

**VERY SPECIAL ARTS
SINGAPORE LTD**

[UEN. 199500567G]

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

[Incorporated in the Republic of Singapore]

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

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**Suhaimi Salleh &
Associates**

[UEN. S88PF0247L]

Public Accountants and
Chartered Accountants of Singapore

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

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of Very Special Arts Singapore Ltd (the "Company") for the financial year ended 31 March 2021.

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 at 31 March 2021, 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.

Directors

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

Patrick Tan Keng Sin
Han Hee Jan
John Alexander Lombard
Azariah Tan Peng Chay
Jacqueline Chan Su-Lynn
Chua Swee Leong, Eric (Cai Ruilong)
Andrew Liew

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 auditors, Messrs. Suhaimi Salleh & Associates, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,

DocuSigned by:

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Andrew Liew
Director

DocuSigned by:

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Han Hee Jan
Director

Singapore, 8 October 2021

Suhaimi Salleh & Associates

Public Accountants and
Chartered Accountants of Singapore

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Independent auditor's report to the members of:

VERY SPECIAL ARTS SINGAPORE LTD

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Report on the Audit of the Financial Statements

Opinion

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

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

Other Information

Management is responsible for the other information. The other information comprises the 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 is 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.

Suhaimi Salleh & Associates

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 Chartered Accountants of Singapore

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(CONT'D)

Independent auditor's report to the members of:

VERY SPECIAL ARTS SINGAPORE 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.

Auditors' 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 auditors' 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.

Suhaimi Salleh & Associates

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Chartered Accountants of Singapore

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(CONT'D)

Independent auditor's report to the members of:

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Auditors' 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, the Charities Act and Regulations.

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

- (a) 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
- (b) the Company has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

DocuSigned by:

Suhaimi Salleh & Associates

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Suhaimi Salleh & Associates

Public Accountants and
Chartered Accountants

Singapore, 8 October 2021

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

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

	Note	Unrestricted Funds			Restricted Funds					Total restricted and unrestricted funds S\$
		General Fund S\$	(Note 23) Alive/Alert Programme S\$	Total unrestricted funds S\$	Building Fund S\$	Care & Share Fund S\$	Cultural Matching Fund S\$	(Note 23) Alive/Alert Programme S\$	Total restricted funds S\$	
31 March 2021										
INCOME										
Income from generated funds										
<u>Voluntary income</u>										
Corporate sponsorship		68,376	0	68,376	0	0	0	0	0	68,376
Donations	6	438,404	0	438,404	0	0	0	0	0	438,404
Government grants	7	287,648	0	287,648	0	0	0	0	0	287,648
Matching grant		21,342	0	21,342	0	0	309,740	0	309,740	331,082
Singapore Totalizator Board Social Service funding		0	0	0	0	0	0	219,604	219,604	219,604
President's Challenge Fund	13	4,457	0	4,457	0	0	0	0	0	4,457
The Invictus Fund		50,000	0	50,000	0	0	0	0	0	50,000
Other grants		42,563	0	42,563	0	0	0	0	0	42,563
		<u>912,790</u>	<u>0</u>	<u>912,790</u>	<u>0</u>	<u>0</u>	<u>309,740</u>	<u>219,604</u>	<u>529,344</u>	<u>1,442,134</u>
<u>Activities for generating funds</u>										
Fund-raising activities	6	37,287	0	37,287	0	0	0	0	0	37,287
Sales of work		9,541	55,982	65,523	0	0	0	0	0	65,523
Sales of merchandise		0	5,673	5,673	0	0	0	0	0	5,673
	5	<u>46,828</u>	<u>61,655</u>	<u>108,483</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>108,483</u>
Income from charitable activities										
Programme fees	5	45,801	97,566	143,367	0	0	0	0	0	143,367
		<u>45,801</u>	<u>97,566</u>	<u>143,367</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>143,367</u>
Other income										
Bank interest income		4,067	0	4,067	0	0	3,778	0	3,778	7,845
Fixed deposits interest income		13,308	0	13,308	0	0	0	0	0	13,308
Miscellaneous income		15,791	0	15,791	0	0	0	0	0	15,791
		<u>33,166</u>	<u>0</u>	<u>33,166</u>	<u>0</u>	<u>0</u>	<u>3,778</u>	<u>0</u>	<u>3,778</u>	<u>36,944</u>
Total income		<u>1,038,585</u>	<u>159,221</u>	<u>1,197,806</u>	<u>0</u>	<u>0</u>	<u>313,518</u>	<u>219,604</u>	<u>533,122</u>	<u>1,730,928</u>

