DRAMA BOX LTD.

[Co. Reg. No. 200517863N]
[IPC Reg. No. IPC000610]

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

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

CONTENTS

Fiducia LLP
Certified Public Accountants
Singapore

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DIRECTORS' REPORT

The directors present their report to the members together with the audited financial statements of the Company for the financial year ended 31 March 2012.

Directors

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

Leong Thim Wai
Kok Heng Leun
Loo Ngee Hui
Danny Yeo Chin Wei
Lee Shyh Jih

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 except as disclosed in the accompanying financial statements and in this report.

Other matters

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

Auditors

The auditors, Messrs. Fiducia LLP, Certified Public Accountants, have expressed their willingness to accept re-appointment.

On behalf of the directors,

Loo Ngee Hui Director	Leong Thim Wai Director

Singapore,

14 NOV 2012

STATEMENT BY DIRECTORS

In the opinion of the directors,

a) the financial statements as set out on pages 6 to 22 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 March 2012, and of the results of financial activities, 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

On behalf of the directors,

Loo Ngee Hui
Director

Leong Thim Wai
Director

Singapore,

14 NOV 2012

Fiducia LLP
Certified Public Accountants, Singapore

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Independent auditors' report to the members of:

DRAMA BOX LTD.
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We have audited the accompanying financial statements of **Drama Box Ltd.** (the "Company") set out on pages 6 to 22, which comprise the statement of financial position of the Company as at **31 March 2012**, the statement of financial activities, the statement of changes in funds and the statement of cash flows of the Company for the financial 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 statement of financial activities and statement of financial position 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 as to whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 controls relevant to the entity's preparation and fair presentation of the financial statements 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 controls. 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 that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Certified Public Accountants, Singapore

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(CONT'D)

Independent auditors' report to the members of:

DRAMA BOX LTD.
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Opinion

In our opinion, the financial statements 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 state of affairs of the Company as at 31 March 2012, and the results, 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 regulations enacted under the Companies Act to be kept by the Company have been properly kept in accordance with those regulations.

During the course of our audit, nothing 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 objectives of the Company.

Fiducia LLP
Certified Public Accountants

Singapore,

14 NOV 2012

STATEMENT OF FINANCIAL POSITION AS AT 31 March 2012

	Note	2012 S$	2011 S$
ASSETS			
Current assets			
Cash and cash equivalents	4	92,161	65,864
Accounts receivables	5	69,120	73,079
		161,281	138,943
Non-current assets			
Property, plant and equipment	6	387	3,727
Total assets		161,668	142,670
LIABILITIES			
Current liabilities			
Amount due to directors	7	74,234	110,928
Other payables	8	57,284	44,165
Total liabilities		131,518	155,093
NET ASSETS / (LIABILITIES)		30,150	(12,423)
FUNDS			
Unrestricted funds			
Accumulated general funds		30,150	(12,423)
TOTAL FUNDS		30,150	(12,423)

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

STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 3 MARCH 2012

	Note	2012 S$	2011 S$
INCOME			
Income from generated funds			
Voluntary income			
– Donations and sponsorships	9	142,117	253,014
– Grants from National Arts Council		195,000	195,000
Activities from generating funds			
– Sales of production ticket		38,645	14,653
Income from charitable activities			
Fees from workshop and courses		97,414	169,459
Fees from commissioned projects		315,082	0
Other income	10	7,853	15,813
Total income		796,111	647,939
EXPENDITURES			
Cost of generating funds			
Cost of Production and Projects	11	392,254	323,799
Marketing and publicity		10,342	0
Rental and sinking fund		7,668	7,776
Governance and other administrative costs			
Audit fee		3,000	2,500
Bank charges		203	128
CPF contribution		30,414	25,622
Depreciation of property, plant and equipment	6	3,340	5,363
Insurance		2,793	2,667
IT / Web expenses		1,346	1,224
Office upkeeps		5,559	4,791
Postage and stationary		713	1,908
Printing and photocopying		1,091	0
Repairs and maintenance		1,876	377
Skill Development Levy		535	462
Sponsorship expenses		2,147	799
Staff salaries and bonuses		199,171	174,575
Staff training		1,501	0
Staff welfare		1,276	2,183
Telephone		1,464	1,449
Transportation		644	88
Utility		8,467	8,209
Director's CPF contribution		8,734	5,010
Director's bonus		10,500	5,000
Director's salary		58,500	28,500
Production costs		0	575
Total expenditures		753,538	603,005
NET INCOME FOR THE FINANCIAL YEAR		42,573	44,934

