Financial Statements

# SINGAPORE CHINESE CULTURAL CENTRE

31 March 2025

# COMPANY INFORMATION

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| **Company registration number:** | 201309577Z |
| **Registered office:** | 1 Straits Boulevard, Singapore 018906 |
| **Directors:** | Ng Siew Quan (Chairman)<br>Tan Choo Hoon @ Tan Cheng Gay (Honorary Treasurer)<br>Chan Choong Seng, Daniel<br>Leong Sin Yuen, William<br>Pang Lim<br>Tan Whei Mien, Joy<br>Tham Loke Kheng<br>Heng Boey Hong<br>Lim Hock Chee<br>Zhou Zhaocheng<br>Goh Sin Teck<br>Low Eng Teong<br>Toh Yong Leng, Jimmy<br>Chang Hwee Nee (Appointed on 1 August 2024)<br>Teo Zi-Ming@Zed Teo (Appointed on 1 August 2024)<br>Tan Tze Ee, Alvin (Resigned on 2 June 2024)<br>Goh Shiao Sing, Shaun (Resigned on 31 July 2024) |
| **Secretary:** | Yap Wai Ming |
| **Bankers:** | OCBC Bank Limited<br>DBS Singapore Limited<br>BNP Paribas, Singapore Branch<br>The Bank of East Asia, Limited, Singapore Branch |
| **Independent auditor:** | Foo Kon Tan LLP<br>Public Accountants and Chartered Accountants<br>1 Raffles Place<br>One Raffles Place Tower 2<br>#04-61/62<br>Singapore 048616 |

# Contents

# Directors' statement
## for the financial year ended 31 March 2025

The directors of Singapore Chinese Cultural Centre (the "Company") are pleased to present the audited financial statements of the Company for the financial year ended 31 March 2025.

### 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 March 2025 and of the financial performance, changes in funds 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.

The board of directors has, on the date of this statement, approved and authorised these financial statements for issue.

### 2. Directors

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

Ng Siew Quan (Chairman)
Tan Choo Hoon @ Tan Cheng Gay (Honorary Treasurer)
Chan Choong Seng, Daniel
Leong Sin Yuen, William
Pang Lim
Tan Whei Mien, Joy
Tham Loke Kheng
Heng Boey Hong
Lim Hock Chee
Zhou Zhaocheng
Goh Sin Teck
Low Eng Teong
Toh Yong Leng, Jimmy
Chang Hwee Nee (Appointed on 1 August 2024)
Teo Zi-Ming@Zed Teo (Appointed on 1 August 2024)
Tan Tze Ee, Alvin (Resigned on 2 June 2024)
Goh Shiao Sing, Shaun (Resigned on 31 July 2024)

### 3. Arrangements to enable directors to acquire benefits by means of acquisition of shares and debentures

The Company is a company limited by guarantee and has no share capital or issued debentures.

## 4. Directors' interests in shares and debentures

The Company is a company limited by guarantee and has no share capital or issued debentures.

## 5. Options

The Company is a company limited by guarantee. As such, there are no shares, options or unissued shares under option.

## 6. Independent auditor

The independent auditor, Foo Kon Tan LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

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NG SIEW QUAN (Chairman)

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TAN CHOO HOON @ TAN CHENG GAY (Honorary Treasurer)

Date: 23 July 2025

# Independent auditor's report to the members of Singapore Chinese Cultural Centre

## Report on the Audit of the Financial Statements

### *Opinion*

We have audited the financial statements of Singapore Chinese Cultural Centre (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRS") so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and of the financial performance, changes in 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 obtained at the date of this auditor's report 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 on the other information obtained prior to the date of this auditor's report, 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.

# Independent auditor's report to the members of Singapore Chinese Cultural Centre (Cont'd)

***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 Act, the Charities Act and Regulations and FRS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 skepticism 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.

# Independent auditor's report to the members of Singapore Chinese Cultural Centre (Cont'd)

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also: (Cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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 Company have been properly kept in accordance with the provisions of the Act and the Charities Act and Regulations.