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

	Note	Unrestricted Funds			Restricted Funds					Total unrestricted and restricted funds S\$
		General Fund S\$	(Note 23) Alive/Alert Programme S\$	Total unrestricted funds S\$	Building Fund S\$	Care & Share Fund S\$	Cultural Matching Fund S\$	(Note 23) Alive/Alert Programme S\$	Total restricted funds S\$	
31 March 2021 (CONT'D)										
EXPENDITURE										
Cost of generating funds										
Fund-raising event expenses		5,262	0	5,262	0	0	0	0	0	5,262
		5,262	0	5,262	0	0	0	0	0	5,262
Governance and administrative costs										
Audit fee		4,545	3,922	8,467	0	0	0	623	623	9,090
Access cost		0	0	0	0	0	900	0	900	900
Amortisation of right-of-use asset	11	20,972	18,098	39,070	0	0	0	2,875	2,875	41,945
Assist to clients		12,666	19,467	32,133	0	0	2,700	3,093	5,793	37,926
Bank charges		1,456	2,362	3,818	0	0	0	375	375	4,193
Communications		2,327	2,008	4,335	0	0	0	319	319	4,654
Depreciation	11	46,763	42,192	88,955	0	0	0	6,703	6,703	95,658
GST charges		1,869	1,613	3,482	0	0	0	256	256	3,738
Insurance		4,666	4,027	8,693	0	0	(25)	640	615	9,308
Interest expense–lease liabilities	18	668	577	1,245	0	0	0	92	92	1,337
Repairs and maintenance		6,146	5,304	11,450	0	0	0	843	843	12,293
Marketing expenses		4,689	1,374	6,063	0	0	212	218	430	6,493
Miscellaneous expenses		25,339	32,881	58,220	0	0	38	5,223	5,261	63,481
Printing and stationery		1,622	1,400	3,022	0	0	0	222	222	3,244
Professional fee		161,951	70,363	232,314	0	1,000	11,116	11,337	23,453	255,767
Rental of premises and facilities		6,404	4,542	10,946	0	0	0	722	722	11,668
Staff costs	8	148,427	236,378	384,805	0	0	300,290	182,489	482,779	867,584
Supplies and materials		9,224	17,872	27,096	0	0	(2,124)	2,839	715	27,811
Transport		(8)	73	65	0	0	411	12	423	488
Utilities		5,280	4,556	9,836	0	0	0	723	723	10,559
		465,006	469,009	934,015	0	1,000	313,518	219,604	534,122	1,468,137
Total expenditure		470,268	469,009	939,277	0	1,000	313,518	219,604	534,122	1,473,399

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

	Note	Unrestricted Funds			Restricted Funds					Total unrestricted and restricted funds S\$
		General Fund S\$	(Note 23) Alive/Alert Programme S\$	Total unrestricted funds S\$	Building Fund S\$	Care & Share Fund S\$	Cultural Matching Fund S\$	(Note 23) Alive/Alert Programme S\$	Total restricted funds S\$	
31 March 2021 (CONT'D)										
Net income/(expenditure) for the financial year		568,317	(309,788)	258,529	0	(1,000)	0	0	(1,000)	257,529
Transfer between the of funds		(309,788)	309,788	0	0	0	0	0	0	0
Net movement in funds		258,529	0	258,529	0	(1,000)	0	0	(1,000)	257,529
Total funds brought forward		<u>2,048,620</u>	<u>0</u>	<u>2,048,620</u>	<u>0</u>	<u>283,667</u>	<u>0</u>	<u>0</u>	<u>283,667</u>	<u>2,332,287</u>
Total funds carried forward		<u>2,307,149</u>	<u>0</u>	<u>2,307,149</u>	<u>0</u>	<u>282,667</u>	<u>0</u>	<u>0</u>	<u>282,667</u>	<u>2,589,816</u>

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

31 March 2020	Note	Unrestricted Funds			Restricted Funds				Total restricted and unrestricted funds S\$	
		General Fund S\$	(Note 23) Alive/Alert Programme S\$	Total unrestricted funds S\$	Building Fund S\$	Care & Share Fund S\$	Cultural Matching Fund S\$	(Note 23) Alive/Alert Programme S\$		Total restricted funds S\$
INCOME										
Income from generated funds										
<u>Voluntary income</u>										
		47,257	0	47,257	0	0	0	0	0	47,257
	6	376,282	0	376,282	0	0	0	0	0	376,282
		0	20,100	20,100	0	0	0	0	0	20,100
	7	32,314	2,120	34,434	2,322	0	0	0	2,322	36,756
		2,100	0	2,100	0	0	503,416	0	503,416	505,516
		0	0	0	0	0	0	214,383	214,383	214,383
		(21,647)	0	(21,647)	0	0	0	0	0	(21,647)
		<u>436,306</u>	<u>22,220</u>	<u>458,526</u>	<u>2,322</u>	<u>0</u>	<u>503,416</u>	<u>214,383</u>	<u>720,121</u>	<u>1,178,647</u>
<u>Activities for generating funds</u>										
	6	347,991	0	347,991	0	0	0	0	0	347,991
		25,339	75,963	101,302	0	0	0	0	0	101,302
		8,000	11,530	19,530	0	0	0	0	0	19,530
		0	30,838	30,838	0	0	0	0	0	30,838
	5	<u>381,330</u>	<u>118,331</u>	<u>499,661</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>499,661</u>
Income from charitable activities										
	5	80,274	157,541	237,815	0	0	0	0	0	237,815
		<u>80,274</u>	<u>157,541</u>	<u>237,815</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>237,815</u>
Other income										
		1,613	0	1,613	6	0	2,337	0	2,343	3,956
		24,715	0	24,715	0	0	0	0	0	24,715
		19,702	0	19,702	0	0	0	0	0	19,702
		<u>46,030</u>	<u>0</u>	<u>46,030</u>	<u>6</u>	<u>0</u>	<u>2,337</u>	<u>0</u>	<u>2,343</u>	<u>48,373</u>
Total income		<u>943,940</u>	<u>298,092</u>	<u>1,242,032</u>	<u>2,328</u>	<u>0</u>	<u>505,753</u>	<u>214,383</u>	<u>722,464</u>	<u>1,964,496</u>

