

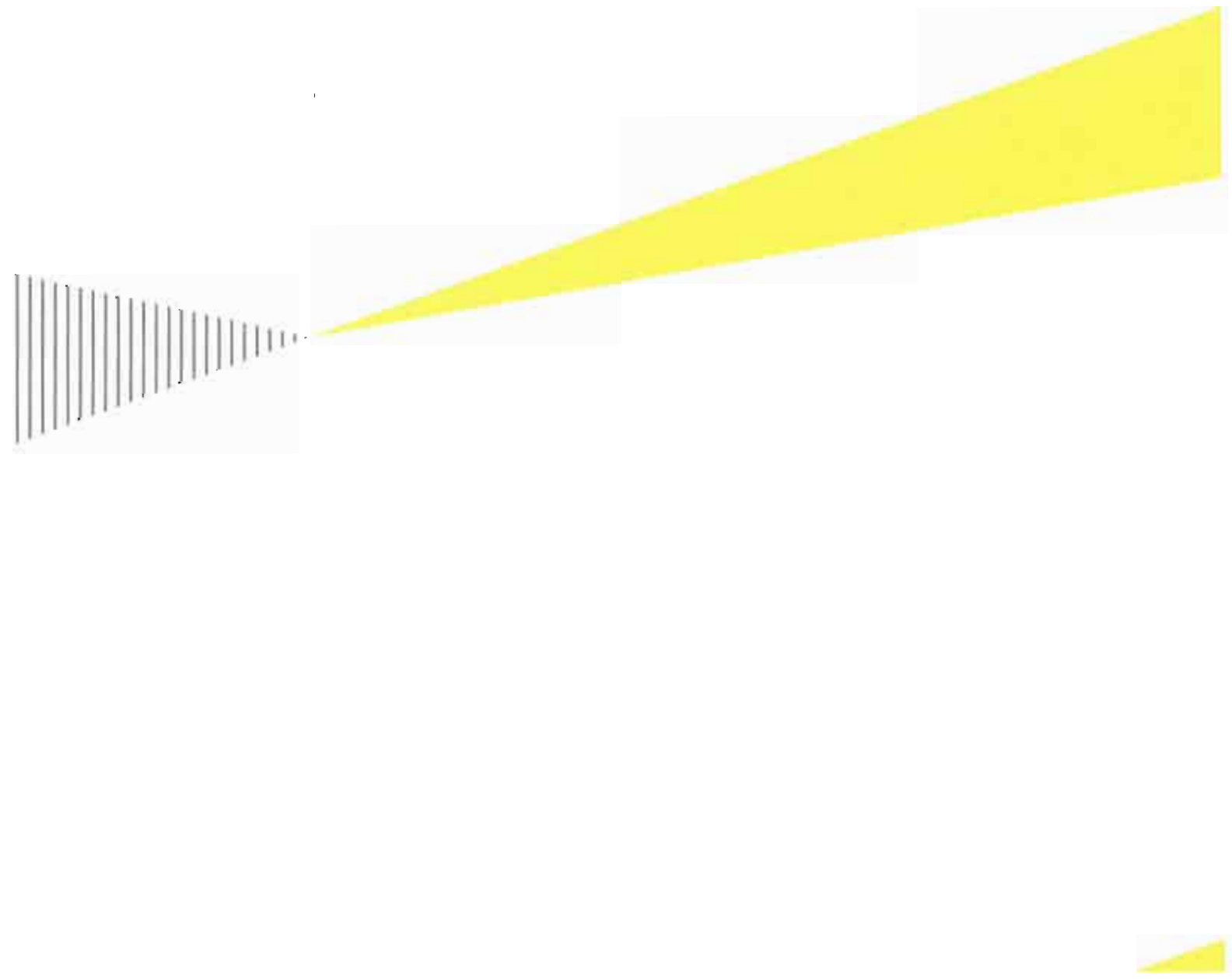
Company Registration No. 200210647W

Charity No. 01658

The Old Parliament House Limited and its subsidiary

Annual Financial Statements

31 March 2013



The Old Parliament House Limited and its subsidiary

General Information

Chief Executive Officers

Colin Goh (Chief Executive Officer)
Tan Tee Tong (Deputy Chief Executive Officer)
Phan Ming Yen (Deputy Chief Executive Officer) (Resigned on 31 Dec 2012)

Directors

Jennie Chua Kheng Yeng (Chairman)
Colin Goh
Koh Choon Fah
Ong Chao Choon
Tham Kwang Hsueh Yvonne

Company Secretaries

Florence Lee
Helen Campos

Registered office

1 Old Parliament Lane
#02-01 Annex Building
Singapore 179429

Auditor

Ernst & Young LLP

Bankers

DBS Bank Ltd
United Overseas Bank Limited
UBS AG
OCBC Bank Ltd

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The Old Parliament House Limited and its subsidiary

Directors' Report

The directors hereby present their report to the members together with the audited consolidated financial statements of The Old Parliament House Limited (the "Company") and its subsidiary (collectively, the "Group") and the balance sheet, statement of comprehensive income and statement of changes in accumulated funds of the Company for the financial year ended 31 March 2013.

Directors

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

Jennie Chua Kheng Yeng (Chairman)
Colin Goh
Koh Choon Fah
Ong Chao Choon
Tham Kwang Hsueh Yvonne

As the Company is limited by guarantee, the board of directors does not consider it necessary to report on the matters to be disclosed under Section 201(6) (f) and (g) of the Singapore Companies Act, Chapter 50.

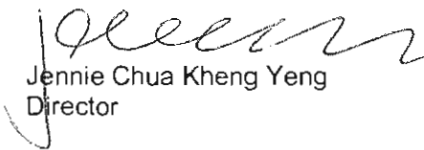
Directors' contractual benefits

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company 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 the director is a member, or with a company in which the director has a substantial financial interest.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors,


Jennie Chua Kheng Yeng
Director


Colin Goh
Director

Singapore
3 September 2013.

