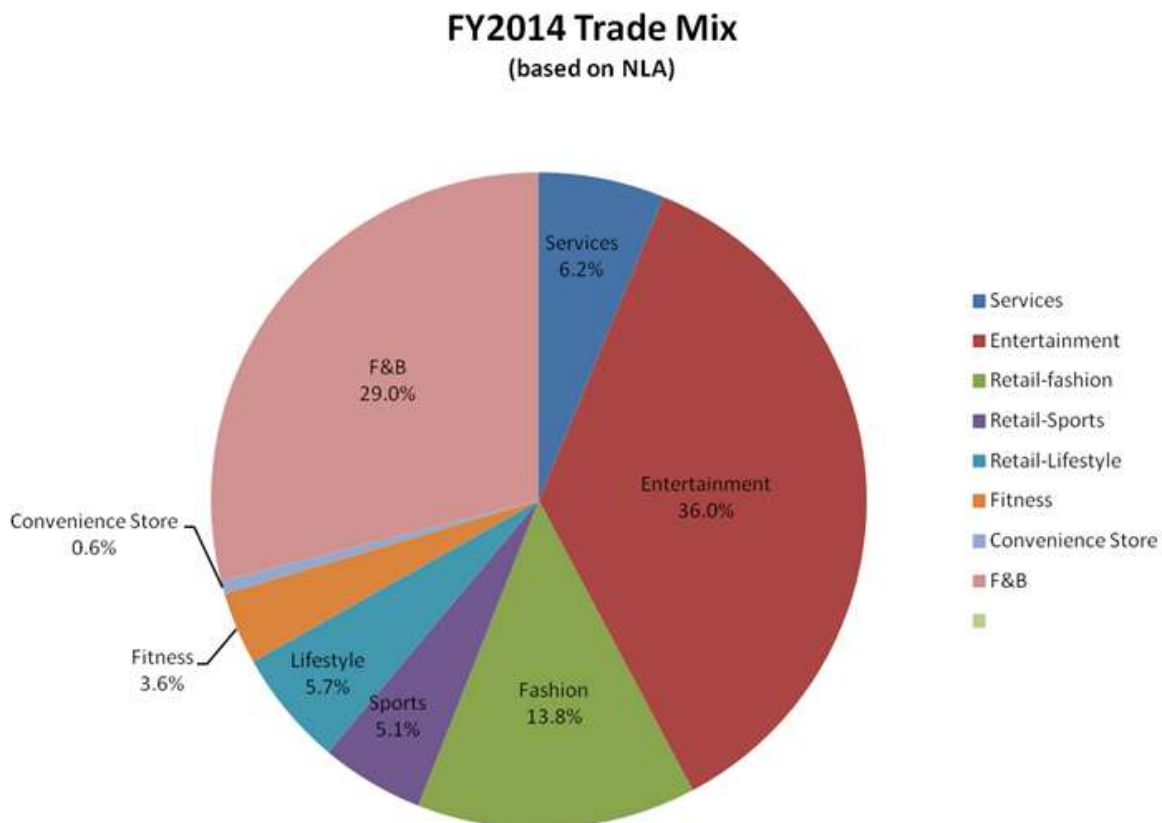
Net Lettable Area (NLA) remains unchanged with total 101 units. Occupancy has increased from 76% (FY13/14) to 95 % (FY14/15).

Some of the key tenants include I Love Taimei, Astons, Sakae Sushi, New Balance, Nene Chicken, Toast Box, Gong Cha, McDonalds, K Box, Alley, DBS and Cheers, etc.

Foot fall traffic count has also improved by 10% to average 480k/month compared FY13/14.

\*SCAPE Underground continues to act as a retail incubation centre for aspiring retail entrepreneurs. This programme is sponsored by DBS Remix, where youth entrepreneurs go through a selection shortlist process, followed by a boot camp, to operate retail units. MOUs have been agreed with ITE, Nanyang Polytechnic and Republic Polytechnic to operate retail concepts in the Underground.

Tenant mix based on NLA as follow:



### \*SCAPE PITChallenge and Retail Boot Camp

The \*SCAPE Retail Boot Camp was held between Tuesday, 16 September and Sunday, 21 September 2014. A unique programme for our youth entrepreneurs, the Boot Camp covers all the topics that a retail entrepreneur needs to know, such as Personal Data Protection Act, CPF responsibilities, service innovation and financial management. The PITChallenge was held on Thursday, 25 September 2015.



### **INSTITUTIONAL TENANTS**

\*SCAPE also supports many Youth Service Organisations as part of the youth hub eco-system that includes the development and promotion of youth talents in Singapore.

Some of our developmental institutional tenants include Halogen Singapore (Youth Leadership Development) and Heartware Network (Youth Volunteerism). Other key institutional tenants that caters to youth aspirations and interests include J Team Productions (Media), O School (Dance), ComCorp by The Living! Project (Urban Farming), Ocean Butterflies and BEAT'ABOX (Music).



## \*SCAPE REVIEW

In May 2014, Minister of Culture, Community and Youth, Lawrence Wong, announced in parliament that \*SCAPE will undergo a review with the year so that its space can be better used and its programmes will be more appealing and relevant to youths in areas like music and media. He said that as Singapore continues to evolve, its youth must be equipped with the knowledge and the attributes they will need to grow into active and discerning citizens.

### Youth Consultation Exercise

In line with Minister Lawrence Wong's announcement in May, \*SCAPE conducted a series of online and street surveys between 5 and 25 November 2014 to gather perceptions and feedback from the youth about current attitudes about \*SCAPE and to seek feedback for improvement. A total of 1,284 youths responded in the surveys.



## TELL US WHAT YOU WANT!

\*SCAPE is currently under review to better serve the needs and aspirations of youths in Singapore. We want to create a youth space that you will want to be at. A few areas have emerged in our initial conversations with youths; mainly in Music, Media, Dance, Personal Development and Building Experience. As we enter into the next phase of consultation, we want to hear from you!