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

	Note	Unrestricted Funds			Restricted Funds				Total unrestricted and restricted funds S\$	
		General Fund S\$	(Note 23) Alive/Alert Programme S\$	Total unrestricted funds S\$	Building Fund S\$	Care & Share Fund S\$	Cultural Matching Fund S\$	(Note 23) Alive/Alert Programme S\$		Total restricted funds S\$
31 March 2020 (CONT'D)										
EXPENDITURE										
Cost of generating funds										
Fund-raising event expenses		86,808	0	86,808	0	0	0	0	0	86,808
		86,808	0	86,808	0	0	0	0	0	86,808
Governance and administrative costs										
Audit fee		2,300	2,090	4,390	0	0	0	210	210	4,600
Amortisation of right-of-use asset	11	20,973	19,056	40,029	0	0	0	1,917	1,917	41,946
Assist to clients		14,424	58,270	72,694	0	0	7,690	5,863	13,553	86,247
Bank charges		3,851	4,956	8,807	50	0	110	499	659	9,466
Communications		3,610	3,280	6,890	0	0	0	330	330	7,220
Depreciation	11	34,202	55,280	89,482	0	0	0	5,562	5,562	95,044
Expenses-in-kind		0	20,100	20,100	0	0	0	0	0	20,100
Insurance		3,823	3,473	7,296	0	0	374	349	723	8,019
Interest expense – lease liabilities	18	1,291	1,173	2,464	0	0	0	118	118	2,582
Repairs and maintenance		1,319	3,268	4,587	2,278	0	0	329	2,607	7,194
Marketing expenses		5,907	2,362	8,269	0	0	4,563	238	4,801	13,070
Miscellaneous expenses		14,141	13,700	27,841	0	0	188	1,379	1,567	29,408
Printing and stationery		6,860	8,390	15,250	0	2,375	0	844	3,219	18,469
Professional fee		97,085	123,068	220,153	0	6,200	90,271	12,434	108,905	329,058
Rental of premises and facilities		11,418	9,393	20,811	0	0	0	945	945	21,756
Staff costs	8	186,031	211,906	397,937	0	0	300,585	176,990	477,575	875,512
Supplies and materials		24,211	50,450	74,661	0	0	95,653	5,075	100,728	175,389
Transport		4,062	6,329	10,391	0	0	6,319	637	6,956	17,347
Utilities		7,261	6,597	13,858	0	0	0	664	664	14,522
		442,769	603,141	1,045,910	2,328	8,575	505,753	214,383	731,039	1,776,949
Total expenditure		529,577	603,141	1,132,718	2,328	8,575	505,753	214,383	731,039	1,863,757

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

	Note	Unrestricted Funds			Restricted Funds				Total unrestricted and restricted funds S\$	
		General Fund S\$	(Note 23) Alive/Alert Programme S\$	Total unrestricted fund S\$	Building Fund S\$	Care & Share Fund S\$	Cultural Matching Fund S\$	(Note 23) Alive/Alert Programme S\$		Total restricted funds S\$
31 March 2020 (CONT'D)										
Net income/(expenditure) for the financial year		414,363	(305,049)	109,314	0	(8,575)	0	0	(8,575)	100,739
Transfer between the of fund		(305,049)	305,049	0	0	0	0	0	0	0
Net movement in fund		109,314	0	109,314	0	(8,575)	0	0	(8,575)	100,739
Total funds brought forward		1,939,306	0	1,939,306	0	292,242	0	0	292,242	2,231,548
Total funds carried forward		2,048,620	0	2,048,620	0	283,667	0	0	283,667	2,332,287

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

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note	2021 S\$	2020 S\$
ASSETS			
Current assets			
Cash and cash equivalents	9	5,006,101	3,595,822
Other receivables	10	<u>51,902</u>	<u>134,870</u>
		<u>5,058,003</u>	<u>3,730,692</u>
Non-current assets			
Property, plant and equipment	11	<u>461,571</u>	<u>593,426</u>
		<u>461,571</u>	<u>593,426</u>
Total assets		<u>5,519,574</u>	<u>4,324,118</u>
LIABILITIES			
Current liabilities			
Other payables	12	107,450	252,196
Contract liabilities	5	201,016	136,610
Deferred income – Grants	13	151,968	54,170
Deferred income – Others	14	163,230	0
Lease liabilities	18	<u>25,207</u>	<u>42,199</u>
		<u>648,871</u>	<u>485,175</u>
Non-current liabilities			
Deferred income – Building Fund	15	3,891	3,891
Deferred income – Renovation Fund	16	700,000	300,000
Deferred income – Cultural Matching Fund	17	1,576,996	1,177,558
Lease liabilities	18	<u>0</u>	<u>25,207</u>
		<u>2,280,887</u>	<u>1,506,656</u>
Total liabilities		<u>2,929,758</u>	<u>1,991,831</u>
NET ASSETS		<u>2,589,816</u>	<u>2,332,287</u>
FUNDS			
Unrestricted funds			
General Fund	19	2,307,149	2,048,620
Alive/Alert Programme	23	<u>0</u>	<u>0</u>
		<u>2,307,149</u>	<u>2,048,620</u>
Restricted funds			
Building Fund	20	0	0
Care & Share Fund	21	282,667	283,667
Cultural Matching Fund	22	0	0
Alive/Alert Programme	23	<u>0</u>	<u>0</u>
		<u>282,667</u>	<u>283,667</u>
TOTAL FUNDS		<u>2,589,816</u>	<u>2,332,287</u>

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

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

	Balance at beginning of financial year S\$	Net income/ (expenditure) for the financial year S\$	(Note 19) Transfers (from)/to S\$	Balance at end of financial year S\$
2021				
Unrestricted funds				
General Fund	2,048,620	568,317	(309,788)	2,307,149
Alive/Alert Programme	0	(309,788)	309,788	0
	<u>2,048,620</u>	<u>258,529</u>	<u>0</u>	<u>2,307,149</u>
Restricted funds				
Building Fund	0	0	0	0
Care & Share Fund	283,667	(1,000)	0	282,667
Cultural Matching Fund	0	0	0	0
Alive/Alert Programme	0	0	0	0
	<u>283,667</u>	<u>(1,000)</u>	<u>0</u>	<u>282,667</u>
Total funds	<u>2,332,287</u>	<u>257,529</u>	<u>0</u>	<u>2,589,816</u>