The Old Parliament House Limited and its subsidiary

Statement by Directors

We, Jennie Chua Kheng Yeng and Colin Goh, being two of the directors of The Old Parliament House Limited, do hereby state that, in the opinion of the directors:

- (i) the accompanying balance sheets, statements of comprehensive income, statements of changes in accumulated funds and the consolidated cash flow statement together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2013 and the results of the operations and changes in accumulated funds of the Group and the Company and cash flows of the Group for the financial year ended on that date, and
- (ii) 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.

On behalf of the board of directors,


Jennie Chua Kheng Yeng
Director


Colin Goh
Director

Singapore
3 September 2013

The Old Parliament House Limited and its subsidiary

Independent Auditor's Report For the financial year ended 31 March 2013

Independent Auditor's Report to the Members of The Old Parliament House Limited

We have audited the accompanying financial statements of The Old Parliament House Limited (the "Company") and its subsidiary (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 March 2013, the statements of comprehensive income and statements of changes in accumulated funds of the Group and the Company and the consolidated cash flow statement of the Group 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, Chapter 50 (the "Act"), the Charities Act, Chapter 37 (the "Charities Act") 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 profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet, statement of comprehensive income and statement of changes in accumulated funds of the Company are properly drawn up in accordance with the provisions of the Act, the Charities Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and Company as at 31 March 2013 and of the results and changes in accumulated funds of the Group and Company and cash flows of the Group for the financial year ended on that date.

The Old Parliament House Limited and its subsidiary

**Independent Auditor's Report
For the financial year ended 31 March 2013**

Independent Auditor's Report to the Members of The Old Parliament House Limited

Report on Other Legal and Regulatory Requirements

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

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

- (a) The use of the donation moneys was not in accordance with the objectives of the Company as required under regulation 16 of the Charities (Institutions of a Public Character) Regulations; and
- (b) The Company has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



Ernst & Young LLP

Public Accountants and
Chartered Accountants

Singapore
3 September 2013

The Old Parliament House Limited and its subsidiary

Balance Sheets
As at 31 March 2013

	Note	Group		Company	
		2013	2012	2013	2012
		\$	\$	\$	\$
Non-current assets					
Equipment	4	137,636	253,442	137,636	250,098
Investment in subsidiary	5	-	-	-	-
Other asset	6	-	58,424	-	58,424
		<u>137,636</u>	<u>311,866</u>	<u>137,636</u>	<u>308,522</u>
Current assets					
Inventories		8,524	8,752	8,524	8,752
Trade and other receivables	7	1,733,642	1,298,119	1,738,006	1,262,779
Prepayments		211,210	196,838	210,535	130,857
Cash and cash equivalents	8	3,891,527	3,378,505	3,885,696	3,356,266
		<u>5,844,903</u>	<u>4,882,214</u>	<u>5,842,761</u>	<u>4,758,654</u>
Current liabilities					
Trade and other payables	9	2,326,593	1,621,946	2,334,231	1,576,705
Unearned revenue	10	242,435	389,377	242,435	389,377
		<u>2,569,028</u>	<u>2,011,323</u>	<u>2,576,666</u>	<u>1,966,082</u>
Net current assets		<u>3,275,875</u>	<u>2,870,891</u>	<u>3,266,095</u>	<u>2,792,572</u>
Net assets		<u>3,413,511</u>	<u>3,182,757</u>	<u>3,403,731</u>	<u>3,101,094</u>
General Fund		1,549,680	1,773,656	1,539,900	1,691,993
Budding Artist Fund		1,863,831	1,409,101	1,863,831	1,409,101
Accumulated surplus		<u>3,413,511</u>	<u>3,182,757</u>	<u>3,403,731</u>	<u>3,101,094</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

The Old Parliament House Limited and its subsidiary

Statements of Comprehensive Income
For the financial year ended 31 March 2013

Group	Note	General Fund		Budding Artists Fund		Total	
		2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$
Income							
International Programming income		226,511	–	–	–	226,511	–
Venue hire and event services		1,154,964	1,128,825	–	–	1,154,964	1,128,825
Sales of tickets		20,504	51,077	–	–	20,504	51,077
Sponsorships, contributions and donations - Tax-exempt receipts		2,249	83	104,299	88,897	106,548	88,980
Sponsorships, contributions and donations - Non-tax-exempt receipts		1,400	–	399,940	282,767	401,340	282,767
Income from fund raising event		–	–	966,801	857,119	966,801	857,119
Rental income		407,428	268,715	–	–	407,428	268,715
Other income	11	192,969	969,556	221,320	184,682	414,289	1,154,238
Interest income		1,319	2,975	366	1,195	1,685	4,170
Management fee income		209,080	208,195	–	–	209,080	208,195
Goodman Art Centre income	12	1,734,785	1,033,879	–	–	1,734,785	1,033,879
Total income		3,951,209	3,663,305	1,692,726	1,414,660	5,643,935	5,077,965
Expenditure							
Depreciation of equipment	4	(89,486)	(116,163)	(79,432)	(77,871)	(168,918)	(194,034)
International Programming expenses		(519,697)	935	–	–	(519,697)	935
Art programming expenses		(548,366)	(670,885)	–	–	(548,366)	(670,885)
Venue hire cost		(53,184)	(63,716)	–	–	(53,184)	(63,716)
Rental of building		(1,065,840)	(1,042,872)	–	–	(1,065,840)	(1,042,872)
Staff and related expenses	13	(2,974,274)	(3,095,299)	(429,133)	(283,411)	(3,403,407)	(3,378,710)
Property maintenance and utilities		(644,257)	(601,942)	–	–	(644,257)	(601,942)
Fund raising event expenses		–	–	(267,986)	(287,099)	(267,986)	(287,099)
Goodman Art Centre expenses		(1,017,595)	(854,597)	–	–	(1,017,595)	(854,597)
Other operating expenditure	14	(675,426)	(882,437)	(461,445)	(346,236)	(1,136,871)	(1,228,673)
Total expenditure		(7,588,125)	(7,326,976)	(1,237,996)	(994,617)	(8,826,121)	(8,321,593)