Join the conversation. Participate in the survey at  
<http://bit.ly/scapepublicsurvey>

@scapesg #scapesg



### \*SCAPE 2.0 – Future Plans

Following the results of the survey findings, \*SCAPE began its journey of a new strategic direction with an improved programming line-up, as well as infrastructural enhancements to be completed by FY15/16. In her speech during the Committee of Supply debate in Parliament in March 2015, Ministry of Culture, Community and Youth Parliamentary Secretary Low Yen Ling announced that \*SCAPE's programming will be revamped to better reflect youth's interest and aspirations in music and dance. The physical spaces will be revamped to provide more space and better equipment for young

Singaporeans to hone and display their talent. Ms Low added \*SCAPE will also expand its reach into different neighbourhoods with community-specific programmes and community trails.



## **FINANCE & HUMAN RESOURCE**

### Staffing

As at 31 March 2015, there are 34 staff employed by the Company.

### Financial

The Company has a surplus of \$4 million for the financial year ended 31 March 2015. The Company will transfer \$2.5 million from its general fund to a sinking fund for infrastructural and capability development. This will increase the current sinking fund to \$5 million.

### Reserves Policy

The Company maintains its reserve at 6 months expenditure for its operational needs.

The Management reviews the amount of reserves that are required to ensure that they are adequate to fulfil the Company's continuing obligations annually. Beyond the annual review, the Management will alert the Finance Subcommittee and put in place a mechanism to flag to the Board if reserves are drawn down or have gone below a certain level.

### Principal Funding Sources

The Company derives rental revenue and is also supported by government grants.

**\*SCAPE CO., LTD.**

[UEN. 200712761D]

[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 2015**

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**Fiducia LLP**

(UEN. T10LL0955L)

Public Accountants and  
Chartered Accountants, Singapore

71 Ubi Crescent  
Excalibur Centre, #08-01  
Singapore 408571.  
T: (65) 6846.8376  
F: (65) 6725.8161



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## **DIRECTORS' REPORT**

The directors present their report to the members together with the audited financial statements for the financial year ended 31 March 2015.

### **Directors**

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

Muhamad Imaduddin Bin Abdul Karim	
Ng Chun Pin	
Ong Boon Hwee	
Terence Chia Yong Wei	
Douglas Foo Peow Yong	
Loi Terway, Jeshar	
Noor Effendy Bin Ibrahim	
Kuik Shiao-yin	
Ng Joo Lin Jean	
William Ng Wee Liang	
Prakash S/O Somo Sundram	Appointed on 07.10.2014
Pragasam Christopher Joachim	Appointed on 12.07.2015
Chua David	

### **Arrangements to enable directors to acquire shares and/or debentures**

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement 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.

### **Directors' contractual benefits**

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

### **Auditors**

The auditors, Messrs. Fiducia LLP, Public Accountants and Chartered Accountants of Singapore, have expressed their willingness to accept re-appointment.

On behalf of the directors,



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Pragasam Christopher Joachim  
Director



---

Ng Chun Pin  
Director

Singapore,

**21 SEP 2015**

**STATEMENT BY DIRECTORS**

In the opinion of the directors,

- a) the financial statements as set out on pages 6 to 30 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2015, and of 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.

The Board of Directors authorised these financial statements for issue on **2 1 SEP 2015**

On behalf of the directors,



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Pragasam Christopher Joachim  
Director



---

Ng Chun Pin  
Director

Singapore,

**2 1 SEP 2015**

## Fiducia LLP

Public Accountants and  
Chartered Accountants,  
Singapore

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Independent auditors' report to the members of:

**\*SCAPE CO., LTD.**  
[UEN. 200712761D]

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[Incorporated in the Republic of Singapore]

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of \*SCAPE CO., LTD. (the "Company") set out on pages 6 to 30, which comprise the statement of financial position as at 31 March 2015, the statement of financial activities and statement of changes in funds and statement of cash flows of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility 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 Singapore Companies Act, Cap. 50 (the "Act"), Charities Act (Chapter 37) and Singapore Financial Reporting Standards, 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.

#### *Auditors' Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Fiducia LLP

Public Accountants and  
Chartered Accountants,  
Singapore

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Singapore 408571.  
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Independent auditors' report to the members of:

**\*SCAPE CO. LTD.**  
[UEN. 200712761D]

[A company limited by guarantee and not having a share capital]  
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### *Opinion*

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act, Charities Act (Chapter 37) and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 31 March 2015 and the financial performance, changes in funds and cash flows of the Company for the financial year ended on that date.

### **Report on other Legal and Regulatory Requirements**

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

During the course of our audit, it has come to our attention that the 30% cap mentioned in Regulation 15(1) of the Charities Act, Cap. 37 (Institutions of a Public Character) Regulations 2007 and as amended by Charities (Institutions of a Public Character) (Amendments) Regulations 2008; has been exceeded.

During the course of our audit, nothing has come to our attention that donation moneys are used for disbursements other than those in accordance with the activities of the Company.