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

(i) the Company has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and

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

Foo Kon Tan LLP

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 23 July 2025

# Statement of financial position
as at 31 March 2025

| | Note | 2025 Unrestricted fund $ | 2025 Restricted Fund $ | 2025 Endowment fund $ | 2025 Total $ | 2024 Unrestricted fund $ | 2024 Restricted fund $ | 2024 Endowment fund $ | 2024 Total $ |
|---|---|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | | | |
| **Non-current assets** | | | | | | | | | |
| Property, plant and equipment | 3 | **1,430,193** | **-** | **-** | **1,430,193** | 1,311,357 | - | - | 1,311,357 |
| Intangible assets | 4 | **956,884** | **-** | **-** | **956,884** | 2,392,209 | - | - | 2,392,209 |
| | | **2,387,077** | **-** | **-** | **2,387,077** | 3,703,566 | - | - | 3,703,566 |
| **Current assets** | | | | | | | | | |
| Trade and other receivables | 5 | **586,715** | **-** | **172,387** | **759,102** | 521,795 | - | 120,638 | 642,433 |
| Prepayments | 6 | **8,957** | **-** | **-** | **8,957** | 10,531 | - | - | 10,531 |
| Investment securities | 7 | **2,073,645** | **-** | **38,377,696** | **40,451,341** | 2,050,839 | - | 31,310,684 | 33,361,523 |
| Cash and fixed deposits | 8 | **17,214,445** | **301,173** | **202,696** | **17,718,314** | 18,883,386 | 314,000 | 3,089,875 | 22,287,261 |
| Restricted fixed deposits | 9 | **25,282** | **-** | **-** | **25,282** | 25,282 | - | - | 25,282 |
| | | **19,909,044** | **301,173** | **38,752,779** | **58,962,996** | 21,491,833 | 314,000 | 34,521,197 | 56,327,030 |
| **Total assets** | | **22,296,121** | **301,173** | **38,752,779** | **61,350,073** | 25,195,399 | 314,000 | 34,521,197 | 60,030,596 |
| **FUNDS AND LIABILITIES** | | | | | | | | | |
| **Funds** | | | | | | | | | |
| Unrestricted fund | 10 | **12,805,241** | **-** | **-** | **12,805,241** | 13,626,406 | - | - | 13,626,406 |
| Restricted fund | 11 | **-** | **301,173** | **-** | **301,173** | - | 314,000 | - | 314,000 |
| Endowment fund | 12 | **-** | **-** | **38,730,053** | **38,730,053** | - | - | 34,494,613 | 34,494,613 |
| | | **12,805,241** | **301,173** | **38,730,053** | **51,836,467** | 13,626,406 | 314,000 | 34,494,613 | 48,435,019 |
| **Non-current liability** | | | | | | | | | |
| Deferred income | 13 | **3,970,004** | **-** | **-** | **3,970,004** | 3,535,132 | - | - | 3,535,132 |
| **Current liabilities** | | | | | | | | | |
| Deferred income | 13 | **2,705,561** | **-** | **-** | **2,705,561** | 5,176,868 | - | - | 5,176,868 |
| Trade and other payables | 14 | **2,815,315** | **-** | **22,726** | **2,838,041** | 2,856,993 | - | 26,584 | 2,883,577 |
| **Total current liabilities** | | **5,520,876** | **-** | **22,726** | **5,543,602** | 8,033,861 | - | 26,584 | 8,060,445 |
| **Total liabilities** | | **9,490,880** | **-** | **22,726** | **9,513,606** | 11,568,993 | - | 26,584 | 11,595,577 |
| **Total funds and liabilities** | | **22,296,121** | **301,173** | **38,752,779** | **61,350,073** | 25,195,399 | 314,000 | 34,521,197 | 60,030,596 |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# Statement of profit or loss and other comprehensive income
for the financial year ended 31 March 2025