The Old Parliament House Limited and its subsidiary

Statements of Comprehensive Income
For the financial year ended 31 March 2013

	Note	General Fund		Budding Artists Fund		Total	
		2013	2012	2013	2012	2013	2012
(Deficit)/surplus before operating grants		(3,636,916)	(3,663,671)	454,730	420,043	(3,182,186)	(3,243,628)
Operating grants	15	3,412,940	3,230,500	–	–	3,412,940	3,230,500
(Deficit)/surplus after operating grants		(223,976)	(433,171)	454,730	420,043	230,754	(13,128)
Income tax	16	–	–	–	–	–	–
Net (deficit)/surplus net of tax, representing total comprehensive income for the financial year		(223,976)	(433,171)	454,730	420,043	230,754	(13,128)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

The Old Parliament House Limited and its subsidiary

Statement of Comprehensive Income
For the financial year ended 31 March 2013

	Note	General Fund		Budding Artists Fund		Total	
		2013	2012	2013	2012	2013	2012
		\$	\$	\$	\$	\$	\$
Company							
Income							
International Programming income		226,511	–	–	–	226,511	–
Venue hire and event services		1,154,964	1,000,086	–	–	1,154,964	1,000,086
Sales of tickets		20,504	51,077	–	–	20,504	51,077
Sponsorships, contributions and donations - Tax-exempt receipts		2,249	83	104,299	88,897	106,548	88,980
Sponsorships, contributions and donations - Non-tax-exempt receipts		–	–	399,940	282,767	399,940	282,767
Income from fund raising event		–	–	966,801	857,119	966,801	857,119
Rental income		407,428	268,715	–	–	407,428	268,715
Other income	11	193,048	945,556	221,320	184,682	414,368	1,130,238
Interest income		1,319	2,975	366	1,195	1,685	4,170
Management fee income		209,080	208,195	–	–	209,080	208,195
Goodman Art Centre income	12	1,734,785	1,033,879	–	–	1,734,785	1,033,879
Total income		3,949,888	3,510,566	1,692,726	1,414,660	5,642,614	4,925,226
Expenditure							
Depreciation of equipment	4	(88,371)	(114,491)	(79,432)	(77,871)	(167,803)	(192,362)
International Programming expenses		(519,697)	935	–	–	(519,697)	935
Art programming expenses		(492,380)	(381,520)	–	–	(492,380)	(381,520)
Venue hire cost		(53,184)	(63,716)	–	–	(53,184)	(63,716)
Rental of building		(1,065,840)	(1,042,872)	–	–	(1,065,840)	(1,042,872)
Staff and related expenses	13	(2,973,826)	(2,957,073)	(429,133)	(283,411)	(3,402,959)	(3,240,484)
Property maintenance and utilities		(644,257)	(601,942)	–	–	(644,257)	(601,942)
Fund raising event expenses		–	–	(267,986)	(287,099)	(267,986)	(287,099)
Goodman Art Centre expenses		(1,017,595)	(854,597)	–	–	(1,017,595)	(854,597)
Other operating expenditure	14	(659,771)	(1,527,228)	(461,445)	(346,236)	(1,121,216)	(1,873,464)
Total expenditure		(7,514,921)	(7,542,504)	(1,237,996)	(994,617)	(8,752,917)	(8,537,121)
(Deficit)/surplus before operating grants		(3,565,033)	(4,031,938)	454,730	420,043	(3,110,303)	(3,611,895)
Operating grants	15	3,412,940	3,162,647	–	–	3,412,940	3,162,647
(Deficit)/surplus after operating grants		(152,093)	(869,291)	454,730	420,043	302,637	(449,248)
Income tax	16	–	–	–	–	–	–
Net (deficit)/surplus representing total comprehensive income for the financial year		(152,093)	(869,291)	454,730	420,043	302,637	(449,248)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

The Old Parliament House Limited and its subsidiary

**Statements of Changes in Accumulated Funds
For the financial year ended 31 March 2012**

	2013 \$	2012 \$
Group		
General fund		
Balance at beginning	1,773,656	2,206,827
Net deficit for the financial year, representing total comprehensive income for the financial year	(223,976)	(433,171)
Balance at end	<u>1,549,680</u>	<u>1,773,656</u>
Budding Artists fund		
Balance at beginning	1,409,101	989,058
Net surplus for the financial year, representing total comprehensive income for the financial year	454,730	420,043
Balance at end	<u>1,863,831</u>	<u>1,409,101</u>
Accumulated surplus	<u>3,413,511</u>	<u>3,182,757</u>
	2013 \$	2012 \$
Company		
General fund		
Balance at beginning	1,691,993	2,561,284
Net deficit for the financial year, representing total comprehensive income for the financial year	(152,093)	(869,291)
Balance at end	<u>1,539,900</u>	<u>1,691,993</u>
Budding Artists fund		
Balance at beginning	1,409,101	989,058
Net surplus for the financial year, representing total comprehensive income for the financial year	454,730	420,043
Balance at end	<u>1,863,831</u>	<u>1,409,101</u>
Accumulated surplus	<u>3,403,731</u>	<u>3,101,094</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

The Old Parliament House Limited and its subsidiary

**Consolidated Cash Flow Statement
For the financial year ended 31 March 2012**

Group	2013 \$	2012 \$
Cash flows from operating activities		
Deficit before operating grants	(3,182,186)	(3,243,628)
Adjustments:		
Amortisation of deferred grant	–	(19,775)
Depreciation of equipment	168,918	194,034
Bad debts written off, net	53,751	6,593
Other asset written off	58,424	–
Equipment written off	2,229	–
Allowance for doubtful debts, net	71,571	16,577
Deficit before working capital changes	(2,827,293)	(3,046,199)
Decrease in inventories	228	900
(Increase)/decrease in trade and other receivables	(560,845)	426,779
Increase in prepayments	(14,372)	(27,686)
Increase in trade and other payables	704,647	276,517
(Decrease)/increase in unearned revenue	(146,942)	227,322
Net cash flows used in operating activities	(2,844,577)	(2,142,367)
Cash flows from investing activity		
Purchase of equipment, representing cash flows used in investing activity	(55,341)	(50,764)
Cash flows from financing activity		
Government grants received, representing cash flows from financing activity	3,412,940	3,230,500
Net increase in cash and cash equivalents	513,022	1,037,369
Cash and cash equivalents at beginning of the financial year	3,378,505	2,341,136
Cash and cash equivalents at end of the financial year (Note 8)	3,891,527	3,378,505

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

The Old Parliament House Limited and its subsidiary

Notes to the Financial Statements - 31 March 2013

1. Corporate information

The Old Parliament House Limited (the "Company") is incorporated and domiciled in Singapore, limited by guarantee and does not have a share capital.