	Balance at beginning of financial year S\$	Net income/ (expenditure) for the financial year S\$	(Note 19) Transfers (from)/to S\$	Balance at end of financial year S\$
2020				
Unrestricted funds				
General Fund	1,939,306	414,363	(305,049)	2,048,620
Alive/Alert Programme	0	(305,049)	305,049	0
	<u>1,939,306</u>	<u>109,314</u>	<u>0</u>	<u>2,048,620</u>
Restricted funds				
Building Fund	0	0	0	0
Care & Share Fund	292,242	(8,575)	0	283,667
Cultural Matching Fund	0	0	0	0
Alive/Alert Programme	0	0	0	0
	<u>292,242</u>	<u>(8,575)</u>	<u>0</u>	<u>283,667</u>
Total funds	<u>2,231,548</u>	<u>100,739</u>	<u>0</u>	<u>2,332,287</u>

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

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

	Note	2021 S\$	2020 S\$
Cash flows from operating activities			
Net income for the financial year		257,529	100,739
Adjustments for:			
- Amortisation of right-of-use asset	11	41,945	41,946
- Depreciation	11	95,658	95,044
- Interest income on fixed deposits		(13,308)	(24,715)
- Interest expense		1,337	2,582
Operating cash flow before changes in working capital		<u>383,161</u>	<u>215,596</u>
Changes in working capital			
- Other receivables		81,078	(64,440)
- Other payables		(177,111)	132,375
- Deferred income and contract liabilities		1,157,237	1,607,169
Net cash generated from operating activities		<u>1,444,365</u>	<u>1,890,700</u>
Cash flows from investing activities			
Interest received		15,198	25,285
Purchases of property, plant and equipment	11	(5,748)	(44,606)
Net cash generated from/(used in) investing activities		<u>9,450</u>	<u>(19,321)</u>
Cash flows from financing activities			
Repayment of principal portion of lease liabilities		(42,199)	(40,954)
Interest paid		(1,337)	(2,582)
Net cash used in financing activities		<u>(43,536)</u>	<u>(43,536)</u>
Net increase in cash and cash equivalents		1,410,279	1,827,843
Cash and cash equivalents at beginning of financial year		3,595,822	1,767,979
Cash and cash equivalents at end of financial year	9	<u>5,006,101</u>	<u>3,595,822</u>

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

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

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

1. General information

Very Special Arts Singapore Ltd (the "Company") is a public company limited by guarantee and not having share capital. The Company is incorporated and domiciled in Singapore. The Company's registered address and principal place of business is located at 133 Bedok North Avenue 3, #01-138 Singapore 460133.

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 ceases 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 the sum of Singapore Dollar One only.

The Company was registered as charity under the Charities Act, Chapter 37 since 05 September 1995. The Company has been accorded an Institutions of a Public Character ("IPC") status from 1 August 2019 to 31 January 2022.

The principal activities of the Company are those of providing social services without accommodation for children, youth and families as well as job training and vocational rehabilitation services.

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

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

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

The 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 2020

In the current financial year, the Company has adopted all the new or revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant and mandatory to its operations and effective on 1 April 2020. 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 FRS, INT FRS and amendments to FRSs that were issued but not yet effective:

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

The Board of Directors expect that the adoption of the revised standards above will have no material impact on the financial statements in the period of initial adoption.

2.2 Income recognition

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

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

2.2.1 Donations

Unrestricted donations are reported as income. The timing of income recognition is governed by the donor's intent. If the donor is silent, the donation is recognised as income in the financial year made. The timing of income recognition for restricted donations is the same as for unrestricted donations.

2.2.2 Donations-in-kind

Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2.2.3 Fund-raising events income

Revenue from special events is recognised when the event takes place.

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

2.2.4 Sales of works and tickets

Sales of works and tickets are recognised when the significant upon transfer control of the goods have passed to the buyer or when services have been rendered.

2.2.5 Programme fees

Programme fees income are recognised throughout the duration of the programme.

2.2.6 Grants and sponsorship

Income from grants and sponsorships are accounted for when received, except for committed grants and sponsorships that are recorded when the commitments are signed. Such income is only deferred when the donor specifies that the grant or sponsorships must be used in future accounting periods or the donor has imposed conditions that must be met before the Company has unconditional entitlement.

2.2.7 Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

2.2.8 Other income

Other income is recognised when received.

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 fund-raising 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 cost of governance arrangement, which related 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

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

Depreciation

Depreciation is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Renovation	10 years
Furniture and fixtures	5 years
Office equipment	3 - 5 years
Right-of-use asset	Over the remaining lease term

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

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

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 Company and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expenses in the statement of financial activities during the financial year in which it is incurred.

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.

2.6 Impairment of non-financial assets

Non-financial assets 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.

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

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.

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

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

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

At subsequent measurement**Debt instrument**

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

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

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

2. Significant accounting policies (Cont'd)**2.7 Financial assets (Cont'd)****(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 cash and cash equivalents and other receivables, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

(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.

2.8 Cash and cash equivalents

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

2.9 Other receivables

Other receivables are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

2.10 Financial liabilities

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

Financial liabilities which are due to be settled within 12 months after the reporting date are presented as current liabilities in the statement of financial position even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other financial liabilities due to be settled more than 12 months after the reporting date are presented as non-current liabilities in the statement of financial position.

Financial liabilities is 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 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. Significant accounting policies (Cont'd)

2.11 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.