| | | 2025 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Note | **Unrestricted fund $** | **Restricted Fund $** | **Endowment fund $** | **Total $** | Unrestricted fund $ | Restricted fund $ | Endowment fund $ | Total $ |
| **Income** | | | | | | | | | |
| Government grants | 15 | **23,681,467** | **-** | **-** | **23,681,467** | 22,756,663 | - | - | 22,756,663 |
| Income from leasing facilities | | **2,562,130** | **-** | **-** | **2,562,130** | 2,614,981 | - | - | 2,614,981 |
| Interest and dividend income | | **482,532** | **-** | **1,211,145** | **1,693,677** | 558,546 | - | 1,074,516 | 1,633,062 |
| Donations | 16 | **582,648** | **-** | **-** | **582,648** | 1,078,898 | - | - | 1,078,898 |
| Other income | 17 | **452,552** | **-** | **-** | **452,552** | 476,803 | - | - | 476,803 |
| Fair value gain/(loss) on investment securities | | **19,383** | **-** | **659,431** | **678,814** | (10,269) | - | 1,003,893 | 993,624 |
| **Total income** | | **27,780,712** | **-** | **1,870,576** | **29,651,288** | 27,475,622 | - | 2,078,409 | 29,554,031 |
| **Expenditure** | | | | | | | | | |
| Rental expenses | | **(4,355,640)** | **-** | **-** | **(4,355,640)** | (4,322,340) | - | - | (4,322,340) |
| Employee benefits | 18 | **(4,983,447)** | **-** | **-** | **(4,983,447)** | (4,353,118) | - | - | (4,353,118) |
| Other expenses | 19 | **(14,828,958)** | **(12,827)** | **(55,796)** | **(14,897,581)** | (12,928,062) | (24,822) | (73,943) | (13,026,827) |
| Depreciation and amortisation | 3, 4 | **(2,013,172)** | **-** | **-** | **(2,013,172)** | (2,107,786) | - | - | (2,107,786) |
| **Total expenditure** | | **(26,181,217)** | **(12,827)** | **(55,796)** | **(26,249,840)** | (23,711,306) | (24,822) | (73,943) | (23,810,071) |
| **Surplus/(Deficit) for the year, representing total comprehensive income/(loss) for the year** | | **1,599,495** | **(12,827)** | **1,814,780** | **3,401,448** | 3,764,316 | (24,822) | 2,004,466 | 5,743,960 |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# Statement of changes in funds
## for the financial year ended 31 March 2025

| | Unrestricted fund $ | Restricted fund $ | Endowment Fund $ | Total $ |
|---|---|---|---|---|
| **At 1 April 2024** | **13,626,406** | **314,000** | **34,494,613** | **48,435,019** |
| Surplus/(Deficit) for the year, representing total comprehensive income/(loss) for the year | **1,599,495** | **(12,827)** | **1,814,780** | **3,401,448** |
| Movement between unrestricted fund and endowment fund | **849,340** | **-** | **(849,340)** | **-** |
| Transfer from unrestricted fund to endowment fund | **(3,270,000)** | **-** | **3,270,000** | **-** |
| **At 31 March 2025** | **12,805,241** | **301,173** | **38,730,053** | **51,836,467** |
| | | | | |
| At 1 April 2023 | 11,057,635 | 338,822 | 31,294,602 | 42,691,059 |
| Surplus/(Deficit) for the year, representing total comprehensive income/(loss) for the year | 3,764,316 | (24,822) | 2,004,466 | 5,743,960 |
| Movement between unrestricted fund and endowment fund | 644,455 | - | (644,455) | - |
| Transfer from unrestricted fund to endowment fund | (1,840,000) | - | 1,840,000 | - |
| At 31 March 2024 | 13,626,406 | 314,000 | 34,494,613 | 48,435,019 |