**FIDUCIA LLP**  
Public Accountants and  
Chartered Accountants

Singapore,

21 SEP 2015

Partner-in-charge: Ong Lien Wan

PAB. No.: 01360

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015**

	Note	2015				2014			
		General Fund S\$	Working capital grant S\$	Sinking Fund S\$	Total Fund S\$	General Fund S\$	Working capital grant S\$	Sinking Fund S\$	Total Fund S\$
<b>INCOME</b>									
<b>Income from generating funds</b>									
<b>Voluntary income</b>									
Donations		0	0	0	0	13,130	0	0	13,130
Donations – Fund raising		550	0	0	550	0	0	0	0
Donations – SG Gives		1,018	0	0	1,018	475	0	0	475
Expenditure grant from MCCY	11	2,955,322	0	0	2,955,322	2,657,222	0	0	2,657,222
Sponsorship received		86,729	0	0	86,729	100,000	0	0	100,000
		<u>3,043,619</u>	<u>0</u>	<u>0</u>	<u>3,043,619</u>	<u>2,770,827</u>	<u>0</u>	<u>0</u>	<u>2,770,827</u>
<b>Activities for generating funds</b>									
Allowance for impairment of trade receivables no longer required	7	111,871	0	0	111,871	133,184	0	0	133,184
Estate income – car park fees		555,244	0	0	555,244	518,797	0	0	518,797
Finance charges		4,770	0	0	4,770	4,232	0	0	4,232
OB Management fees		0	0	0	0	15,000	0	0	15,000
Rental income		6,444,844	0	0	6,444,844	6,692,899	0	0	6,692,899
Venue income		928,186	0	0	928,186	936,138	0	0	936,138
		<u>8,044,915</u>	<u>0</u>	<u>0</u>	<u>8,044,915</u>	<u>8,300,250</u>	<u>0</u>	<u>0</u>	<u>8,300,250</u>
<b>Income from charitable activities</b>									
MCCY Programming grant		798,323	0	0	798,323	726,498	0	0	726,498
Ticket sales & collections		26,944	0	0	26,944	41,385	0	0	41,385
		<u>825,267</u>	<u>0</u>	<u>0</u>	<u>825,267</u>	<u>767,883</u>	<u>0</u>	<u>0</u>	<u>767,883</u>
<b>Other income</b>									
Credit Scheme from CPF Board		62,333	0	0	62,333	40,056	0	0	40,056
Interest income		5,830	0	0	5,830	1,443	0	0	1,443
Miscellaneous income		16,431	0	0	16,431	47,697	0	0	47,697
		<u>84,594</u>	<u>0</u>	<u>0</u>	<u>84,594</u>	<u>89,196</u>	<u>0</u>	<u>0</u>	<u>89,196</u>
<b>TOTAL INCOME</b>		<u>11,998,395</u>	<u>0</u>	<u>0</u>	<u>11,998,395</u>	<u>11,928,156</u>	<u>0</u>	<u>0</u>	<u>11,928,156</u>

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

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015  
(CONT'D)**

	Note	2015				2014			
		General Fund S\$	Working capital grant S\$	Sinking Fund S\$	Total Fund S\$	General Fund S\$	Working capital grant S\$	Sinking Fund S\$	Total Fund S\$
<b>EXPENDITURE</b>									
<b>Cost of generating funds</b>									
Allowance for impairment of trade receivables	7	28,115	0	0	28,115	142,314	0	0	142,314
Amortisation of deferred capital grants	10	(264,950)	0	0	(264,950)	(250,180)	0	0	(250,180)
Bad Debts written off		199	0	0	199	0	0	0	0
Cleaning expenses		387,908	0	0	387,908	426,522	0	0	426,522
Depreciation	8	516,047	0	0	516,047	376,929	0	0	376,929
Estate expenses – building and maintenance		511,297	0	0	511,297	240,944	0	0	240,944
Fixed asset written off		11,383	0	0	11,383	0	0	0	0
Fund raising expenses		1,041	0	0	1,041	0	0	0	0
Insurance		10,312	0	0	10,312	10,360	0	0	10,360
Licenses and permits		2,553	0	0	2,553	3,004	0	0	3,004
Marcom expenses		39,983	0	0	39,983	41,243	0	0	41,243
Miscellaneous		2,609	0	0	2,609	2,328	0	0	2,328
Professional fees		0	0	0	0	(23,650)	0	0	(23,650)
Rental of premises		4,787,116	0	0	4,787,116	4,720,603	0	0	4,720,603
Rental subvention		(2,005,548)	0	0	(2,005,548)	(1,647,009)	0	0	(1,647,009)
Retail expenses		716,748	0	0	716,748	513,632	0	0	513,632
Security expenses		285,245	0	0	285,245	242,831	0	0	242,831
Utilities		646,590	0	0	646,590	425,828	0	0	425,828
Venue expenses		3,299	0	0	3,299	45,044	0	0	45,044
		<u>5,679,947</u>	<u>0</u>	<u>0</u>	<u>5,679,947</u>	<u>5,270,743</u>	<u>0</u>	<u>0</u>	<u>5,270,743</u>
<b>Cost of charitable activities</b>									
Programmes expenses		615,263	0	0	615,263	968,930	0	0	968,930
		<u>615,263</u>	<u>0</u>	<u>0</u>	<u>615,263</u>	<u>968,930</u>	<u>0</u>	<u>0</u>	<u>968,930</u>
<b>Governance and administrative costs</b>									
Audit fee		11,107	0	0	11,107	10,800	0	0	10,800
Bank charges		1,138	0	0	1,138	945	0	0	945
Maintenance / repairs		19,536	0	0	19,536	11,354	0	0	11,354
Entertainment		3,211	0	0	3,211	1,933	0	0	1,933
Expensed equipment		0	0	0	0	0	0	0	0
General insurance		9,819	0	0	9,819	9,884	0	0	9,884
Hire of Canon photocopier		3,686	0	0	3,686	3,588	0	0	3,588
Miscellaneous expenses		28	0	0	28	4,833	0	0	4,833
Pantry expenses		2,317	0	0	2,317	1,963	0	0	1,963
Postage and courier expenses		971	0	0	971	1,771	0	0	1,771
Printing		9,491	0	0	9,491	9,823	0	0	9,823
Professional fees									
- current year		8,015	0	0	8,015	17,875	0	0	17,875
- prior years		0	0	0	0	(20,330)	0	0	(20,330)
Stationery		2,111	0	0	2,111	1,361	0	0	1,361
Telephone		6,561	0	0	6,561	0	0	0	0
Transport reimbursements		2,676	0	0	2,676	2,462	0	0	2,462
Non-claimable residual input tax		33,541	0	0	33,541	115,534	0	0	115,534
Balance carried forward		<u>114,208</u>	<u>0</u>	<u>0</u>	<u>114,208</u>	<u>173,796</u>	<u>0</u>	<u>0</u>	<u>173,796</u>