2.12 Provision 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.

2.13 Leases

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

When the Company is the lessee:

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

2.13.1 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 which comprises the initial measurement of lease liabilities adjusted of any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

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. The Company's right-of-use assets are presented within "Property, plant and equipment" as disclosed in Note 11.

2.13.2 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;

2. Significant accounting policies (Cont'd)

2.13 Leases (Cont'd)

2.13.2 Lease liabilities (Cont'd)

Lease payments include the following (Cont'd):

- 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.

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.

2.13.3 Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office premises (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.13.4 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.

2.14 Borrowing costs

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

2. Significant accounting policies (Cont'd)**2.15 Borrowings**

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

Borrowings, which are due to be settled within twelve months after the reporting date, are included in current borrowings in the statement of financial position.

2.16 Foreign currencies

Transactions in foreign currencies are measured in Singapore Dollar and recorded at exchange rates approximating those ruling at the transaction dates. Foreign currency monetary assets and liabilities are measured using the exchange rates ruling at the reporting date. All exchange differences are recognised in the statement of financial activities.

2.17 Employee benefits**2.17.1 Defined contribution plans**

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2.17.2 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.

2.18 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.

2.19 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.

2.20 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.

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

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

Useful lives of property, plant and equipment

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

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

The carrying value of property, plant and equipment as of 31 March 2021 and 2020 are disclosed in Note 11 of these financial statements.

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

4. Income tax

The Company is a charity registered under the Charities Act since 05 September 1995. Consequently, the income of the Company is exempted from tax under the provisions of Section 13 of the Income Tax Act Cap. 134.

5. Revenue from contract with customers

(a) Disaggregation of revenue from contracts with customers

	2021 S\$	2020 S\$
Revenue from:		
Voluntary income (excluding government grants/funding)	544,067	443,639
Activities for generating funds	71,196	499,661
Programme fees	<u>143,367</u>	<u>237,815</u>
	<u><u>758,630</u></u>	<u><u>1,181,115</u></u>

All the revenue are recognised at a point in time, except for programme fees, which is recognised over programme's term.

(b) Contract liabilities

	2021 S\$	2020 S\$
Amounts received in advance for programme fee and fund-raising events	<u>201,016</u>	<u>136,610</u>

(i) Income recognised in relation to contract liabilities

	2021 S\$	2020 S\$
Revenue recognised in current period that was included in contract liabilities balance at the beginning of the year	<u>136,610</u>	<u>13,192</u>

The contract liabilities relate to the programme fees, Gala Dinner and other fund-raising events received in advance for the unsatisfied performance obligation in for classes to be conducted. Revenue will be recognised when the classes and events are held and services rendered over the period.

6. Donations

	2021 S\$	2020 S\$
Tax exempt donations	382,775	528,367
Non-tax exempt donations	<u>92,916</u>	<u>195,906</u>
	<u>475,691</u>	<u>724,273</u>
The donations were allocated as follows:		
• Donations	438,404	376,282
• Fund-raising events	<u>37,287</u>	<u>347,991</u>
	<u>475,691</u>	<u>724,273</u>

During the financial year, the Company issued tax-exempt receipts for donations collected amounting to S\$962,005 (2020: S\$627,855). This included donation received in advance for received in advance for programme fee and fund-raising events of S\$22,000 (2020: S\$87,888) as disclosed in Note 5, donation received from Corporate for support of the programme for subsequent period for S\$163,000 (2020: S\$NIL) as disclosed in Note 14 and for renovation fund of S\$400,000 (2020: S\$NIL) as disclosed in Note 16 respectively.

7. Government grants

	2021 S\$	2020 S\$
<u>Unrestricted funds</u>		
Grant income – Jobs Support Scheme	136,384	0
Arts and Culture grant	75,000	0
VCF Organisational Development Grant	39,783	0
Wage Credit Scheme	0	9,884
Others	<u>36,481</u>	<u>24,550</u>
	<u>287,648</u>	<u>34,434</u>
<u>Restricted fund</u>		
Building Fund	<u>0</u>	<u>2,322</u>
	<u>287,648</u>	<u>36,756</u>

8. Staff costs

	Unrestricted Funds			Restricted Funds				Total restricted and unrestricted funds S\$	
	General fund S\$	Alive/Alert Programme S\$	Total unrestricted funds S\$	Building Fund S\$	Care & Share Fund S\$	Cultural Matching Fund S\$	Alive/Alert Programme S\$		Total restricted funds S\$
2021									
Staff salaries and bonuses	129,180	211,043	340,223	0	0	261,645	169,423	431,068	771,291
Employer's contribution to CPF and SDL	14,799	21,218	36,017	0	0	38,355	12,412	50,767	86,784
Staff medical	837	722	1,559	0	0	290	115	405	1,964
Staff transport	1,641	1,350	2,991	0	0	0	214	214	3,205
Staff training	252	218	470	0	0	0	35	35	505
Staff welfare	1,718	1,827	3,545	0	0	0	290	290	3,835
	<u>148,427</u>	<u>236,378</u>	<u>384,805</u>	<u>0</u>	<u>0</u>	<u>300,290</u>	<u>182,489</u>	<u>482,779</u>	<u>867,584</u>
2020									
Staff salaries and bonuses	158,462	178,198	336,660	0	0	271,592	155,939	427,531	764,191
Employer's contribution to CPF and SDL	19,780	26,631	46,411	0	0	28,993	20,339	49,332	95,743
Staff medical	1,629	1,480	3,109	0	0	0	149	149	3,258
Staff transport	3,427	3,114	6,541	0	0	0	313	313	6,854
Staff training	1,161	1,055	2,216	0	0	0	106	106	2,322
Staff welfare	1,572	1,428	3,000	0	0	0	144	144	3,144
	<u>186,031</u>	<u>211,906</u>	<u>397,937</u>	<u>0</u>	<u>0</u>	<u>300,585</u>	<u>176,990</u>	<u>477,575</u>	<u>875,512</u>

9. Cash and cash equivalents

	2021 S\$	2020 S\$
Cash on hand	2,500	2,500
PayPal account	16,205	11,229
Cash at banks	3,343,070	2,552,965
Fixed deposits	1,644,326	1,029,128
	5,006,101	3,595,822

The cash at banks includes S\$2,271,869 (2020: S\$1,477,558) for CMF grant received in advance mainly for approved projects and donation for planned renovation.