# Statement of cash flows

for the financial year ended 31 March 2025

| | | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|---|
| | Note | **Unrestricted & restricted fund $** | **Endowment fund $** | **Total $** | Unrestricted & restricted fund $ | Endowment fund $ | Total $ |
| **Cash flows from operating activities** | | | | | | | |
| Surplus for the year | | **1,586,668** | **1,814,780** | **3,401,448** | 3,739,494 | 2,004,466 | 5,743,960 |
| Adjustments for: | | | | | | | |
| Fair value (gain)/loss on investment securities | | **(19,383)** | **(659,431)** | **(678,814)** | 10,269 | (1,003,893) | (993,624) |
| Impairment loss on trade receivables | 5 | **569** | - | **569** | 1,800 | - | 1,800 |
| Property, plant and equipment write-off | 3 | - | - | - | 2,764 | - | 2,764 |
| Depreciation of property, plant and equipment | 3 | **577,847** | - | **577,847** | 672,461 | - | 672,461 |
| Amortisation of intangible assets | 4 | **1,435,325** | - | **1,435,325** | 1,435,325 | - | 1,435,325 |
| Management fee | | - | **54,072** | **54,072** | - | 71,377 | 71,377 |
| Deferred income | 13 | **(19,325,827)** | - | **(19,325,827)** | (18,434,323) | - | (18,434,323) |
| Interest and dividend income | | **(482,532)** | **(1,211,145)** | **(1,693,677)** | (558,546) | (1,074,516) | (1,633,062) |
| **Operating cash flows before changes in working capital** | | **(16,227,333)** | **(1,724)** | **(16,229,057)** | (13,130,756) | (2,566) | (13,133,322) |
| Changes in working capital: | | | | | | | |
| Trade and other receivables (including prepayments) | | **(87,228)** | - | **(87,228)** | 51,509 | - | 51,509 |
| Trade and other payables | | **(41,678)** | - | **(41,678)** | (297,125) | - | (297,125) |
| Grants received | 13 | **18,101,000** | - | **18,101,000** | 16,824,238 | - | 16,824,238 |
| Grant refunded | 13 | **(811,608)** | - | **(811,608)** | - | - | - |
| **Net cash generated from/(used in) operating activities** | | **933,153** | **(1,724)** | **931,429** | 3,447,866 | (2,566) | 3,445,300 |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# Statement of cash flows
for the financial year ended 31 March 2025 (Cont'd)

| | | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|---|
| | Note | **Unrestricted & restricted fund $** | **Endowment fund $** | **Total $** | Unrestricted & restricted fund $ | Endowment fund $ | Total $ |
| **Cash flows from investing activities** | | | | | | | |
| Purchase of property, plant and equipment | 3 | **(696,683)** | **-** | **(696,683)** | (383,552) | - | (383,552) |
| Investment with fund manager | | **(1,985,486)** | **(11,679,574)** | **(13,665,060)** | (2,099,712) | (10,190,869) | (12,290,581) |
| Proceeds from disposal of investment securities | | **2,050,839** | **5,214,063** | **7,264,902** | 1,980,900 | 2,950,560 | 4,931,460 |
| Withdrawal/(Placement) of fixed deposits | | **1,234,651** | **(201,571)** | **1,033,080** | 4,448,280 | 4,000,000 | 8,448,280 |
| Interest and dividend income received | | **437,069** | **1,159,396** | **1,596,465** | 597,150 | 1,079,155 | 1,676,305 |
| **Net cash generated from/(used in) investing activities** | | **1,040,390** | **(5,507,686)** | **(4,467,296)** | 4,543,066 | (2,161,154) | 2,381,912 |
| **Cash flows from financing activity** | | | | | | | |
| Net fund transfer from unrestricted fund to endowment fund, represent net cash (used in)/generated from financing activity | | **(2,420,660)** | **2,420,660** | **-** | (1,195,545) | 1,195,545 | - |
| **Net (decrease)/increase in cash and cash equivalents** | | **(447,117)** | **(3,088,750)** | **(3,535,867)** | 6,795,387 | (968,175) | 5,827,212 |
| Cash and cash equivalent at beginning of year | | **14,638,028** | **3,089,875** | **17,727,903** | 7,842,641 | 4,058,050 | 11,900,691 |
| **Cash and cash equivalents at end of year** | 8 | **14,190,911** | **1,125** | **14,192,036** | 14,638,028 | 3,089,875 | 17,727,903 |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# Notes to the financial statements
for the financial year ended 31 March 2025

## 1 General information

The Singapore Chinese Cultural Centre (the "Company") is incorporated in Singapore as a company limited by guarantee not having any share capital. The Company was granted the status of an Institution of a Public Character ("IPC") from 1 February 2023 to 31 January 2026. The financial statements are presented in Singapore dollars.

In the event the Company is wound up, each member of the Company has undertaken to contribute to the assets of the Company an amount not exceeding the sum of ten Singapore dollars ($10). The Company has three (3) members at end of the reporting year.

The memorandum and articles of the Company restricts the use of fund monies to the furtherance of the objects of the Company. They prohibit the payment of dividends to members.