The Company has been registered as a Charity, Registration No. 01658 under the Charities Act, Cap. 37 of Singapore with effect from 24 February 2003. The registered office and principal place of business of the Company is located at 1 Old Parliament Lane, #02-01 Annex Building, Singapore 179429.

The principal activities of the Company are:

- To provide a venue for hire to artists, arts companies, government and corporations and to facilitate events for the same through technical support, marketing and publicity services;
- To identify, develop and present emerging artists; and
- To produce and present highly accessible quality events with strong artistic value within a calendar of events which meets a variety of tastes.

The principal activities of the subsidiary are disclosed in Note 5 to the financial statements.

2. Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet, statement of comprehensive income and statement of changes in accumulated funds of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or \$).

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards and Interpretations of FRS (INT FRS) that are effective for annual periods beginning on or after 1 April 2012. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Group.

The Old Parliament House Limited and its subsidiary

Notes to the Financial Statements - 31 March 2013

2. Significant accounting policies (continued)

2.3 Standards issued but not yet effective

The Group has not adopted the following standards and interpretation that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 1 <i>Presentation of Items of Other Comprehensive Income</i>	1 July 2012
Revised FRS 19 <i>Employee Benefits</i>	1 January 2013
FRS 113 <i>Fair Value Measurements</i>	1 January 2013
Amendments to FRS 101 <i>Government Loans</i>	1 January 2013
Amendments to FRS 107 <i>Disclosures - Offsetting of Financial Assets and Financial Liabilities</i>	1 January 2013
Improvements to FRSs 2012	1 January 2013
- Amendment to FRS 1 <i>Presentation of Financial Statements</i>	1 January 2013
- Amendment to FRS 16 <i>Property, Plant and Equipment</i>	1 January 2013
- Amendment to FRS 32 <i>Financial Instruments: Presentation</i>	1 January 2013
- Amendment to FRS 34 <i>Interim Financial Reporting</i>	1 January 2013
- Amendment to FRS 101 <i>First-time Adoption of International Financial Reporting Standards</i>	1 January 2013
INT FRS 120 <i>Stripping Costs in the Production Phase of a Surface Mine</i>	1 January 2013
Revised FRS 27 <i>Separate Financial Statements</i>	1 January 2014
Revised FRS 28 <i>Investments in Associates and Joint Ventures</i>	1 January 2014
FRS 110 <i>Consolidated Financial Statements</i>	1 January 2014
FRS 111 <i>Joint Arrangements</i>	1 January 2014
FRS 112 <i>Disclosure of Interests in Other Entities</i>	1 January 2014
Amendments to FRS 32 <i>Offsetting of Financial Assets and Financial Liabilities</i>	1 January 2014
Amendments to the transition guidance of FRS 110 <i>Consolidated Financial Statements</i> , FRS 111 <i>Joint arrangements</i> and FRS 112 <i>Disclosure of Interests in Other Entities</i>	1 January 2014
Amendments to FRS 110, FRS 112 and FRS 27 <i>Investment Entities</i>	1 January 2014
Amendments to FRS 36 <i>Recoverable Amount Disclosures for Non-financial Assets</i>	1 January 2014
INT FRS 121 <i>Levies</i>	1 January 2014

2. Significant accounting policies (continued)

2.3 Standards issued but not yet effective (continued)

Except for the Amendments to FRS 1, revised FRS 27, FRS 110 and FRS 112, the directors expect that the adoption of the other standards and interpretation above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of the Amendments to FRS 1, revised FRS 27, FRS 110 and FRS 112 are described below.

Amendments to FRS 1 Presentation of Items of Other Comprehensive Income

The Amendments to FRS 1 Presentation of Items of Other Comprehensive Income (OCI) is effective for financial periods beginning on or after 1 July 2012.

The Amendments to FRS 1 changes the grouping of items presented in OCI. Items that could be reclassified to profit or loss at a future point in time would be presented separately from items which will never be reclassified. As the Amendments only affect the presentations of items that are already recognised in OCI, the Group does not expect any impact on its financial position or performance upon adoption of this standard.

Consolidated Financial Statements and Revised FRS 27 Separate Financial Statements

FRS 110 and the revised FRS 27 are effective for financial periods beginning on or after 1 January 2014.

FRS 110 establishes a single control model that applies to all entities (including special purpose entities). The changes introduced by FRS 110 will require management to exercise significant judgement to determine which entities are controlled, and therefore are required to be consolidated by the Group compared with the requirements that were in FRS 27. Therefore, FRS110 may change which entities are consolidated within a group. The revised FRS 27 was amended to address accounting for subsidiaries, jointly controlled entities and associates in separate financial statements. The Group does not expect adoption of these standards to have material impact to the financial statements.

FRS 112 Disclosure of Interests in Other Entities

FRS 112 is effective for financial periods beginning on or after 1 January 2014.

FRS 112 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. FRS 112 requires an entity to disclose information that helps users of its financial statements to evaluate the nature and risks associated with its interests in other entities and the effects of those interests on its financial statements. The Group is currently determining the impact of the disclosure requirements. As this is a disclosure standard, it will have no impact to the financial position and financial performance of the Group when implemented in 2014.