The fixed deposits mature within 3 to 12 months (2020: 4 to 9 months) from the financial year end and earn interest at rates ranging from 0.45% to 1.10% (2020: 1.10% to 1.75%) per annum.

Fixed deposits are included as cash and cash equivalents as these can be readily converted into cash without having significant defaults.

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

10. Other receivables

	2021 S\$	2020 S\$
Other receivables	18,499	22,942
Interest receivables on fixed deposits	2,510	4,400
Deposit	18,663	15,471
Prepayments	12,230	56,546
Grant receivable – Jobs Support Scheme	0	35,511
	51,902	134,870

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

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

11. Property, plant and equipment

	Renovation S\$	Furniture and fixtures S\$	Office equipment S\$	Right-of- use asset S\$	Total S\$
Cost					
At 31 March 2019, as previously reported	809,559	16,277	63,984	0	889,820
Effects of adopting FRS 116	0	0	0	108,360	108,360
At 1 April 2019, as restated	809,559	16,277	63,984	108,360	998,180
Additions	22,124	5,136	17,346	0	44,606
At 31 March 2020	831,683	21,413	81,330	108,360	1,042,786
Additions	0	0	5,748	0	5,748
At 31 March 2021	831,683	21,413	87,078	108,360	1,048,534

11. Property, plant and equipment (Cont'd)

	Renovation S\$	Furniture and fixtures S\$	Office equipment S\$	Right-of- use asset S\$	Total S\$
Accumulated depreciation					
At 1 April 2019	262,075	7,753	42,542	0	312,370
Depreciation	81,309	2,403	11,332	41,946	136,990
At 31 March 2020	343,384	10,156	53,874	41,946	449,360
Depreciation	82,416	2,915	10,327	41,945	137,603
At 31 March 2021	425,800	13,071	64,201	83,891	586,963
Carrying amount					
31 March 2020	488,299	11,257	27,456	66,414	593,426
31 March 2021	405,883	8,342	22,877	24,469	461,571

The costs of renovations and furniture and fittings amounting to S\$22,124 and S\$5,136 with carrying amount of S\$18,866 and S\$3,978 respectively as at 31 March 2021 are funded through President's Challenge fund (Note 13).

12. Other payables

	2021 S\$	2020 S\$
Other payables	64	4,199
Accruals	80,307	212,486
Deferred grant income – Jobs Support Scheme *	9,817	35,511
Deferred grant – Manpower	17,262	0
	<u>107,450</u>	<u>252,196</u>

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

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

13. Deferred income - Grants

	2021 S\$	2020 S\$
Community Chest Support Fund grant	50,000	0
President's Challenge Fund grant	101,968	0
National Arts Council grant	0	54,170
	<u>151,968</u>	<u>54,170</u>

The amount received from President's Challenge Fund is S\$106,425 where S\$4,457 is transferred to grant income during the year representing the depreciation from \$27,260 utilised for furniture and fittings and renovation works in Changi City Point Centre. At end of financial year, the grant balance of \$79,165 is to be matched against future spending.

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14. Deferred income – Others

	2021 S\$	2020 S\$
At beginning of financial year	0	45,655
Received during the financial year	326,460	0
Transferred to project income	(163,230)	(3,006)
Funds refunded	0	(42,649)
At end of financial year	<u>163,230</u>	<u>0</u>

15. Deferred income – Building Fund

	2021 S\$	2020 S\$
At beginning of financial year	3,891	6,213
Transferred to project income	0	(2,322)
At end of financial year	<u>3,891</u>	<u>3,891</u>

16. Deferred income – Renovation Fund

	2021 S\$	2020 S\$
At beginning of financial year	300,000	0
Received during the year	400,000	300,000
At end of financial year	<u>700,000</u>	<u>300,000</u>

17. Deferred income – Cultural Matching Fund

	2021 S\$	2020 S\$
At beginning of financial year	1,177,558	0
Received during the financial year	705,451	1,680,974
Adjustments during the year	3,727	0
Interest income	3,778	2,337
Recognised in statement of financial activities	(313,518)	(505,753)
At end of financial year	<u>1,576,996</u>	<u>1,177,558</u>

18. Lease liabilities

		2021 S\$	2020 S\$
Current		25,207	42,199
Non-current		0	25,207
		<u>25,207</u>	<u>67,406</u>
Amount recognised in profit or loss:	Note	2021 S\$	2020 S\$
Depreciation of right-of-use assets	11	41,945	41,946
Interest expense on lease liabilities		1,337	2,582
Total amount recognised in profit or loss		<u>43,282</u>	<u>44,528</u>

18. Lease liabilities (Cont'd)

Total cash outflow:

During the financial year, the Company had total cash outflows for leases of S\$55,202 (2020: S\$65,292).