The registered office and principal place of business is located at 1 Straits Boulevard, #11-01 Singapore Chinese Cultural Centre (the "Premise"), Singapore 018906.

The principal activities of the Company is to promote and showcase local distinctive Chinese culture. There has been no significant change in the nature of these activities during the financial year.

The financial statements of the Singapore Chinese Cultural Centre (the "Company") for the year ended 31 March 2025 were authorised for issue in accordance with a resolution of the directors on the date of the directors' statement.

## 2(a) Basis of preparation

The financial statements are prepared in accordance with provisions of the Companies Act 1967 (the "Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore dollars, which is the Company's functional currency. All financial information are presented in Singapore dollars, unless otherwise stated.

## 2(b) Adoption of new and revised FRS effective for the current financial year

On 1 April 2024, the Company has adopted all the new and revised FRSs, interpretations ("INT FRSs") and amendments to FRSs, effective for the current financial year that are relevant to them. The adoption of these new and revised FRSs pronouncements does not result in significant changes to the Company's accounting policies and has no material effect on the amounts or the disclosures reported for the current or prior reporting periods.

## 2(c) New and revised FRS in issue but not yet effective

At the date of authorisation of these financial statements, the following FRSs were issued but not yet effective which are relevant to the Company and has not early adopted:

| Reference | Description | Effective date (Annual periods beginning on or after) |
|---|---|---|
| Amendments to FRS 21 | *Lack of Exchangeability* | 1 January 2025 |
| Amendments to FRS 109 and FRS 107 | *Classification and measurement of Financial Instruments* | 1 January 2026 |
| Amendments to FRS 109 and FRS 107 | *Contracts Referencing Nature-dependent Electricity* | 1 January 2026 |
| Annual improvements to FRSs – Volume 11 | | 1 January 2026 |
| Amendments to FRS 118 | *Presentation and Disclosure in Financial Statements* | 1 January 2027 |
| Amendments to FRS 119 | *Subsidiaries without Public Accountability: Disclosure* | 1 January 2027 |
| Amendments to FRS 110 and FRS 28 | *Sale of Contributions of Assets between an Investor and its Associate of Joint Venture* | To be determined |

The Company intends to adopt the above FRSs when they become effective.

The initial applications of the above-mentioned FRSs are not expected to have significant impacts on the financial statements of the Company.

## 2(d) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with FRSs requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year.

The areas involving significant judgement and critical accounting estimates and assumptions used are described below.

## 2(d) Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

***Significant judgements used in applying accounting policies***

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that have been made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

(i) Accounting for leases (Note 21)

The Company leases the Premise from the Ministry of Culture Community and Youth ("MCCY"). The lease term is for a period of 3 years commencing on 1 December 2016, with an option for a further term of 3 years, and a provision for a final term not exceeding 3 years subject to agreement with MCCY.

At the same time, since inception of the lease, MCCY has provided the Company with land rental subvention to offset the rental expenses in full. In addition, MCCY has also previously confirmed to the Company that it will continue to provide such land rental subvention up till 30 November 2025, i.e., the end of the current lease term.

The management has determined that the Company does not need to record the lease liability and corresponding right-of-use asset relating to the Premise because, due to the land rental subvention provided by MCCY, there is no lease liability and, accordingly, no right-of-use asset, to be recognised by the Company. As a result, the Company has recorded the land rental subvention from MCCY and rental expenses to MCCY as grant income and rental expense, respectively.

The Company has extended the lease for a further three years, commencing from 1 December 2022 to 30 November 2025.

***Key sources of estimation uncertainty***

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are discussed below.

(a) Useful life of intangible asset ("Building use rights") (Note 4)

The estimates for the useful life and related amortisation charges for intangible asset are based on the terms in the lease agreement entered into with MCCY. The lease term is for a period of 3 years commencing on 1 December 2016 with an option for a further term of 3 years and a provision for a final term not exceeding 3 years subject to agreement with MCCY. The amortisation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset or class of assets at end of reporting year affected by the assumption is $956,884 (2024: $2,392,209).