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

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015  
(CONT'D)**

	2015				2014				
	Note	General Fund S\$	Working capital grant S\$	Sinking Fund S\$	Total Fund S\$	General Fund S\$	Working capital grant S\$	Sinking Fund S\$	Total Fund S\$
<b>EXPENDITURE (CONT'D)</b>									
<b>Governance and administrative costs (CONT'D)</b>									
Balance brought forward		114,208	0	0	114,208	173,796	0	0	173,796
Bonus		228,769	0	0	228,769	96,367	0	0	96,367
CPF contribution		188,483	0	0	188,483	164,963	0	0	164,963
Hand phone		7,757	0	0	7,757	5,946	0	0	5,946
Medical expenses		9,356	0	0	9,356	9,644	0	0	9,644
Overtime		20,280	0	0	20,280	21,330	0	0	21,330
Salaries		1,042,449	0	0	1,042,449	1,020,224	0	0	1,020,224
SDL contribution		2,710	0	0	2,710	2,480	0	0	2,480
Secondment of staff		48,000	0	0	48,000	52,000	0	0	52,000
Staff recruitment		965	0	0	965	480	0	0	480
Staff training		1,388	0	0	1,388	6,579	0	0	6,579
Staff welfare		6,190	0	0	6,190	4,582	0	0	4,582
Temporary staff		26,066	0	0	26,066	82,248	0	0	82,248
		<u>1,696,621</u>	<u>0</u>	<u>0</u>	<u>1,696,621</u>	<u>1,640,639</u>	<u>0</u>	<u>0</u>	<u>1,640,639</u>
<b>TOTAL EXPENDITURE</b>		<b>7,991,831</b>	<b>0</b>	<b>0</b>	<b>7,991,831</b>	<b>7,880,312</b>	<b>0</b>	<b>0</b>	<b>7,880,312</b>
<b>NET INCOME</b>		<b>4,006,564</b>	<b>0</b>	<b>0</b>	<b>4,006,564</b>	<b>4,047,844</b>	<b>0</b>	<b>0</b>	<b>4,047,844</b>
<b>TRANSFER DURING THE YEAR</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,500,000)</b>	<b>2,500,000</b>	<b>0</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b>7,740,460</b>	<b>849,365</b>	<b>2,500,000</b>	<b>11,089,825</b>	<b>3,692,616</b>	<b>3,349,365</b>	<b>0</b>	<b>7,041,981</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>11,747,024</b>	<b>849,365</b>	<b>2,500,000</b>	<b>15,096,389</b>	<b>7,740,460</b>	<b>849,365</b>	<b>2,500,000</b>	<b>11,089,825</b>

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

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015**

	Note	2015 S\$	2014 S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	16,173,261	13,351,727
Trade and other receivables	7	<u>1,728,967</u>	<u>956,381</u>
		<u>17,902,228</u>	<u>14,308,108</u>
<b>Non-current assets</b>			
Property, plant and equipment	8	<u>2,213,923</u>	<u>2,539,079</u>
<b>Total assets</b>		<u>20,116,151</u>	<u>16,847,187</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	9	4,163,979	4,636,629
Deferred capital grants	10	<u>264,950</u>	<u>264,950</u>
		<u>4,428,929</u>	<u>4,901,579</u>
<b>Non-current liabilities</b>			
Deferred capital grants	10	<u>590,833</u>	<u>855,783</u>
<b>Total liabilities</b>		<u>5,019,762</u>	<u>5,757,362</u>
<b>NET ASSETS</b>		<u>15,096,389</u>	<u>11,089,825</u>
<b>FUNDS</b>			
<b>Unrestricted funds</b>			
General fund		11,747,024	7,740,460
Working capital grant	12	849,365	849,365
Sinking fund	13	<u>2,500,000</u>	<u>2,500,000</u>
		<u>15,096,389</u>	<u>11,089,825</u>

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



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**STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015**

	General Fund S\$	Working capital grant S\$	Sinking Fund S\$	Total funds S\$
<b>2015</b>				
<b>Balance at beginning of year</b>	7,740,460	849,365	2,500,000	11,089,825
Transfer during the year	0	0	0	0
Net income	4,006,564	0	0	4,006,564
<b>Balance at end of year</b>	<b>11,747,024</b>	<b>849,365</b>	<b>2,500,000</b>	<b>15,096,389</b>
	General Fund S\$	Working capital grant S\$	Sinking Fund S\$	Total funds S\$
<b>2014</b>				
<b>Balance at beginning of year</b>	3,692,616	3,349,365	0	7,041,981
Transfer during the year	0	(2,500,000)	2,500,000	0
Net income	4,047,844	0	0	4,047,844
<b>Balance at end of year</b>	<b>7,740,460</b>	<b>849,365</b>	<b>2,500,000</b>	<b>11,089,825</b>

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

**STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015**

	Note	2015 S\$	2014 S\$
<b>Cash flows from operating activities</b>			
Net income		4,006,564	4,047,844
Adjustments for:			
- Allowance for impairment of trade receivables	7	28,115	142,314
- Allowance for impairment of trade receivables no longer required	7	(111,871)	(133,184)
- Amortisation of deferred capital grant	10	(264,950)	(250,180)
- Bad debts written off		199	0
- Depreciation	8	516,047	376,929
- Property, plant and equipment written off		11,383	0
- Interest income		(5,830)	(1,443)
Operating cash flow before working capital changes		<u>4,179,657</u>	<u>4,182,280</u>
Changes in operating assets and liabilities:			
- Trade and other receivables		(689,029)	574,892
- Trade and other payables		(471,715)	(451,643)
<b>Net cash provided by operating activities</b>		<u>3,018,913</u>	<u>4,305,529</u>
<b>Cash flows from investing activities</b>			
Interest received		5,830	1,443
Purchases of property, plant and equipment	8	(203,209)	(1,641,240)
<b>Net cash used in investing activities</b>		<u>(197,379)</u>	<u>(1,639,797)</u>
<b>Cash flows from financing activities</b>			
Deferred capital grants received	10	0	309,649
<b>Net cash (used in) / provided by financing activities</b>		<u>0</u>	<u>309,649</u>
<b>Net increase in cash and cash equivalents</b>		2,821,534	2,975,381
Cash and cash equivalents at beginning of financial year		<u>13,351,727</u>	<u>10,376,346</u>
<b>Cash and cash equivalents at end of financial year</b>		<u>16,173,261</u>	<u>13,351,727</u>
<b>Cash and cash equivalents comprise:</b>			
Cash on hand		500	800
Cash in banks		11,945,929	11,625,775
Fixed deposits		4,226,832	1,725,152
	6	<u>16,173,261</u>	<u>13,351,727</u>

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

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## **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015**

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

### **1. General information**

The Company is incorporated and domiciled in Singapore. The address of its registered office and principal place of business is at 2 Orchard Link #04-01 Singapore 237978.