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

2021 Liabilities Lease liabilities	1 April 2020 S\$	Addition S\$	Cash flows S\$	Non-cash changes		31 March 2021 S\$
				Accretion of interests S\$	Other S\$	
- current	42,199	0	(43,535)	1,337	25,207	25,207
- non-current	25,207	0	0	0	(25,207)	0

2020 Liabilities Lease liabilities	1 April 2019 S\$	Addition S\$	Cash flows S\$	Non-cash changes		31 March 2020 S\$
				Accretion of interests S\$	Other S\$	
- current	40,954	0	(43,536)	2,582	42,199	42,199
- non-current	67,406	0	0	0	(42,199)	25,207

19. General Fund

The General Fund are expendable at the discretion of the management in furtherance of the Company's objects and purposes.

The Board has authorised to transfer the deficit balance of unfunded Alive/Alert Programme of S\$309,788 (2020: S\$305,049) to General Fund.

20. Building Fund

The building fund comprises a specific donation received from Lee Foundation for the construction and maintenance of the Company's office, including furnishing and equipment cost.

Building fund, to the extent utilised, is recognised in the statement of financial activities over the useful life of the property, plant and equipment purchased with the proceeds from the fund to correspond to the depreciation charge in respect of such assets. The unutilised portion of the fund is retained in the statement of financial position.

21. Care & Share Fund

Care and Share Matching Grant is a grant from Ministry of Social and Family Development ("MSF"), based on qualifying donations, to develop the charitable agency's capabilities and capacity in the provision of social services and programmes for its beneficiaries.

22. Cultural Matching Fund

Cultural Matching Fund provides dollar to dollar matching grant based on cash donations, to develop long term sustainability of an organisation and to support projects that are aligned to arts and culture sector priorities. These include projects that encourage transformation, sustainability and engagement in the arts and heritage sectors in Singapore.

23. Alive/Alert Programme

The fund was set up to provide the funding to the Alive/Alert programme supportable by NCSS. It is restricted to the NCSS funded programme for cost on expenditure included manpower and other operating expenditure of the programme.

Movement for the financial year is as follows:

	2021			2020		
	NCSS funded S\$	NCSS Non-funded S\$	Total S\$	NCSS funded S\$	NCSS Non-funded S\$	Total S\$
INCOME						
Income from generated funds						
<u>Voluntary income</u>						
Donations in-kind	0	0	0	0	20,100	20,100
Government grants	0	0	0	0	2,120	2,120
Singapore Totalisator Board Social Service funding	219,604	0	219,604	214,383	0	214,383
	<u>219,604</u>	<u>0</u>	<u>219,604</u>	<u>214,383</u>	<u>22,220</u>	<u>236,603</u>
<u>Activities for generating funds</u>						
Sales of work	0	55,982	55,982	0	75,963	75,963
Sales of ticket	0	0	0	0	11,530	11,530
Sales of merchandise	0	5,673	5,673	0	30,838	30,838
	<u>0</u>	<u>61,655</u>	<u>61,655</u>	<u>0</u>	<u>118,331</u>	<u>118,331</u>
Income from charitable activities						
Programme fees	0	97,566	97,566	0	157,541	157,541
	<u>0</u>	<u>97,566</u>	<u>97,566</u>	<u>0</u>	<u>157,541</u>	<u>157,541</u>
Total income	<u>219,604</u>	<u>159,221</u>	<u>378,825</u>	<u>214,383</u>	<u>298,092</u>	<u>512,475</u>
Government and administration costs						
Audit fee	623	3,922	4,545	210	2,090	2,300
Amortisation of right-of-use asset	2,875	18,098	20,973	1,917	19,056	20,973
Assist to clients	3,093	19,467	22,560	5,863	58,270	64,133
Bank charges	375	2,362	2,737	499	4,956	5,455
Communications	319	2,008	2,327	330	3,280	3,610
Depreciation	6,703	42,192	48,895	5,562	55,280	60,842
Expenses in kind	0	0	0	0	20,100	20,100
GST not claimable	256	1,613	1,869	0	0	0
Insurance	640	4,027	4,667	349	3,473	3,822
Interest expense in lease liabilities	92	577	669	118	1,173	1,291
Repairs and maintenance	843	5,304	6,147	329	3,268	3,597
Marketing expenses	218	1,374	1,592	238	2,362	2,600
Miscellaneous expenses	5,223	32,881	38,104	1,379	13,700	15,079
Printing and stationery	222	1,400	1,622	844	8,390	9,234
Professional fees	11,337	70,363	81,700	12,434	123,068	135,502
Rental of premises and facilities	722	4,542	5,264	945	9,393	10,338
Staff costs	182,489	236,378	418,867	176,990	211,906	388,896
Supplies and materials	2,839	17,872	20,711	5,075	50,450	55,525
Transport	12	73	85	637	6,329	6,966
Utilities	723	4,556	5,279	664	6,597	7,261
	<u>219,604</u>	<u>469,009</u>	<u>688,613</u>	<u>214,383</u>	<u>603,141</u>	<u>817,524</u>
Total expenditure	<u>219,604</u>	<u>469,009</u>	<u>688,613</u>	<u>214,383</u>	<u>603,141</u>	<u>817,524</u>
Net expenditure for the financial year						
	0	(309,788)	(309,788)	0	(305,049)	(305,049)
Transfer between the funds	0	309,788	309,788	0	305,049	305,049
Net movement in funds	0	0	0	0	0	0
Total funds brought forward	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total funds carried forward	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

24. Related party transactions

(a) There was no transaction between the Company and related party for the financial year ended 31 March 2021 and 31 March 2020.