## 2(d) Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

***Key sources of estimation uncertainty (Cont'd)***

(b) Allowance for expected credit losses of trade and other receivables

Allowance for expected credit losses ("ECL") of trade and other receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the ECL calculation, based on the Company's past collection history and forward looking estimates at each reporting date. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The Company uses a provision matrix to calculate ECL for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and forecast economic conditions.

The Company applies the 3-stage general approach to determine ECL for non-trade amounts due from external parties. ECL is measured as an allowance equal to 12-month ECL for stage-1 assets, or lifetime ECL for stage-2 or stage-3 assets. An asset moves from stage-1 to stage-2 when its credit risk increases significantly and subsequently to stage-3 as it becomes credit-impaired. In assessing whether credit risk has significantly increased, the Company considers qualitative and quantitative reasonable and supportable forward looking information. Lifetime ECL represents ECL that will result from all possible default events over the expected life of a financial instrument whereas 12-month ECL represents the portion of lifetime ECL expected to result from default events possible within twelve months after the reporting date.

The carrying amount of the Company's trade and other receivables are disclosed in Note 5. A decrease of 10% in the estimated future cash inflows will not lead to further allowance for impairment on the Company's trade and other receivables.

## 2(e) Material accounting policy information

### Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

| | |
|---|---|
| Leasehold improvements | - 20% |
| Office/IT equipment | - 20% - 33% |
| Building equipment | - 20% |
| Furniture and fittings | - 20% |
| Stage and AV equipment | - 20% |

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

### Intangible assets

Building use rights

Building use rights are carried at cost on initial recognition and after initial recognition at cost less any accumulated amortisation and any accumulated impairment losses. Expenditure relating to building use rights are capitalised when incurred. Cost recognition ceases once an item of the building use rights is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The building use right is amortised over a period of 108 months (term of the building use right), which coincide with the lease term of the Premise.

## 2(e) Material accounting policy information (Cont'd)

### Leases

The Company as lessee

Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum lease payments. A corresponding right of-use asset is recorded in property, plant and equipment. Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as an expense. Right-of-use assets are depreciated over the shorter of the estimated useful life of the asset and the lease term. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

The Company as lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

The Company recognises lease payments under operating leases as income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The lease payment recognised is included as "Income from leasing facilities".

### Financial instruments

Financial assets and financial liabilities are recognised in the Company statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

## 2(e) Material accounting policy information (Cont'd)

### Financial assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

- amortised cost;
- fair value through other comprehensive income ("FVOCI"); and
- fair value through profit or loss ("FVTPL").

The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Company reclassifies investments in debt instruments when, and only when, its business model for managing those assets changes.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset.

*Investments in debt instruments*

Investments in debt instruments mainly comprise trade and other receivables, cash and fixed deposits, restricted fixed deposits, and listed debt securities. Certain of the Company's investments in listed debt securities are managed by an external fund manager under a full discretionary mandate, in accordance with the Company's approved investment policy. There are three subsequent measurement categories, depending on the Company's business model for managing the asset and the cash flow characteristics of the asset:

- *Amortised cost*: Investments in debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest method.

- *FVOCI*: Investments in debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in other comprehensive income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

- *FVTPL*: Investments in debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVTPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains and losses".

**2(e) Material accounting policy information (Cont'd)**

**Financial assets (Cont'd)**

(ii) Measurement (Cont'd)

*Investments in equity instruments*

The Company subsequently measures all its investments in equity instruments, including listed and unlisted equity securities, at their fair values. Certain of the Company's investments in equity securities are managed by an external fund manager under a full discretionary mandate, in accordance with the Company's approved investment policy. Such equity investments are classified as FVTPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "Fair value gain or loss on investment". Dividends from equity investments are recognised in profit or loss as dividend income within "Interest and dividend income".

(iii) Trade and other receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of a third party, if the receivables do not contain a significant financing component. Other receivables generally arise from transactions outside the normal operating activities of the Company.

(iv) Recognition and de-recognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset.

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVOCI, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVOCI, the cumulative gain or loss previously accumulated in the fair value reserve is not reclassified to profit or loss, but is transferred to retained earnings.