The principal activities of the Company are to carry on the activities of promoting social responsibility among youths through activities, projects and related activities.

The Company is limited by guarantee and does not have a share capital. The members of the Company guarantee to contribute a sum not more than S\$1 each to the assets of the Company in the event of winding up. As at 31 March 2015, the Company has 2 members (2014: 2).

The Company was registered as a charity under the Charities Act (Chapter 37) since 22 November 2007. The Company has been accorded Institute of a Public Character ("IPC") status for the period from 21 December 2013 to 20 December 2016. The IPC registration number is IPC000581.

The Company is under the purview of Ministry of Culture, Community and Youth ("MCCY").

These financial statements are presented in Singapore Dollar, which is the Company's functional currency.

### **2. Significant accounting policies**

#### **2.1 Basis of preparation**

The financial statements have been prepared in accordance with Singapore Financial Reporting Standard ("FRS"), the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Charities Act (Chapter 37). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement 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.

#### **Interpretations and amendments to published standards effective in 2014**

On 1 April 2014, the Company adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

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

Certain new standards and amendments to FRSs have been issued and are relevant for the Company's accounting periods beginning on or after 1 April 2015 and which the Company has not early adopted. Management does not expect them to have any material impact on the Company's financial position or financial performance when adopted.

## **2. Significant accounting policies**

### **2.2 Income recognition**

Income comprises the fair value of the consideration received or receivable for the goods and services rendered in the ordinary course of the Company's activities. Revenue is presented, net of goods and services tax, rebates and discounts, where applicable. Revenue is recognized as follows:

#### **2.2.1 Grants/Funding**

Government grants/funding are recognized at their fair value where there is reasonable assurance that the grants/funding will be received and all related conditions will be complied with.

Government grants/funding receivables are recognized as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants/funding relating to assets are recognised as deferred capital grant and is amortised over the stipulated period of operation stated in the funding agreement.

#### **2.2.2 Donations**

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

#### **2.2.3 Sponsorship**

Sponsorship is recognised upon the signing of agreement by all parties and accepted by the sponsors.

#### **2.2.4 Rental income**

Rental income is recognized on a straight-line basis over the lease term.

#### **2.2.5 Income from event collections**

Income from event collections is recognised as earned when the event/show has been completed

#### **2.2.6 Car park fees**

Car park fees from tenants are recognised on accrual basis. Car park fees from non-tenants are recognised on receipt basis.

#### **2.2.7 Ticket sales**

For corporate customers, ticket sales are recognised upon the issuance of invoices. For non-corporate customers, ticket sales are recognised on receipt basis.

#### **2.2.8 Interest income**

Interest income on fixed deposits placed with banks is recognized on a time-proportion basis using the effective interest method.

#### **2.2.9 Other income**

Other income is recognised on receipt basis.

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## **2. Significant accounting policies**

### **2.3 Property, plant and equipment**

#### 2.3.1 Measurement

All items of property, plant and equipment are initially recognized 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 recognized includes its purchase price and any costs that are 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. Cost also include borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.

#### 2.3.2 Depreciation

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

	Useful Life
Computer and ICT equipment	3 years
Furniture & Fittings	3 years
Music studio equipment	5 years
Office equipment	5 years
Renovation	2 to 7 years

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision of the residual values and useful lives are included in the statement of financial activities for the financial year in which the changes arise.

#### 2.3.3 Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that have already been recognized 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 Company and the cost of the item can be measured reliably. Other subsequent expenditure is recognized as repair and maintenance expenses in the statement of financial activities during the financial year in which it is incurred.

#### 2.3.4 Disposal

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

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

Property, plant and equipment are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of the assets, recoverable amount 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 impairment loss is recognised in the statement of financial activities.

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

### **2.4 Impairment of non-financial assets (Cont'd)**

An impairment loss for an asset is reversed if there has been a change in the estimates used to determine the assets' 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 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.

### **2.5 Financial assets**

#### **2.5.1 Classification**

The Company classifies its financial assets in the following category: loans and receivables. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the reporting date, which are classified as non-current assets. Loans and receivables are classified within "Trade and other receivables (excluding prepayment and vouchers)" and "cash and cash equivalents" on the statement of financial position.

#### **2.5.2 Recognition and derecognition**

Usual purchases and sales of financial assets are recognized on trade-date – the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognized 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 sale of a financial asset, the difference between the net sale proceeds and its carrying amount is taken to the statement of financial activities. Any amount in the fair value reserve relating to that asset is also taken to the statement of financial activities.

#### **2.5.3 Initial measurement**

Financial assets are initially recognized at fair value plus transaction costs except for financial assets at fair value through the profit or loss, which are recognized at fair value. Transaction costs for financial assets at fair value through profit or loss are recognized immediately as expenses.

#### **2.5.4 Subsequent measurement**

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

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

### **2.5 Financial assets (Cont'd)**

#### **2.5.5 Impairment**

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognizes an allowance for impairment when such evidence exists.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments is considered indicators that the receivable is impaired.

An allowance for impairment of receivables including trade and other receivables, are recognized when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the amount becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognized against the same line item in statement of financial activities.

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment losses decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognized in prior periods.

### **2.6 Payables**

Payables represent liabilities for goods and services provided to the Company prior to the end of the financial year, which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). Otherwise, they are presented as non-current liabilities.

Payables are initially recognized at fair value, and subsequently carried at amortised cost using the effective interest method.

### **2.7 Fair value estimation of financial assets and liabilities**

The carrying amounts of current financial assets and liabilities, carried at amortised cost, approximate their fair values due to their short-term nature.