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

STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2012

	Balance at beginning of financial year S$	Net income for the financial year S$	Balance at the end of financial year S$
2012			
Unrestricted funds			
Accumulated general funds	(12,423)	42,573	30,150

	Balance at beginning of financial year S$	Net income for the financial year S$	Balance at the end of financial year S$
2011			
Unrestricted funds			
Accumulated general funds	(57,357)	44,934	(12,423)

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

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2012

		2012 S$	2011 S$
Cash flows from operating activities			
Net income for the financial year		42,573	44,934
Adjustments for:			
– Depreciation of plant and equipment	6	3,340	5,363
Operating income before changes in working capital		45,913	50,297
Changes in operating assets and liabilities			
– Inventories		0	1,724
– Receivables		3,959	69,179
– Payables		(23,575)	(73,835)
Net cash flows generated from operating activities		26,297	47,365
Net increase in cash and cash equivalent		26,297	47,365
Cash and cash equivalents at beginning of financial year		65,864	18,499
Cash and bank balances at end of financial year	4	92,161	65,864

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2012

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

1. General information

Drama Box Ltd. (the "Company") was established on 27 December 2005. It is a company limited by guarantee whereby each member of the Company undertakes to meet the debts and liabilities of the Company, in event of its liquidation, to an amount not exceeding S$1 per member. As at 31 March 2012, the Company has 5 members (2011: 5 members).

It is a charity registered under the Charities Act (Chapter 37) since 5 July 2006. The Company has been accorded Institutions of a Public Character ("IPC") status for the period from 17 January 2010 to 16 January 2013.

The address of its registered office and principal place of business is 14A Trengganu Street, Singapore 058468.

The principal activities of the Company are those of producing local and international theatre and cultural performances and training of local arts practitioners and related activities to promote arts amongst the general public.

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 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 that affects the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the financial year. Although these estimates are based on Board of Director's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

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 2011

The Company has adopted the new or revised FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. 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.

2. Significant accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

The following are the FRS and INT FRS that are relevant to the Company:

FRS	Effective date	Title
FRS 1	1.1.2009	Presentation of financial statements
FRS 2	1.1.2009	Inventories
FRS 7	1.1.2009	Cash flow statements
FRS 8	1.1.2009	Accounting policies, changes in accounting estimates and errors
FRS 10	1.1.2007	Events after the balance sheet date
FRS 16	1.1.2009	Property, plant and equipment
FRS 17	1.1.2007	Leases
FRS 18	1.1.2005	Revenue
FRS 19	1.1.2009	Employee benefits
FRS 21	1.1.2006	The effect of changes in foreign exchange rates
FRS 24	1.1.2011	Related party disclosures
FRS 32	1.2.2007	Financial instruments: Presentation
FRS 32	1.2.2009	Financial instruments: Presentation (Amendments)
FRS 36	1.1.2009	Impairment of assets
FRS 37	1.1.2006	Provisions, contingent liabilities and contingent assets
FRS 39	1.1.2005	Financial instruments: Recognition and measurement
FRS 40	1.1.2007	Investment property
FRS 107	1.1.2009	Financial instruments: Disclosures

The adoption of the above revised FRS did not result in any substantial changes to the Company's accounting policies.

2.2 Revenue recognition

Sales comprise the fair value of the consideration received or receivable for the sale of goods 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 Sale of goods

Revenue from sales of tickets and sponsorships are recognized when the productions have been performed, the Company delivered the products to the customers, the customer has accepted the products and the collectability of the related receivables are reasonably assured.

2.2.2 Rendering of services

Revenue from workshops and courses are recognised over the period in which the services are rendered, using the percentage-of-completion method based on the actual service provided as a proportion of the total services to be performed.

2.2.3 Government grants

Government grants are recognized at their fair value where there is reasonable assurance that the grants will be received and all related conditions will be complied with. Government grants relating to assets are recognised as deferred capital grant and is amortised over the estimated useful life of the relevant asset.

2. Significant accounting policies (Cont'd)

2.2 Revenue recognition (Cont'd)

2.2.4 Donations

Donations are recognized on a receipts basis. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2.2.5 Other income

Other income is recognized when incurred.