2. Significant accounting policies (continued)

2.4 Basis of consolidation

(A) Basis of consolidation

Basis of consolidation from 1 April 2010

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when controls is lost;
- De-recognises the carrying amount of any non-controlling interest;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

2. Significant accounting policies (continued)

2.4 Basis of consolidation (continued)

(A) Basis of consolidation (continued)

Basis of consolidation prior to 1 April 2010

Certain of the above-mentioned requirements were applied on a prospective basis. The following differences, however, are carried forward in certain instances from the previous basis of consolidation:

- Acquisition of non-controlling interests, prior to 1 April 2010, were accounted for using the parent entity extension method, whereby, the difference between the consideration and the book value of the share of the net assets acquired were recognised in goodwill.
- Losses incurred by the Group were attributed to the non-controlling interest until the balance was reduced to nil. Any further losses were attributed to the Group, unless the non-controlling interest had a binding obligation to cover these. Losses prior to 1 April 2010 were not reallocated between non-controlling interest and the owners of the Company.
- Upon loss of control, the Group accounted for the investment retained at its proportionate share of net asset value at the date control was lost. The carrying value of such investments as at 1 January 2010 have not been restated.

(B) Business combinations

Business combinations from 1 April 2010

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with FRS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it is not be remeasured until it is finally settled within equity.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

2. Significant accounting policies (continued)

2.4 Basis of consolidation (continued)

(B) Business combinations (continued)

Business combinations from 1 April 2010 (continued)

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Business combinations prior to 1 April 2010

In comparison to the above mentioned requirements, the following differences applied:

Business combinations are accounted for by applying the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest (formerly known as minority interest) was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as separate steps. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in equity. Any additional acquired share of interest did not affect previously recognized goodwill.

When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree were not reassessed on acquisition unless the business combination resulted in a change in the terms of the contract that significantly modified the cash flows that otherwise would have been required under the contract.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent adjustments to the contingent consideration were recognised as part of goodwill.

2. Significant accounting policies (continued)

2.5 Foreign currency

(a) Functional currency

The management has determined the currency of the primary economic environment in which the Group operates i.e. functional currency to be Singapore Dollars (SGD). Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(b) Foreign currency transactions

Transactions in foreign currencies are measured in Singapore Dollars (SGD) and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the balance sheet date are recognised in the profit or loss.

2.6 Equipment

All items of equipment are initially recorded at cost. Subsequent to recognition, equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying equipment. The cost of an item of equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

When significant parts of equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation of an asset begins when it is available for use and is computed on a straight-line basis over the estimated useful life of the asset as follows:

Furniture and fittings	- 5 - 10 years
Office equipment	- 5 years
Electrical fittings, sound and light equipment	- 5 years
Computers	- 3 years

The carrying values of equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2. Significant accounting policies (continued)

2.7 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.8 Subsidiary

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses

2. Significant accounting policies (continued)

2.9 *Financial assets*

Initial recognition and measurement

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

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

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

(a) Loans 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.

(b) Available-for-sale financial assets

Available-for-sale financial assets include equity and debt securities. Equity investments classified as available-for sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets 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 de-recognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition 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.

2. Significant accounting policies (continued)

2.9 Financial assets (continued)

Regular way purchase or 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 Group 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.

2.10 Impairment of financial assets

The Group assesses at each end of the reporting period whether there is any objective evidence that a financial asset is impaired.

(a) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

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 a 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 impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are 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 Group 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 amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2. Significant accounting policies (continued)

2.10 Impairment of financial assets (continued)

(b) Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at 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 current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(c) 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 costs. '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 acquisition cost (net of any principal repayment 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.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss. Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increases can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed in profit or loss.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2. Significant accounting policies (continued)

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories shall comprise all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. These costs are assigned on a first-in first out basis. Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.13 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, 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.

2.14 Financial liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

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

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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.

2. Significant accounting policies (continued)

2.15 Funds

Funds are accounted on an accrual basis.

Budding Artists Fund

The Budding Artists Fund is created to help reach out and provide a platform for children and youth distanced by social economic status to develop their innate artistic gifts.

Separate disclosure of the income and expenditure of this fund is included in the statement of comprehensive income, while the assets and liabilities of the funds are pooled with those of the general fund.

2.16 Employee benefits

(a) Defined contribution plans

The Group 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.

(b) Employee leave entitlements

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

2.17 Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

(a) As lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in 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.

2. Significant accounting policies (continued)

2.17 Leases (continued)

(b) *As lessor*

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.18 (c).

2.18 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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 or duty.

(a) *Sale of tickets*

Revenue from ticket sales are recognised as earned when the show/event has been completed.

(b) *Venue hire and event services*

Venue hire and event services is recognised when the event has been completed.

(c) *Rental income*

Rental income arising from sub-letting of lease buildings is accounted for on a straight-line basis over the lease terms on ongoing leases.

(d) *Interest income*

Interest income is recognised as interest accrues (using the effective interest method) unless collectability is in doubt.

(e) *Contributions and donations*

Contributions and donations are recognised on a receipt basis, except for those made for specified purposes, which are recognised to match the specified expenditure when incurred.

(f) *Membership income*

Membership income is recognised over the period of services to be provided to members.

(g) *International programming income*

International programming income is recognised when the programme hosted has been completed.

(h) *Income from fund raising*

Income from fund raising is recognised when the fund raising event is completed.

2. Significant accounting policies (continued)

2.18 Revenue recognition (continued)

(i) *Management fee income*

Management fee income is recognised when the service is rendered.

(j) *Food and beverage income*

Food and beverage income is recognised when the food and beverage have been served and accepted by customers.

2.19 Income tax

The Company has been registered as a charity under the Charities Act. According to Section 13(1)(zm) of the Singapore Income Tax Act, the income of the Company will be exempted from tax.

2.20 Unearned revenue

Revenue billed in advance to customers and members which does not qualify for recognition as revenue under the Group's revenue recognition policy is reflected as unearned revenue.