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

### **2.8 Leases**

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

#### The Company as lessor

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

#### The Company as lessee

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

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

### **2.9 Provisions**

Provisions 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.

### **2.10 Employee compensation**

#### 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 recognized as employee compensation expense when they are due.

#### Employee leave entitlement

Employee entitlements to annual leave are recognized when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date.

### **2.11 Foreign currency translation**

Transactions denominated in a currency other than Singapore Dollar ("foreign currency") are translated into Singapore Dollar using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at the closing rate at the statement of financial position date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of financial activities.



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

### **2.12 Related parties**

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
- (i) has control or joint control of the reporting entity;
  - (ii) has significant influence over the reporting entity; or
  - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:
- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

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

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash on hand and bank balance.

### **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.

#### Critical judgments in applying the entity's accounting policies

The key assumptions concerning the future and other key sources of estimation uncertainty 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.

#### *Estimated useful lives of property, plant and equipment*

The Company reviews annually the estimated useful lives of property, plant and equipment based on factors such as operating plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. The carrying amounts of the Company's property plant and equipment at 31 March 2015 were S\$2,213,923 (2014: S\$2,539,079).

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

Property, plant and equipment are reviewed for impairment whenever there is any indication that the assets are impaired. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the impairment loss. The key assumptions for the value in use calculation are those regarding the growth rates, and expected change to selling price and direct costs during the year and a suitable discount rate.

#### *Allowance for impairment of receivables*

The Company reviews the adequacy of allowance for impairment of receivables periodically by reference to the ageing analysis of receivables, and evaluates the risks of collection according to the credit standing and collection history of individual client. If there are indications that the financial position of a client has deteriorated resulting in an adverse assessment of his risk profile, an appropriate amount of allowance will be provided. The carrying amounts of the Company's trade and other receivables as at 31 March 2015 were S\$1,183,399 (2014: S\$956,381).

### **4. Income tax**

The Company is a charity registered under the Charities Act and is exempted from income tax under the provisions of Section 13 of the Income Tax Act Cap. 134.

### **5. Tax deductible receipts**

The Company has been accorded Institute of a Public Character ("IPC") status for the period from 21 December 2013 to 20 December 2016. Total tax-deductible receipts issued for donations received during the financial year amounted to S\$948 (2014: S\$3,131).

**6. Cash and cash equivalents**

	2015 S\$	2014 S\$
Cash on hand	500	800
Cash in banks	11,945,929	11,625,775
Fixed deposits with financial institutions	<u>4,226,832</u>	<u>1,725,152</u>
	<u>16,173,261</u>	<u>13,351,727</u>

The Company places majority of its refundable rental deposits collected from its tenants in fixed deposits.

Fixed deposits at the reporting date had an average maturity of 2.86 months from that date and had a weighted average effective interest rate of 0.21% (2014: 0.03%) per annum.

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

**7. Trade and other receivables**

	2015 S\$	2014 S\$
Trade receivables	619,934	791,802
Less: Allowance for impairment of trade receivables	<u>(202,679)</u>	<u>(319,096)</u>
Net trade receivables	417,255	472,706
Other receivables		
- Advance payments	35,073	0
- Income receivables	6,777	0
- Deposits	460,525	460,525
- Prepayments	96,640	22,420
- Vouchers	0	730
- MCCY subvention receivable	167,129	0
- MCCY grant receivable	<u>545,568</u>	<u>0</u>
	<u>1,728,967</u>	<u>956,381</u>

*Movement of allowance for impairment of receivables:*

Beginning of financial year	319,096	510,805
Allowance for impairment of trade receivables	28,115	142,314
Less: Writing off allowance for impairment of trade receivables	(32,661)	(200,839)
Less: Allowance for impairment of trade receivables no longer required	<u>(111,871)</u>	<u>(133,184)</u>
End of financial year	<u>202,679</u>	<u>319,096</u>

Trade receivables are non-interest bearing and are generally collected within 30 days' term (2014: 30 days' term).

**7. Trade and other receivables (Cont'd)**

The Company has unsecured trade receivables amounting to S\$548,968 (2014: S\$719,555) that was past settlement date at the reporting date of which the Company has provided for specific impairment allowance of S\$202,679 (2014: S\$391,096). The aging of the past due accounts receivables at the reporting date.

	2015		2014	
	Gross S\$	Allowance account for credit losses S\$	Gross S\$	Allowance account for credit losses S\$
Accounts receivables not past due:	<u>70,966</u>	<u>0</u>	<u>72,246</u>	<u>0</u>
Accounts receivables past due:				
1 to 30 days	134,758	0	214,538	0
31 to 60 days	47,761	0	44,117	0
61 to 90 days	22,911	0	33,402	0
More than 90 days	<u>343,538</u>	<u>202,679</u>	<u>427,499</u>	<u>319,096</u>
	<u>548,968</u>	<u>202,679</u>	<u>719,556</u>	<u>319,096</u>
	<u>619,934</u>	<u>202,679</u>	<u>791,802</u>	<u>319,096</u>

Other receivables are unsecured, interest-free and collectible on demand.

At the reporting date, the carrying amounts of trade and other receivables approximated their fair value.

**8. Property, plant and equipment**

	Computer & office equipment S\$	Furniture and fittings S\$	Music Studio equipment S\$	Renovation S\$	Total S\$
<b>2015</b>					
<b>Cost</b>					
Beginning of financial year	691,459	120,156	104,055	3,093,189	4,008,859
Additions	56,242	17,105	51,333	78,529	203,209
Disposals	(65,481)	(2,571)	(48,455)	(24,675)	(141,182)
End of financial year	<u>682,220</u>	<u>134,690</u>	<u>106,933</u>	<u>3,147,043</u>	<u>4,070,886</u>
<b>Accumulated depreciation</b>					
Beginning of financial year	622,245	114,292	73,824	659,419	1,469,780
Depreciation charge	47,018	4,570	17,570	446,889	516,047
Disposals	(65,392)	(2,571)	(45,767)	(15,134)	(128,864)
End of financial year	<u>603,871</u>	<u>116,291</u>	<u>45,627</u>	<u>1,091,174</u>	<u>1,856,963</u>
<b>Net book value at end of financial year</b>	<u>78,349</u>	<u>18,399</u>	<u>61,306</u>	<u>2,055,869</u>	<u>2,213,923</u>

