*Directors' Statement and*
*Audited Financial Statements*

# *Community Cultural Development (Singapore) Ltd.*

*(UEN No. 201227165G)*

*For the financial year ended 31 December 2016*

**Community Cultural Development (Singapore) Ltd.**
(UEN No. 201227165G)

## General Information

### Directors

Felicia Low Ee Ping
Lee Wee Yan
Wong Yock Leng

### Secretary

Samuel Seow Theng Beng

### Independent Auditor

Sashi Kala Devi Associates

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**Community Cultural Development (Singapore) Ltd.**
(UEN No. 201227165G)

Directors' Statement

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The directors are pleased to present their statement to the members together with the audited financial statements of Community Cultural Development (Singapore) Ltd. (the "Company") for the financial year ended 31 December 2016.

## 1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2016 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date; 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.

## 2. DIRECTORS

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

Felicia Low Ee Ping
Lee Wee Yan
Wong Yock Leng

## 3. INDEPENDENT AUDITOR

The independent auditor, Sashi Kala Devi Associates, has expressed its willingness to accept reappointment as auditor.

On behalf of board of directors

| | |
|---|---|
| Felicia Low Ee Ping | Lee Wee Yan |
| Director | Director |

Singapore
20 April 2017

**Independent Auditor's Report**
**to the members of Community Cultural Development (Singapore) Ltd.**
(UEN No. 201227165G)

## Report on Audit of the Financial Statements

*Opinion*

We have audited the accompanying financial statements of Community Cultural Development (Singapore) Ltd. (the "Company"), which comprise the statement of financial position as at 31 December 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) 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 December 2016 and of the financial performance, changes in the funds and cash flows of the Company for the year ended on that date.

*Basis for Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Information*

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

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.

20 Peck Seah Street #05-00
Singapore 079312

t: +65 6323 1928 / 6221 7216
f: +65 6225 3884

www.hlbatrede.com

**Independent Auditor's Report**
**to the members of Community Cultural Development (Singapore) Ltd. - continued**
(UEN No. 201227165G)

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*Responsibilities of Management and Directors 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 Charity'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 Charity or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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**Independent Auditor's Report**
**to the members of Community Cultural Development (Singapore) Ltd. - continued**
(UEN No. 201227165G)

*Auditor's Responsibilities for the Audit of the Financial Statements (continued)*

- 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 the directors 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 Charity have been properly kept in accordance with the provisions of the Company's Act, and the Charities Act and Regulations.

Sashi Kala Devi Associates
Public Accountants and
Chartered Accountants

Singapore
20 April 2017

20 Peck Seah Street #05-00
Singapore 079312

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f: +65 6225 3884

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**Community Cultural Development (Singapore) Ltd.**
(UEN No. 201227165G)

**Statement of Financial Position as at 31 December 2016**

| | Note | 2016 | 2015 |
|---|---|---|---|
| | | $ | $ |
| **Current assets** | | | |
| Trade receivables | 4 | 19,100 | – |
| Other receivables | 5 | 1,804 | 1,607 |
| Cash and cash equivalents | | 19,215 | 11,979 |
| | | 40,119 | 13,586 |
| **Current liabilities** | | | |
| Accrued liabilities | | 33,425 | 3,000 |
| Amount due to a director | 6 | 251 | 251 |
| | | 33,676 | 3,251 |
| **Net current assets** | | 6,443 | 10,335 |
| **Net assets** | | 6,443 | 10,335 |
| **Fund** | | | |
| Accumulated fund | | 6,443 | 10,335 |
| **Total fund** | | 6,443 | 10,335 |

*The accompanying notes form an integral part of the financial statements.*

**Community Cultural Development (Singapore) Ltd.**
(UEN No. 201227165G)

**Statement of Comprehensive Income for the financial year ended 31 December 2016**

| | Note | 2016 $ | 2015 $ |
|---|---|---|---|
| **Income** | 7 | 49,420 | 43,020 |
| Other operating income | 8 | 41,548 | 6,300 |
| Administrative expenses | | (94,761) | (54,145) |
| Finance costs | | (99) | (124) |
| **Deficit before tax** | 9 | (3,892) | (4,949) |
| Income tax expense | | – | – |
| **Deficit for the year** | | (3,892) | (4,949) |
| Other comprehensive income | | – | – |
| **Total comprehensive loss for the year** | | (3,892) | (4,949) |

**Statement of Changes in Fund for the financial year ended 31 December 2016**

| | Accumulated fund $ |
|---|---|
| Balance at 1 January 2015 | 15,284 |
| Total comprehensive loss for the year | (4,949) |
| Balance at 31 December 2015 | 10,335 |
| Total comprehensive loss for the year | (3,892) |
| Balance at 31 December 2016 | 6,443 |