2.21 Grants

Grants received are from the government and its related agencies.

Government grants are recognised at their fair value where 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 balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Government grants to meet the current period's operating expenses are recognised as income in the financial period in which the operating expenses are incurred.

2.22 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2. Significant accounting policies (continued)

2.23 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 Group and 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 Group or Company or of a parent of the Company.

- (b) An entity is related to the Group and 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).

3. Significant accounting estimates and judgements

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

Key source of estimation uncertainty

The key assumption concerning the future and other key sources of estimation uncertainty at the balance sheet date that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is discussed below.

(i) Depreciation of equipment

The cost of equipment is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these equipments to be within 3 to 10 years. The carrying amount of the Group's and the Company's equipment at 31 March 2013 was \$137,636 (2012: \$253,442 and \$250,098 respectively). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised. The carrying amount of the Group's and Company's equipment at the balance sheet date is disclosed in Note 4 to the financial statements.

(ii) Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Other indefinite life intangibles are tested for impairment annually and at other times when such indicators exist. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

(iii) Impairment of loans and receivables

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivables at the balance sheet date is disclosed in Note 7 to the financial statements.

The Old Parliament House Limited and its subsidiary

Notes to the Financial Statements - 31 March 2013

4. Equipment

Group	Furniture and fittings \$	Office equipment \$	Electrical fittings, sound and light equipment \$	Computer \$	Art works \$	Total \$
Cost						
At 1.4.2011	894,398	26,689	336,114	164,492	5,000	1,426,693
Additions	27,123	1,900	3,676	18,065	-	50,764
At 31.3.2012 and 1.4.2012	921,521	28,589	339,790	182,557	5,000	1,477,457
Additions	26,429	-	10,513	18,399	-	55,341
Write off	(39,391)	-	(9,154)	-	-	(48,545)
At 31.3.2013	908,559	28,589	341,149	200,956	5,000	1,484,253
Accumulated depreciation						
At 1.4.2011	589,687	24,124	275,002	141,168	-	1,029,981
Charge for the financial year	139,528	1,662	30,922	21,922	-	194,034
At 31.3.2012 and 1.4.2012	729,215	25,786	305,924	163,090	-	1,224,015
Charge for the financial year	118,498	2,803	28,569	19,048	-	168,918
Write off	(38,583)	-	(7,733)	-	-	(46,316)
At 31.3.2013	809,130	28,589	326,760	182,138	-	1,346,617
Net carrying amount						
At 31.3.2013	99,429	-	14,389	18,818	5,000	137,636
At 31.3.2012	192,306	2,803	33,866	19,467	5,000	253,442

The Old Parliament House Limited and its subsidiary

Notes to the Financial Statements - 31 March 2013

4. Equipment (continued)

Company	Furniture and fittings \$	Office equipment \$	Electrical fittings, sound and light equipment \$	Computer \$	Art works \$	Total \$
Cost						
At 1.4.2011	888,566	26,689	333,586	164,492	5,000	1,418,333
Additions	27,123	1,900	3,676	18,065	—	50,764
At 31.3.2012 and 1.4.2012	915,689	28,589	337,262	182,557	5,000	1,469,097
Additions	26,429	—	10,513	18,399	—	55,341
Write off	(36,360)	—	(3,826)	—	—	(40,186)
At 31.3.2013	905,758	28,589	343,949	200,956	5,000	1,484,252
Accumulated depreciation						
At 1.4.2011	587,355	24,124	273,990	141,168	—	1,026,637
Charge for the financial year	138,362	2,018	30,060	21,922	—	192,362
At 31.3.2012 and 1.4.2012	725,717	26,142	304,050	163,090	—	1,218,999
Reclassifications	—	(356)	356	—	—	—
Charge for the financial year	118,094	2,803	27,858	19,048	—	167,803
Write off	(36,360)	—	(3,826)	—	—	(40,186)
At 31.3.2013	807,451	28,589	328,438	182,138	—	1,346,616
Net carrying amount						
At 31.3.2013	98,307	—	15,511	18,818	5,000	137,636
At 31.3.2012	189,972	2,447	33,212	19,467	5,000	250,098

The Old Parliament House Limited and its subsidiary

Notes to the Financial Statements - 31 March 2013

5. Investment in subsidiary

	Company	
	2013 \$	2012 \$
Unquoted equity shares, at cost	-	-

On 1 June 2009, the Company incorporated a subsidiary, Asian Culture Enterprise Singapore Ltd ("ACES"), a Singapore company limited by guarantee. The principal activity of the subsidiary is that of facilitation of cross cultural exchanges with Asian countries.

ACES is a subsidiary of the Company as the Company is the sole subscriber of ACES and the board of directors in ACES and its operations are controlled by the Company.

Subsequent to year end, the Company has commenced liquidation process for ACES.

6. Other asset

	Group and Company	
	2013 \$	2012 \$
Other asset, at cost	58,424	58,424
Less: write off during the year	(58,424)	-
	-	58,424

The above relates to the investment in Sculpture Square Limited, a company limited by guarantee.