**8. Property, plant and equipment (Cont'd)**

	Computer & office equipment S\$	Furniture and fittings S\$	Music Studio equipment S\$	Renovation S\$	Total S\$
<b>2014</b>					
<b>Cost</b>					
Beginning of financial year	674,004	114,739	104,055	1,474,821	2,367,619
Additions	17,455	5,417	0	1,618,368	1,641,240
End of financial year	691,459	120,156	104,055	3,093,189	4,008,859
<b>Accumulated depreciation</b>					
Beginning of financial year	581,604	111,669	57,009	342,569	1,092,851
Depreciation charge	40,641	2,623	16,815	316,850	376,929
End of financial year	622,245	114,292	73,824	659,419	1,469,780
<b>Net book value at end of financial year</b>	69,214	5,864	30,231	2,433,770	2,539,079

**9. Trade and other payables**

	2015 S\$	2014 S\$
Accrued operating expenses	508,778	343,378
Advance rent collected	8,173	13,180
Advance received	6,786	7,254
Advances received for venue sales	98,564	154,620
GST payables	52,425	113,265
Refundable deposits (a)	1,874,969	1,987,076
Rental payable to MCCY (b)	1,614,284	2,017,856
	<u>4,163,979</u>	<u>4,636,629</u>

- (a) The Company rented out units at 2 Orchard Link, Singapore 237978 to third parties and collected rental deposits. These deposits are refundable at the expiry of the rental period and compliance of certain conditions stated in the rental agreements. The refundable deposits comprised:

	2015 S\$	2014 S\$
Event deposits	62,169	74,588
Fitting out deposits	79,438	99,438
Rental deposits	<u>1,733,362</u>	<u>1,813,050</u>
	<u>1,874,969</u>	<u>1,987,076</u>

- (b) Since August 2013, the monthly rental payable to MCCY before subvention was S\$388,225. MCCY had arranged for repayment of the outstanding rental payable via instalments of S\$33,631 per month commencing from April 2012 and the Company has the discretion to settle early.

At the reporting date, the carrying amounts of trade and other payables approximated their fair values.

**10. Deferred capital grants**

	Capital Expenditure Grant S\$	Fitting Out Grant S\$	Total S\$
<b>2015</b>			
<b>Cost</b>			
Beginning and end of financial year	854,649	1,000,000	1,854,649
<b>Accumulated amortisation</b>			
Beginning of financial year	(164,491)	(569,425)	(733,916)
Amortisation for the year	(122,093)	(142,857)	(264,950)
End of financial year	(286,584)	(712,282)	(998,866)
<b>Net carrying amount at end of the financial year</b>			
Current	122,093	142,857	264,950
Non-current	445,972	144,861	590,833
	568,065	287,718	855,783
<b>2014</b>			
<b>Cost</b>			
Beginning of financial year	545,000	1,000,000	1,545,000
Received during the year - MCCY	309,649	0	309,649
End of financial year	854,649	1,000,000	1,854,649
<b>Accumulated amortisation</b>			
Beginning of financial year	(57,168)	(426,568)	(483,736)
Amortisation for the year	(107,323)	(142,857)	(250,180)
End of financial year	(164,491)	(569,425)	(733,916)
<b>Net carrying amount at end of the financial year</b>			
Current	122,093	142,857	264,950
Non-current	568,065	287,718	855,783
	690,158	430,575	1,120,733

Fitting out grant represents grant received for fitting out the \*SCAPE building.

On year 2014, the Company received Capital expenditure grant from MCCY for toilet repair and maintenance. This grant covers fitting out cost, consultancy and submission fees.

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**11. Expenditure grant**

On 1 October 2012, the Company entered into an agreement with the Government, c/o MCCY. The government shall provide the Company with a 35% expenditure grant on approved expenditure, capped at a maximum of S\$12,650,000 for the period from 1 October 2012 to 30 September 2015, subject to the terms and conditions set out in the agreement.

The Company will be required to return 50% of any excess funds over and above a 6-month reserve fund to MCCY on an annual basis, at the end of the financial year. This is subject to the Company having working capital exceeding the 6-month reserve consistently for the preceding 6-months. These funds will either be routed back to MCCY or be set-off from subsequent expenditure grants provided to the Company. The Management is of the opinion that no provision for any excess is necessary at this juncture.

**12. Working capital grant**

Working capital grants are for the purpose of meeting recurrent operating expenses and related events expenses.

**13. Sinking Fund**

On 6 March 2014, the Company's board of directors had approved the setting up of a sinking fund for infrastructural and capability development with initial sum of \$2.5 million plus subsequent annual percentage contribution. On 25 June 2015, the Company's board of directors had approved to transfer another S\$2.5 million into sinking fund.

**14. Key management personnel compensation**

The key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel for the reporting period is the Executive Director.

Remuneration band (S\$)	2015 No. of personnel	2014 No. of personnel
Below S\$50,000	<u>1</u>	<u>0</u>

Other than above, the Directors are volunteers and neither they nor any immediate member of their families received any compensation or remuneration from the Company during the financial year.

## 15. Commitments

### Operating lease commitments – where the Company is the lessee

The Company leases the \*SCAPE building from MCCY (formerly MCYS). As at the reporting date, the Company was committed to making the following lease rental payments under non-cancellable operating leases for \*SCAPE building (which it manages) and equipment for more than one year.

The future minimum lease payments under non-cancellable operating leases contracted for at the reporting date but not recognised as liabilities, are as follows:

	2015 S\$	2014 S\$
<b>Not later than one year</b>		
*SCAPE building	4,658,700	4,658,700
Photocopier	<u>3,588</u>	<u>3,588</u>
	<u>4,662,288</u>	<u>4,662,288</u>
<b>More than a year but not more than five years</b>		
*SCAPE building	1,552,900	6,211,600
Photocopier	<u>5,980</u>	<u>9,568</u>
	<u>1,558,880</u>	<u>6,221,168</u>

The lease on \*SCAPE building expires on 31 July 2016, subject to an option to renew twice and each renewal period shall not exceed 3 years, and the current rent payable on the lease is S\$388,225 per month which are subject to revision on renewal.