2.3 Property, plant and equipment

2.3.1 Measurement

All 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 and any fair value gains or losses on qualifying cash flow hedges of property, plant and equipment that are transferred from the hedging reserve.

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 as follows:

	Useful lives
Furniture and fittings	3 years
Office equipment	3 years
Stage equipment	3 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognized in the statement of comprehensive income in 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 statement of comprehensive income during the financial year in which it is incurred.

2. Significant accounting policies (Cont'd)

2.3 Property, plant and equipment (Cont'd)

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 comprehensive income. Any amount in revaluation reserve relating to that asset is transferred to retained profits directly.

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 recognized in the statement of comprehensive income.

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 recognized. 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 recognized for the asset in prior years. A reversal of impairment loss for an asset is recognized in the statement of comprehensive income.

2.5 Financial assets

2.5.1 Classification

The Company classifies its financial assets in the following categories: 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" and "Cash and cash equivalents" on the statement of financial position.

2. Significant accounting policies (Cont'd)

2.5 Financial assets (Cont'd)

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 comprehensive income. Any amount in the fair value reserve relating to that asset is also taken to the statement of comprehensive income.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Company are not derecognized until the recourse period has expired and the risks and rewards of the receivables have been fully transformed. The corresponding cash received from the financial institutions is recorded as borrowings.

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 and financial assets, held-to maturity is subsequently carried at amortized cost using the effective interest method.

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 are considered indicators that the receivable is impaired.

An allowance for impairment of loans and 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 profit or loss.

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 amortized cost had no impairment been recognized in prior periods.

2. Significant accounting policies (Cont'd)

2.6 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits with financial institutions, which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings in current liabilities on the statement of financial position.

2.7 Trade and other receivables

Trade and other receivables are initially recognized at fair value, and subsequently carried at amortized cost, using the effective interest method.

2.8 Trade and other payables

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost, using the effective interest method.

2.9 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognized 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 Fair value estimation of financial assets and liabilities

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

The fair values of forward currency contracts are determined using actively quoted forward currency exchange rates at the statement of financial position date. The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rate.

The fair values of non-current financial liabilities carried at amortized 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.

2.11 Leases

2.11.1 Finance leases

Leases of property, property, plant and equipment where the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are shown on the statement of financial position. The interest element of the finance cost is taken to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The property, property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

2. Significant accounting policies (Cont'd)

2.11 Leases (Cont'd)

2.11.2 Operating leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of comprehensive income on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

Rental on operating lease is charged to statement of comprehensive income. Contingent rents are recognized as an expense in the statement of comprehensive income in the financial year in which they are incurred.

2.12 Employee compensation

2.12.1 Defined contribution plans

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

2.12.2 Employee leave entitlement

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

2.13 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 reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income. Non-monetary items, such as equity investments classified as available-for-sale that are measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Currency translation differences on these items are included in the fair value reserve within equity.

2.14 Related parties

Related parties are entities with common direct or indirect shareholders and/or directors. Parties are considered to be related if one party has the ability to control the other party or exercise influence over the party in making financial and operating decisions.

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 judgements in applying the entity's accounting policies

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

Allowance for impairment of receivables

The Group reviews the adequacy of allowance for impairment of receivables at each closing by reference to the ageing analysis of receivables, and evaluate the risks of collection according to the credit standing and collection history of individual customer. If there are indications that the financial position of a customer has deteriorated resulting in an adverse assessment of his risk profile, an appropriate amount of allowance will be provided.

Estimated useful lives of property, plant and equipment

The Group reviews annually the estimated useful lives of property, plant and equipment based on factors such as business 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.

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.