7. Trade and other receivables

	Group		Company	
	2013 \$	2012 \$	2013 \$	2012 \$
Trade receivables	967,036	655,590	965,313	633,337
Other receivables	766,606	642,529	772,693	629,442
Total trade and other receivables	1,733,642	1,298,119	1,738,006	1,262,779
Add: Cash and cash equivalents (Note 8)	3,891,527	3,378,505	3,885,696	3,356,266
Total loans and receivables	5,625,169	4,676,624	5,623,702	4,619,045

Trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Old Parliament House Limited and its subsidiary

Notes to the Financial Statements - 31 March 2013

7. Trade and other receivables (continued)

Trade receivables that are past due but not impaired

The Group and the Company has trade receivables amounting to \$609,943 (2012: \$415,788) and \$608,220 (2012: \$392,535) that are past due at the balance sheet date but not impaired. These receivables are unsecured and the analysis of their aging at the balance sheet date is as follows:

	Group		Company	
	2013	2012	2013	2012
	\$	\$	\$	\$
Trade receivables past due:				
Less than 31 days	164,298	142,501	164,298	119,248
31 to 60 days	72,393	28,685	72,393	28,685
61-90 days	55,769	32,286	55,769	32,286
More than 90 days	317,483	212,316	315,760	212,316
	<u>609,943</u>	<u>415,788</u>	<u>608,220</u>	<u>392,535</u>

Trade receivables that are impaired

The Group's and Company's trade receivables that are impaired at the balance sheet date and the movement of the allowance accounts used to record the impairment are as follows:

	Group		Company	
	2013	2012	2013	2012
	\$	\$	\$	\$
Trade receivable at nominal amounts	273,666	184,411	273,666	184,411
Less: Allowance for impairment	<u>(142,036)</u>	<u>(70,465)</u>	<u>(142,036)</u>	<u>(70,465)</u>
	<u>131,630</u>	<u>113,946</u>	<u>131,630</u>	<u>113,946</u>
Movement in allowance accounts				
At 1 April	70,465	53,888	70,465	53,888
Charge for the financial year (Note 14)	88,148	16,577	88,148	16,577
Write-back during the financial year	<u>(16,577)</u>	<u>-</u>	<u>(16,577)</u>	<u>-</u>
At 31 March	<u>142,036</u>	<u>70,465</u>	<u>142,036</u>	<u>70,465</u>

The Old Parliament House Limited and its subsidiary

Notes to the Financial Statements - 31 March 2013

7. Trade and other receivables (continued)

Other receivables

	Group		Company	
	2013 \$	2012 \$	2013 \$	2012 \$
Deposits	104,281	92,375	104,281	77,275
Receivable from National Arts Council *	500,000	500,000	500,000	500,000
Other receivables				
- external parties	162,325	(2,951)	162,325	(938)
- Subsidiary	-	-	6,087	-
- Joint Venture partners of The Hall	-	53,105	-	53,105
	<u>766,606</u>	<u>642,529</u>	<u>772,693</u>	<u>629,442</u>

* Receivable from National Arts Council pertains to operating grant for the last quarter of the financial year.

Other receivables that are impaired

The Group's other receivables - subsidiary that is impaired at the balance sheet date and the movement of the allowances accounts used to record the impairment are as follows:

	Individually impaired Group		Individually impaired Company	
	2013 \$	2012 \$	2013 \$	2012 \$
Other receivables - subsidiary at nominal amounts	-	-	-	873,211
Less: Write off during the financial year	-	-	-	(873,211)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Movement in allowance accounts				
At 1 April	-	-	-	205,216
Write off for the financial year	-	-	-	(205,216)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March	-	-	-	-
Bad debts written off directly to profit or loss				
- trade	646	11,593	646	11,593
- non-trade	53,105	-	53,105	667,995
	<u>53,751</u>	<u>11,593</u>	<u>53,751</u>	<u>679,588</u>

The Old Parliament House Limited and its subsidiary

Notes to the Financial Statements - 31 March 2013

8. Cash and cash equivalents

	Group		Company	
	2013 \$	2012 \$	2013 \$	2012 \$
Cash at banks and on hand	1,663,109	1,701,771	1,657,278	1,679,532
Short-term deposits	2,228,418	1,676,734	2,228,418	1,676,734
	<u>3,891,527</u>	<u>3,378,505</u>	<u>3,885,696</u>	<u>3,356,266</u>

Short-term deposits are placed for approximately one month and earn interests at the respective short-term deposit rates. The weighted average effective interest rate of short-term deposits is 0.05% to 0.50% (2012: 0.05% to 0.428%) per annum.

9. Trade and other payables

	Group		Company	
	2013 \$	2012 \$	2013 \$	2012 \$
Trade payables	737,553	819,023	755,986	615,039
Other payables and accruals	1,249,875	655,658	1,239,080	814,401
Rental deposits	339,165	147,265	339,165	147,265
Total financial liabilities carried at amortised cost	<u>2,326,593</u>	<u>1,621,946</u>	<u>2,334,231</u>	<u>1,576,705</u>

Trade payables are non-interest bearing and are normally settled on 30-day terms.

Other payables and accrued operating expenses are non-interest bearing and have an average term of between three to six months.

10. Unearned revenue

Unearned revenue arises from membership income and events revenue received in advance.

11. Other income

	Group		Company	
	2013 \$	2012 \$	2013 \$	2012 \$
Little Arts Academy income	212,725	167,333	212,725	167,333
Retail income	39,913	43,557	39,913	43,557
Food and beverage income	62,523	779,521	62,523	779,521
Membership income	2,960	1,600	2,960	1,600
Others	96,168	162,227	96,247	138,227
	<u>414,289</u>	<u>1,154,238</u>	<u>414,368</u>	<u>1,130,238</u>

The Old Parliament House Limited and its subsidiary

Notes to the Financial Statements - 31 March 2013

12. Goodman Art Centre income

Goodman Art Centre income arises from service charges and rental income generated from managing the Art Centres at Goodman Road and Aliwal Street.