### Operating lease commitments – where the Company is the lessor

The Company leases out the \*SCAPE building. As at the reporting date, the Company was committed to making the following lease rental receivables under non-cancellable operating leases for \*SCAPE building (which it manages).

The future minimum lease receivables under non-cancellable operating leases contracted for at the reporting date but not recognised as assets, are as follows:

	2015 S\$	2014 S\$
Not later than one year	4,846,341	4,753,030
More than a year but not more than five years	<u>1,940,361</u>	<u>4,796,265</u>
	<u>6,786,702</u>	<u>9,549,295</u>

Certain leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions.

### Capital commitments

As at the end of the financial year, commitments in respect of capital expenditure are as follows:

	2015 S\$	2014 S\$
Capital expenditure contracted but not provided for commitments for the acquisition of property, plant and equipment	<u>1,861,200</u>	<u>0</u>



## 16. Financial risk management and instruments

The Company's key financial risks include credit risk, liquidity risk and market risk. Risk management is carried out under policies approved by the Board of Directors.

This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for measuring and managing risks. Further quantitative disclosures are included throughout these financial statements.

### Categories of financial instruments

Financial instruments as at 31 March are as follows:

	2015 S\$	2014 S\$
<b>Financial assets</b>		
Cash and cash equivalents	16,173,261	13,351,727
Trade and other receivables	<u>1,051,686</u>	<u>933,231</u>
	<u>17,224,947</u>	<u>14,284,958</u>
<b>Financial liabilities</b>		
Trade and other payables	<u>3,998,031</u>	<u>4,348,310</u>

#### (i) Credit risk

Credit risk is the potential financial loss resulting from the failure of a client or counterparty to settle their financial and contractual obligations to the Company, as and when they fall due.

The Company's exposure to credit risk arises primarily from cash and cash equivalents and trade and other receivables. Cash at bank and fixed deposits are held with reputable financial institutions of good standing. The receivables presented in the statement of financial position are net of allowance for impairment of receivables, if any, estimated by the Company's management based on prior experience and the current economic environment.

The Company manages the credit risk by monitoring credit worthiness and collections from its tenants. It ensures that the tenants have adequate financial standing, appropriate credit history and collects rental deposits before leasing out units. With this credit evaluation processes, credit control policies and collection procedures in place, the credit risk is mitigated substantially.

The maximum exposure to credit risk is as follows:

	2015 S\$	2014 S\$
<b>Financial assets</b>		
Cash and cash equivalents	16,173,261	13,351,727
Trade and other receivables	<u>1,051,686</u>	<u>933,231</u>
	<u>17,224,947</u>	<u>14,284,958</u>

As at the financial year-end, the Company's significant concentration of credit risk is disclosed in Note 7. The Directors are of the opinion that the balances are recoverable.

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**16. Financial risk management and instruments (Cont'd)**

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity risk by matching the payment and receipt cycle and maintaining a level of cash and cash equivalents deemed adequate by the management to finance its on-going financial liabilities on a regular basis.

The following table analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date.

	Less than 1 year S\$	Between 2 to 5 years S\$	Total S\$
<b>2015</b>			
Trade and other payables	<u>2,787,319</u>	<u>1,210,712</u>	<u>3,998,031</u>
<b>2014</b>			
Trade and other payables	<u>2,734,026</u>	<u>1,614,284</u>	<u>4,348,310</u>

The Company maintains a sufficient level of cash and has made adequate funding arrangement from the Government and related agencies.

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return of risk.

*Foreign currency risk*

The Company has no exposure to foreign currency risk as its transactions, assets and liabilities are substantially denominated in Singapore dollars.

*Interest rate risk*

The Company's exposure to changes in interest rates primarily to fixed deposits and bank balances with financial institutions. Any future variations in market interest rates will not have a material impact on the results of the Company since interest on fixed deposits and bank balances are not significant. The Company does not have any interest-bearing financial liabilities.

(iv) Fair value

As at 31 March 2015, the carrying amounts of all financial assets and liabilities approximated their fair values. The Company does not anticipate that the carrying amounts recorded at the reporting date would be significantly different from the values that would eventually be received or settled.

**17. Capital management policy**

The Company's objectives when managing capital, which remains unchanged from the previous year, are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure.

Management monitors capital based on a gearing ratio. This ratio is calculated as debt divided by total capital. Debt is calculated as total trade and other payables while capital is calculated as unrestricted funds.

	2015 S\$	2014 S\$
Trade and other payables	4,163,979	4,636,629
Unrestricted funds	<u>14,550,821</u>	<u>11,089,825</u>
	<u>18,714,800</u>	<u>15,726,454</u>
Gearing ratio	<u>22%</u>	<u>29%</u>

The Company is not subject to any externally imposed capital requirements for the financial year ended 31 March 2015 and 2014.

**18. Reserve policy**

As at 31 March 2015, the Company has unrestricted funds totalling S\$14,550,821 (2014: S\$11,089,825). The Company maintains its reserve at 6 months (2014: 6 months) expenditure for its operational needs.

The Management reviews the amount of reserves that are required to ensure that they are adequate to fulfil the Company's continuing obligations annually. Beyond the annual review, the Management will alert the Finance Subcommittee and put in place a mechanism to flag to the Board if reserves are drawn down or have gone below a certain level.

**19. Management of conflict of interest**

If the Director of the Company is directly or indirectly interested in any contract, proposed contract, or other matter and is present at a meeting of the Company or any sub-committee thereof, at which the contract or other matter is the subject of consideration, the Director shall, at the meeting and as soon as practicable after it commences, disclose the fact, and shall not thereafter be present during the consideration or discussion of, and shall not vote on, any question with respect to that contract or other matter.

**20. Authorisation of financial statements**

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of the Company on

**21 SEP 2015**