*The accompanying notes form an integral part of the financial statements.*

**Community Cultural Development (Singapore) Ltd.**
(UEN No. 201227165G)

**Statement of Cash Flows for the financial year ended 31 December 2016**

| | 2016<br>$ | 2015<br>$ |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Deficit before tax | (3,892) | (4,949) |
| **Operating deficit before working capital changes** | (3,892) | (4,949) |
| (Increase)/decrease in trade receivables | (19,100) | 10,236 |
| Increase in other receivables | (197) | – |
| Decrease/(increase) in other payables | 30,425 | (810) |
| **Net cash flows from operating activities** | 7,236 | 4,477 |
| | | |
| **CASH FLOWS FROM FINANCING ACTIVITY** | | |
| Decrease in amount due to a director | – | (9,111) |
| **Net cash flows used in financing activity** | – | (9,111) |
| | | |
| Net increase/(decrease) in cash and cash equivalents | 7,236 | (4,634) |
| Cash and cash equivalents at beginning of year | 11,979 | 16,613 |
| **Cash and cash equivalents at end of year** | 19,215 | 11,979 |

*The accompanying notes form an integral part of the financial statements.*

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

## 1. CORPORATE INFORMATION

The Company is a public company limited by guarantee incorporated and domiciled in Singapore. Every member of the Company undertakes to contribute to the assets of the Company an amount not exceeding the sum of $1 in the event the Company is wound up. The Company was registered as a charity under the Charities Act, Chapter 37 on 30 September 2013.

The registered office and principal place of business of the Company is located at 90 Goodman Road #05-02 Goodman Arts Centre Singapore 439053.

The principal activities of the Company are those of furthering critical discourse and quality arts practices with communities in Singapore and the region by raising awareness through conducting of classes, seminars and lectures.

The Company has 3 members as at 31 December 2016.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) *Basis of preparation*

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

The financial statements have been prepared on the historical cost basis except where otherwise described in the accounting policies below.

The financial statements are presented in Singapore Dollar (SGD or $) and all values are rounded to the nearest one-dollar unless otherwise stated.

The accounting policies adopted are consistent with those used in the previous financial year except in the current financial year, the Company has adopted all applicable new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial year. The adoption of these new and revised FRS and INT FRS did not have any effect on the financial performance or position of the Company.

***Standards issued but not yet effective***

The Company has not adopted the following standards which are potentially relevant to the Company that have been issued but not yet effective:

| | Effective date (Annual periods beginning on or after) |
|---|---|
| Amendments to FRS 7: Disclosure Initiative | 1 January 2017 |
| FRS 109 Financial Instruments | 1 January 2018 |

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

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) ***Functional and foreign currency***

The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be SGD.

(c) ***Financial assets***

***Initial recognition and measurement***

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When a financial asset is recognised initially, an entity shall measure it 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 or issue of financial asset.

***Subsequent measurement***

The subsequent measurement of financial assets depends on their classification as follows:

(i) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in profit or loss.

The Company has not designated any financial assets upon initial recognition at fair value through profit or loss.

(ii) *Held-to-maturity investment*

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Company has the positive intention and ability to hold the investments to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (c) *Financial assets (continued)*

***Subsequent measurement (continued)***

(iii) *Loan and receivables*

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

(iv) *Available-for-sale financial assets*

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses arising from changes in the fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

***De-recognition***

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

***Regular way purchase and sale of a financial asset***

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (d) *Impairment of financial assets*

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

(i) *Financial assets carried at amortised cost*

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The loss is recognised in the profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amount charged to the allowance account is written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred; the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(ii) *Financial assets carried at cost*

If there is objective evidence that an impairment loss on a financial asset carried at cost has been incurred (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) the impairment loss is recognised and the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (d) *Impairment of financial assets (continued)*

(iii) *Available-for-sale financial assets*

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

### (e) *Financial liabilities*

***Initial recognition and measurement***

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

When a financial liability is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of financial liability.

***Subsequent measurement***

The subsequent measurement of financial liabilities depends on their classification as follows:

(i) *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (e) *Financial liabilities (continued)*

(i) *Financial liabilities at fair value through profit or loss (continued)*

The Company has not designated any financial liabilities upon initial recognition at fair value through profit or loss.

(ii) *Financial liabilities at amortised cost*

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

***De-recognition***

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the 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 the respective carrying amounts is recognised in profit or loss.

### (f) *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank.

### (g) *Other payables*

Other payables are non-interest bearing and have an average term of six months.