13. Staff and related expenses

	Group		Company	
	2013 \$	2012 \$	2013 \$	2012 \$
Salaries, bonuses and other costs				
- Staff	2,305,326	2,161,473	2,304,878	2,158,041
- Directors and key management	714,843	818,035	714,843	741,558
Central Provident Fund contributions				
- Staff	332,548	337,505	332,548	291,424
- Directors and key management	50,690	61,697	50,690	49,461
	<u>3,403,407</u>	<u>3,378,710</u>	<u>3,402,959</u>	<u>3,240,484</u>

Number of key management in remuneration bands are as follows:

	Group		Company	
	2013 \$	2012 \$	2013 \$	2012 \$
\$100,000 and above	3	3	3	3
\$200,000 to \$300,000	1	1	1	1
	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>

14. Other operating expenditure

	Group		Company	
	2013 \$	2012 \$	2013 \$	2012 \$
Allowance for doubtful debts, net (trade)	71,571	16,577	71,571	16,577
Bad debts written off (non-trade)	53,105	-	53,105	667,995
Bad debts written off (trade)	6,108	11,593	6,108	667,995
Write back of bad debt (trade)	(5,462)	-	(5,462)	-
Cost of sales of books and compact discs	3,469	3,488	3,469	3,488
Cost of sales of food and beverage	18,901	248,533	18,901	248,533
Communication expenses	22,541	32,738	21,749	32,738
GST expense	132,706	120,098	132,706	120,098
Other asset written off	58,424	-	58,424	-
Printing expenses	6,389	11,665	6,389	11,665
Publicity expenses	30,747	90,569	30,446	48,328
Supplies expenses	55,848	75,650	55,393	67,923
	<u></u>	<u></u>	<u></u>	<u></u>

15. Operating grants

Operating grants received from National Arts Council are on voluntary basis. Contributions received are to be utilised for the operating needs of the Company. In the opinion of the directors, there are no unfulfilled conditions or contingencies attached to these grants.

16. Income tax

No provision has been made for tax as the Company is exempted from tax in accordance with Section 13(1)(zm) of the Singapore Income Tax Act.

17. Commitments

Operating lease commitments

As lessee

The Group and the Company have an operating lease agreement for rental of building. Future minimum lease payments payable under non-cancellable operating leases as at 31 March are as follows:

	Group and Company	
	2013	2012
	\$	\$
Within one year	1,285,658	932,072
More than 1 year	2,647,548	772,107
	3,933,206	1,704,179

As lessor

The Group and the Company have entered into commercial leases to sublet its leased building. These non-cancellable leases have remaining non-cancellable lease terms of between 1 and 4 years.

The future minimum lease payments receivable under non-cancellable operating leases as at 31 March are as follows:

	Group and Company	
	2013	2012
	\$	\$
Within one year	1,397,138	130,208
More than 1 year	2,141,081	22,470
	3,538,219	152,678

18. Related party transactions

An entity or individual is considered a related party of the Company for the purpose of the financial statements if (i) it possesses the ability (directly or indirectly to control or exercise significant influence over the operating and financial decisions of the Company or vice versa); or (ii) it is subject to common control or common significant influence.

In addition to related party transactions disclosed elsewhere in the financial statements, the following significant related party transactions took place between the Company and related parties based on terms agreed between the parties:-

(a) Compensation of key management personnel

	Group		Company	
	2013	2012	2013	2012
	\$	\$	\$	\$
Short-term employee benefits, representing total amounts paid to key management personnel of the Company	765,533	879,732	765,533	791,019

(b) Sale and purchase of goods and services

Fees paid to subsidiary company for its role as event coordinator for Regenerating Communities project	-	-	24,000	-
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(c) Management fees income

Management fees from Sculpture Square Limited	68,000	60,000	68,000	60,000
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19. Fair values of financial instruments

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Management has determined that the carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables, based on their notional amounts reasonably approximate their fair value because these are mostly short term in nature.

20. Financial risk management objectives and policies

The Group's and Company's activities expose it to a variety of financial risks including credit risk and liquidity risk.

Risk management is carried out under policies approved by the board of directors. The board provides guidelines for overall risk management, as well as policies for managing each of the risks as summarised below.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets, mainly cash and cash equivalents, the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

Credit risk concentration profile

The Company has no significant concentration of credit risk.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and cash equivalents that are neither past due nor impaired are placed with or entered into with reputable financial institutions.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 7.

The Old Parliament House Limited and its subsidiary

Notes to the Financial Statements - 31 March 2013

20. Financial risk management objectives and policies (continued)

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's or the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group or the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group and the Company and to mitigate the effects of fluctuations in cash flows.

Surplus funds are placed with reputable banks as funding is obtained from government grant.

	2013 One year or less	2012 One year or less
Group		
Financial assets:		
Trade and other receivables	1,733,642	1,298,119
Cash and cash equivalents	3,891,527	3,378,505
Total undiscounted financial assets	<u>5,625,169</u>	<u>4,676,624</u>
Financial liabilities:		
Trade and other payables	2,326,593	1,621,946
Total undiscounted financial liabilities	<u>2,326,593</u>	<u>1,621,946</u>
Total net undiscounted financial assets	<u>3,298,576</u>	<u>3,054,678</u>
Company		
Financial assets:		
Trade and other receivables	1,738,006	1,262,779
Cash and cash equivalents	3,885,696	3,356,266
Total undiscounted financial assets	<u>5,623,702</u>	<u>4,619,045</u>
Financial liabilities:		
Trade and other payables	2,334,231	1,576,705
Total undiscounted financial liabilities	<u>2,334,231</u>	<u>1,575,705</u>
Total net undiscounted financial assets	<u>3,289,471</u>	<u>3,042,340</u>

The Old Parliament House Limited and its subsidiary

Notes to the Financial Statements - 31 March 2013

21. Reserves policy

	Group		Company	
	2013	2012	2013	2012
	\$	\$	\$	\$
Unrestricted Funds (Reserves)				
- General Fund	1,549,680	1,773,656	1,539,900	1,691,993
- Budding Artists Fund	1,863,831	1,409,101	1,863,831	1,409,101
Total funds	<u>3,413,511</u>	<u>3,182,757</u>	<u>3,403,731</u>	<u>3,101,094</u>
Ratio of reserves to annual operating expenditure	<u>0.3898 : 1</u>	<u>0.3825 : 1</u>	<u>0.3919 : 1</u>	<u>0.3632 : 1</u>

The reserves that the Company have set aside provide financial stability and the means for the development of its principal activities.

The Board of Directors regularly reviews the amount of reserves that are required to ensure that they are adequate to fulfil the Company's continuing obligations.

22. Authorisation of financial statements

The financial statements for the financial year ended 31 March 2013 were authorised for issue in accordance with a resolution of the directors on 3 September 2013.