4. Cash and cash equivalents

	2012 S$	2011 S$
Cash in hand	600	800
Cash at bank	91,561	65,064
	92,161	65,864

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

5. Accounts receivable

	2012 S$	2011 S$
Receivables from charitable activities	69,120	45,325
Prepayments	0	27,754
	69,120	73,079

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

6. Property, plant and equipment

	Furniture and fittings S$	Office equipment S$	Stage equipment S$	Total S$
2012				
At cost				
Beginning and end of financial year	3,073	15,707	9,325	28,105
Accumulated depreciation				
Beginning of financial year	2,763	12,290	9,325	24,378
Depreciation charge	310	3,030	0	3,340
End of financial year	3,072	15,320	9,325	27,718
Net book value	0	387	0	387

	Furniture and fittings S$	Office equipment S$	Stage equipment S$	Total S$
2011				
At cost				
Beginning and end of financial year	3,073	15,707	9,325	28,105
Accumulated depreciation				
Beginning of financial year	1,739	8,289	8,987	19,015
Depreciation charge	1,024	4,001	338	5,363
End of financial year	2,763	12,290	9,325	24,378
Net book value	310	3,417	0	3,727

7. Amount due to directors

Amount due to directors represent unsecured and interest-free loans, which are repayable on demand.

8. Other payables

	2012 S$	2011 S$
Accrued expenses	57,284	39,165
Advanced sponsorship received	0	5,000
	57,284	44,165

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

9. Donations and sponsorships

	2012 S$	2011 S$
Tax exempt	99,130	0
Non-tax exempt	5,987	0
	142,117	0

10. Other income

	2012 S$	2011 S$
Jobs credit scheme	0	2,919
Others	7,853	12,894
	7,853	15,813

11. Cost of Production and Projects

	2012 S$	2011 S$
Opening stocks	0	1,724
Cost of services rendered	392,254	322,075
	392,254	323,799

12. Income tax

The Company is a charity registered under the Charities Act since 05 July 2006. Thus, the income of the Company is exempt from tax under the provisions of Section 13 of the Income Tax Act Cap. 134.

13. Operating lease commitments

As at the reporting date, the Company has commitment for future minimum lease payments under non-cancellable operating lease as follows:

	2012 S$	2011 S$
Within one year	7,668	7,470
Later than one year but not later than five years	0	2,490
	7,668	9,960

14. Related party transactions

The Company is governed by the Board of Directors who are volunteers and receive no monetary remuneration for their contribution.

The remuneration bands of the top three key staff follows:

Remuneration band (S$)	2012 No. of personnel	2011 No. of personnel
Between S$50,001 to $100,000	1	1
S$50,000 and below	0	0

15. Financial risk management

The Company's activities expose it to minimal financial risk. The Company does not use derivative financial instruments to minimise its financial risk exposures. As at 31 March 2012, the Company does not hold or issue derivative financial instruments for trading purposes.

Risk management is carried out under policies approved by the Board of Directors. The Company does not have any written risk management policies and guidelines which set out its tolerance for risk and its general risk management philosophy, but Management closely monitors the Company's business risk exposures in connection with its financial assets and financial liabilities and adopts the appropriate measures including the use of other financial instruments when considered necessary to reduce any potential financial risk exposures or losses.

Currency risk

The Company is not exposed to foreign exchange risk as most of its transactions are in Singapore Dollar.

15. Financial risk management (Cont'd)

Liquidity and cash flow risks

The Company exercises prudent liquidity and cash flow risk management policies and aims to maintain sufficient liquidity and cash flow at all times.

The Company has the continuing financial support of its directors to meet its working capital requirements.

Credit risk

As most of its revenue is recognised on a cash basis, the Society has minimal credit risk. Cash is placed with financial institutions with good standing.

Interest rate risk

The Company's income and operating cash flows are not substantially affected by changes in market interest rates, as they do not have significant interest-bearing assets or liabilities as at the reporting date.

Fair values

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.

16. Management of reserves

The Company regards its accumulated general fund as its reserves.

The Company's reserve policy requires it to maintain sufficient reserve to ensure long-term financial sustainability and continuity for the purpose of operating effective programs.

17. Conflict of interest policy

Whenever a member of the Board of Directors is in any way, directly or indirectly, has an interest in a transaction or project or other matter to be discussed at a meeting, the member shall disclose the nature of his interests before the discussion on the matters begins.

The member concerned should not participate in the discussion or vote on the matter, and should also offer to withdraw from the meeting and the Board of Directors shall decide if this should be accepted.

18. Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

The financial statements for the financial year ended 31 March 2011 were audited by a firm of auditors other than Messrs. Fiducia LLP. The audit opinion issued for the financial statements for the financial year ended 31 March 2011 was unqualified.

19. Authorization of financial statements

These financial statements were authorized for issue in accordance with a resolution of the Board of Directors of the Company on 14 NOV 2012