### (h) *Provisions*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (i) *Revenue*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes. The following specific recognition criteria must also be met before revenue is recognised:

(i) *Donations*

Donation is recognised as revenue upon receipt.

(ii) *Registration fee*

Revenue from registration fee is recognised when the Company's right to receive payment is established.

### (j) *Government grants*

Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as "Other income". Alternatively, they are deducted in reporting the related expenses.

### (k) *Taxes*

The Company was registered with effect from 30 September 2013 as a charity under the Charities Act, Chapter 37. It has been exempted for tax subject to the compliance with certain provision of the Income Tax Act and agreement with Inland Revenue Authority of Singapore where appropriate.

### (l) *Leases*

As lessee

Operating lease payments are recognised as an expense in the profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

### (m) *Related parties*

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:
   (i) Has control or joint control over the Company;
   (ii) Has significant influence over the Company; or
   (iii) Is a member of the key management personnel of the Company or of a parent of the Company.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (m) *Related parties (continued)*

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

## 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities, and disclosure of contingent liabilities at the end of each reporting period. However, 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.

### (i) *Key sources of estimation uncertainty*

There were no material key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

### (ii) *Judgement made in applying accounting policies*

There were no material judgements made by management in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

## 4. TRADE RECEIVABLES

| | 2016<br>$ | 2015<br>$ |
|---|---|---|
| Third parties | 19,100 | – |

Trade receivables are non-interest bearing and are generally on 30 days terms. They are recognized at their original invoice amounts which represent their fair values on initial recognition. None of the trade receivables are past due at the end of the reporting period.

## 5. OTHER RECEIVABLES

| | | |
|---|---|---|
| Deposits | 894 | 872 |
| Prepayments | 910 | 735 |
| | 1,804 | 1,607 |

## 6. AMOUNT DUE TO A DIRECTOR

The amount due is non-trade related, unsecured, interest-free, repayable upon demand and is to be settled in cash.

## 7. INCOME

| | | |
|---|---|---|
| Grants | 29,700 | 5,360 |
| Program service fee | – | 37,660 |
| Research consultancy fee | 16,600 | – |
| Sale of tickets | 3,120 | – |
| | 49,420 | 43,020 |

## 8. OTHER OPERATING INCOME

| | | |
|---|---|---|
| Donations | 34,430 | – |
| Subsidies | 7,118 | 6,300 |
| | 41,548 | 6,300 |

## 9. DEFICIT BEFORE TAX

The deficit before tax is arrived at after charging:

| | | |
|---|---|---|
| Contract services | 15,000 | 41,230 |
| Development cost | 22,069 | – |
| Research study fee | 25,680 | – |

## 10. OPERATING LEASE COMMITMENT

*As lessee*

The Company has entered into a commercial lease on arts space premises. The lease has a tenure of 3 years with no renewal option or contingent rent provision included in the contract. There is no restriction placed upon the Company by entering into this lease.

Future minimum rental payable under non-cancellable leases as at the end of reporting period are as follows:

| | 2016 | 2015 |
|---|---|---|
| | $ | $ |
| Not later than one year | 3,130 | 7,118 |
| Later than one year but not later than five years | – | 3,130 |
| | 3,130 | 10,248 |

## 11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company does not have any written financial risk management policies and guidelines and it does not have significant exposure to financial risk associated with financial instrument held in the ordinary course of business.

The Company's financial assets and liabilities are stated at nominal value and are not subject to significant risk of changes in value as there are no significant financial risks involved. As a result, a financial risk policy is not considered necessary.

## 12. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting year by FRS 39 categories.

| | | |
|---|---|---|
| *Loans and receivables* | | |
| Trade receivables | 19,100 | – |
| Other receivables | 894 | 872 |
| Cash and cash equivalents | 19,215 | 11,979 |
| | 39,209 | 12,851 |
| | | |
| *Financial liabilities at amortised cost* | | |
| Accrued liabilities | 33,425 | 3,000 |
| Amount due to a director | 251 | 251 |
| | 33,676 | 3,251 |

## 13. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

The Company does not anticipate that the carrying amounts recorded at the end of the reporting period would be significantly different from the values that would eventually be received or settled.

## 14. FUND MANAGEMENT

The primary objective of the Company's capital arrangement is to ensure that it maintain healthy fund position to sustain its operation and the ability to continue as a going concern through regularly monitoring its current and expected liquidity requirement. The Company overall strategy remains unchanged during the financial years ended 31 December 2016 and 2015 and is not subject to any externally imposed fund requirement.

## 15. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended on 31 December 2016 were authorised for issue in accordance with a resolution of the directors on 20 April 2017.