(b) Key management personnel compensation

Key management personnel compensation for the financial year was as follows:

	2021 S\$	2020 S\$
Executives' remuneration:		
Salaries and bonuses	251,529	344,929
Employer's contribution to CPF	<u>21,997</u>	<u>32,149</u>
	<u>273,526</u>	<u>377,078</u>
No. of executive of the Company in remuneration bands:		
Above S\$100,000 and below S\$200,000	<u>2</u>	<u>2</u>

25. Financial instruments

The financial assets and liabilities of the Company as at the financial reporting date was as follows:

	2021 S\$	2020 S\$
Financial assets		
Cash and cash equivalents	5,006,101	3,595,822
Other receivables (excluding prepayments)	<u>39,672</u>	<u>78,324</u>
	<u>5,045,773</u>	<u>3,674,146</u>
Financial liabilities		
Other payables (excluding deferred income)	80,371	216,685
Lease liabilities	<u>25,207</u>	<u>67,406</u>
	<u>105,578</u>	<u>284,091</u>

The cash at banks includes S\$2,271,869 (2020: S\$1,477,558) for the CMF grant received in advance mainly for approved projects and donation for a planned renovation.

26. Financial risk management

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

26.1 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 and borrowings.

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

Sensitivity analysis for interest rate risk

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

	2021 S\$	2020 S\$
Fixed rate instruments		
<u>Financial assets</u>		
Fixed deposits	<u>1,644,326</u>	<u>1,029,128</u>
<u>Financial liabilities</u>		
Lease liabilities	<u>25,207</u>	<u>67,406</u>

The sensitivity analysis is not disclosed as management deemed not expect to be material.

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

26.2 Credit risk

Credit risk is the potential financial loss resulting from the customer defaulting on its contractual obligations to the Company.

The Company does has minimal exposure to credit risks due to the nature of its activities.

26.3 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.

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

26. Financial risk management (Cont'd)

26.3 Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Company's financial assets and liabilities 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\$
2021			
Financial assets			
Cash and cash equivalents	5,006,101	0	5,006,101
Other receivables (excluding prepayments)	39,672	0	39,672
	<u>5,045,773</u>	<u>0</u>	<u>5,045,773</u>
Financial liabilities			
Other payables (excluding deferred income)	(80,371)	0	(80,371)
Lease liabilities	(25,396)	0	(25,396)
	<u>(105,767)</u>	<u>0</u>	<u>(105,767)</u>
Net financial assets	<u>4,940,006</u>	<u>0</u>	<u>4,940,006</u>
	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2020			
Financial assets			
Cash and cash equivalents	3,595,822	0	3,595,822
Other receivables (excluding prepayments)	78,324	0	78,324
	<u>3,674,146</u>	<u>0</u>	<u>3,674,146</u>
Financial liability			
Other payables (excluding deferred income)	(216,685)	0	(216,685)
Lease liabilities	(43,536)	(25,396)	(68,932)
	<u>(260,221)</u>	<u>(25,396)</u>	<u>(285,617)</u>
Net financial assets	<u>3,413,925</u>	<u>(25,396)</u>	<u>3,388,529</u>

The cash at banks includes S\$2,271,869 (2020: S\$1,477,558) for the CMF grant received in advance mainly for approved projects and donation for a planned renovation.

27. Fair values

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

The fair values of non-current lease liabilities carried at amortised cost are estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial liabilities.

28. Reserve position and policy

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

		2021	2020	Increase/ (decrease)
		S\$ '000	S\$ '000	%
A	Unrestricted Funds			
	General Fund	2,307	2,048	12.64
	Alive/Alert Programme	0	0	0
B	Restricted Funds			
	Building Fund	0	0	0
	Care & Share Fund	283	284	0.35
	Cultural Matching Fund	0	0	0
C	Endowment Fund	N/A	N/A	N/A
D	Total Funds	2,590	2,332	11.06
E	Total Annual Operating Expenditure (unrestricted funds)	939	1,133	
F	Ratio of Funds to Annual Operating Expenditure (A/E)	2.46	1.81	

Reference:

- C. An endowment fund consists of assets, funds or properties that are held in perpetuity which produce annual income flow for a foundation 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 and Governance and Administrative Costs.

The Company's reserve policy is as follows:

The reserve of the Company provides financial stability and the means for the development of the Company's activities. The Board intends to maintain the reserves at a level sufficient for its operating needs. The Company reviews the level of reserves regularly for the Company's continuing obligations.

29. Management of conflict of interest

During the current and previous financial year, none of the Board Members received any remuneration from the Company.

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

30. Impact of COVID-19 (Coronavirus Disease 2019)

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Company's significant operations are in Singapore which have been affected by the spread of COVID-19 in 2021. Summarise the impact of COVID-19 as below on the Company's financial performance reflected in this set of financial statements for the financial year ended 31 March 2021:

- i. The Company has assessed that the going concern basis of preparation for this set of financial statements remains appropriate. The Board of Directors is continuously monitoring the COVID-19 pandemic situation and will take further action as necessary in response to the economic and service disruption.
- ii. The Singapore Multi-Ministry Taskforce implemented an elevated set of safe distancing measures as a circuit breaker from 7 April 2020 to 1 June 2020, to pre-empt the trend of increasing local transmission of COVID-19. Except for those providing essential services and selected economic sectors which are critical for our local and the global supply chains, all businesses are required to suspend all in-person activities and the Company's physical operations were temporarily closed to adhere to the respective governments' movement control measures.
- iii. Income and donations have been affected by the pandemic from reduction of classes and cancellation of fund-raising events. Efforts were made to hold classes and fund-raising campaigns via online platforms instead to mitigate the impact. Application for government grants had also cushioned the impact.
- iv. 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 very fluid as at the date these financial statements were authorised for issuance, the Company cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 March 2022. 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.

31. Authorisation of financial statements

The financial statements for the financial year ended 31 March 2021 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 8 October 2021.