## 2(e) Material accounting policy information (Cont'd)

### Impairment of financial assets

The Company recognises a loss allowance for expected credit losses ("ECLs") on financial assets at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables from debtors. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within twelve months after the reporting date.

i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- the financial instrument has a low risk of default;
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

## 2(e) Material accounting policy information (Cont'd)

### Impairment of financial assets (Cont'd)

i) Significant increase in credit risk (Cont'd)

The Company considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition.

The Company regularly monitors whether there has been a significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Company considers the following as constituting an event of default for internal credit risk management.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors.

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than one year past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, considering legal advice where appropriate. Any recoveries made are recognised in profit or loss.

## 2(e) Material accounting policy information (Cont'd)

### Financial liabilities

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instruments. 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.

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.

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.

### Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit or loss and other comprehensive income for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit or loss and other comprehensive income.

**2(e) Material accounting policy information (Cont'd)**

**Employee benefit**

i) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

(ii) Employee leave entitlements

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

**Key management personnel**

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Chief Executive Officer is considered as key management personnel of the Company. The other directors did not receive any remuneration.

**Revenue recognition**

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As an expedient, the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

i) Government grants

Grants given in recognition of specific expenses are recognised as income in the same period as the relevant expenses. Similarly, grants and donations related to depreciable assets are usually recognised as income over the periods and in the proportions in which depreciation expense on those assets is recognised.

(ii) Leasing income

Income from leasing facilities is recognised on a time-proportion basis that takes into account the effective yield on the asset on a straight-line basis over the lease term.

(iii) Service income

The revenue amount from services is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the period arising from the course of the ordinary activities of the Company and it is shown net of related goods and services tax and subsidies.

## 2(e) Material accounting policy information (Cont'd)

### Revenue recognition (Cont'd)

(iv) Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

(v) Dividend income

Dividend from equity instruments is recognised in profit or loss only when the Company's right to receive payment of the dividend is established; it is probable that the economic benefits associated with the dividend will flow to the Company; and the amount of the dividend can be measured reliably. This is usually ex-dividend date for quoted shares.

(vi) Donations

Donations are recognised as and when the Company's entitlement to such income is established with certainty and the amount can be measured with sufficient reliability. This normally coincides with the receipt of the donation.

### Gifts-in-kind

A gift-in-kind (if any) is included in the statement of profit or loss based on an estimate of the fair value at the date of the receipt of the gift of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised if the amount of the gift can be measured reliably and there is no uncertainty over its receipt. No value is ascribed to volunteer services.

### Cash and cash equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less from the acquisition date. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

### Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the Company operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non- functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

## 2(e) Material accounting policy information (Cont'd)

### Current and non-current classification

The Company presents assets and liabilities in the statements of financial position based on current or non-current classification.

An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current.

### Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense. Transfer between unrestricted fund and endowment fund is allowed as disclosed in Note 12.

### Derivative financial instruments

The Company enters into a derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, which is foreign exchange forward contracts.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative is presented as a current assets as the remaining maturity of the instrument is less than 12 months and it is due to be realised or settled within 12 months as disclosed in Note 7.

## 2(e) Material accounting policy information (Cont'd)

### Fair value measurement

The fair value 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. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account. The Company's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

### Income tax

As an approved charity under the Charities Act 1994, the Company is exempted from income tax under Section 13(1) of the Income Tax Act 1947.

**2(e) Material accounting policy information (Cont'd)**

**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.

(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); or
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

## 3 Property, plant and equipment

| | Leasehold improvements $ | Office/IT equipment $ | Building equipment $ | Furniture and fittings $ | Stage and AV Equipment $ | Total $ |
|---|---|---|---|---|---|---|
| <u>Cost</u> | | | | | | |
| At 1 April 2023 | 540,340 | 1,156,989 | 1,245,496 | 570,932 | 1,749,062 | 5,262,819 |
| Additions | 65,448 | 60,880 | 126,620 | 27,500 | 103,104 | 383,552 |
| Write-off | - | - | (18,678) | - | - | (18,678) |
| At 31 March 2024 | **605,788** | **1,217,869** | **1,353,438** | **598,432** | **1,852,166** | **5,627,693** |
| Additions | **71,200** | **119,439** | **434,403** | **17,793** | **53,848** | **696,683** |
| **At 31 March 2025** | **676,988** | **1,337,308** | **1,787,841** | **616,225** | **1,906,014** | **6,324,376** |
| | | | | | | |
| <u>Accumulated depreciation</u> | | | | | | |
| At 1 April 2023 | 402,211 | 881,946 | 686,332 | 501,415 | 1,187,885 | 3,659,789 |
| Depreciation for the year | 88,154 | 109,201 | 198,128 | 20,894 | 256,084 | 672,461 |
| Write-off | - | - | (15,914) | - | - | (15,914) |
| At 31 March 2024 | **490,365** | **991,147** | **868,546** | **522,309** | **1,443,969** | **4,316,336** |
| Depreciation for the year | **45,382** | **123,647** | **225,983** | **22,640** | **160,195** | **577,847** |
| **At 31 March 2025** | **535,747** | **1,114,794** | **1,094,529** | **544,949** | **1,604,164** | **4,894,183** |
| | | | | | | |
| <u>Carrying amount</u> | | | | | | |
| **At 31 March 2025** | **141,241** | **222,514** | **693,312** | **71,276** | **301,850** | **1,430,193** |
| | | | | | | |
| At 31 March 2024 | 115,423 | 226,722 | 484,892 | 76,123 | 408,197 | 1,311,357 |

## 4 Intangible assets – building use rights

| | Building use rights $ |
|---|---|
| **Cost** | |
| At 1 April 2023/31 March 2024 & 1 April 2024/31 March 2025 | **13,421,498** |
| **Accumulated amortisation** | |
| At 1 April 2023 | 9,593,964 |
| Amortisation for the year | 1,435,325 |
| At 31 March 2024 | **11,029,289** |
| Amortisation for the year | **1,435,325** |
| **At 31 March 2025** | **12,464,614** |
| **Carrying amount** | |
| **At 31 March 2025** | **956,884** |
| At 31 March 2024 | 2,392,209 |

The Company recognised the portion of the cost of construction of the Premise that was borne by the Company as building use rights. The building use rights are amortised over the estimated lease period of 108 months commencing in December 2016 (i.e., upon completion of construction of the Premise) on a straight-line basis.

The current lease term is for a period of 3 years with effective from 1 December 2022 to 30 November 2025.

## 5 Trade and other receivables

| | **2025** | | | 2024 | | |
|---|---|---|---|---|---|---|
| | **Unrestricted fund $** | **Endowment fund $** | **Total $** | Unrestricted fund $ | Endowment fund $ | Total $ |
| Trade receivables | **72,392** | - | **72,392** | 65,915 | - | 65,915 |
| Less: Allowance for impairment | **(7,246)** | - | **(7,246)** | (6,677) | - | (6,677) |
| Related parties (trade) [(1)] | **72,532** | - | **72,532** | 67,622 | - | 67,622 |
| | **137,678** | - | **137,678** | 126,860 | - | 126,860 |
| Other receivables | **59,835** | - | **59,835** | 63,885 | - | 63,885 |
| Interest receivables | **58,701** | **172,387** | **231,088** | 81,740 | 120,638 | 202,378 |
| Deposits | **330,501** | - | **330,501** | 249,310 | - | 249,310 |
| | **449,037** | **172,387** | **621,424** | 394,935 | 120,638 | 515,573 |
| Total | **586,715** | **172,387** | **759,102** | 521,795 | 120,638 | 642,433 |

(1) Related parties refer to entities that have common directors (representing those charged with governance) with the Company.

Trade receivables are non-interest bearing and are generally on 30 days (2024: 30 days) credit term.

Amounts due from related parties are trade in nature, non-interest bearing, unsecured and generally on 30 days (2024: 30 days) credit term.

## 5 Trade and other receivables (Cont'd)

Movements in allowance for impairment on trade receivables are as follows:

| | **2025** | | | 2024 | | |
|---|---|---|---|---|---|---|
| | **Unrestricted fund** | **Endowment fund** | **Total** | Unrestricted fund | Endowment fund | Total |
| | **$** | **$** | **$** | $ | $ | $ |
| At 1 April | **(6,677)** | **-** | **(6,677)** | (4,877) | - | (4,877) |
| Impairment loss recognised | **(569)** | **-** | **(569)** | (1,800) | - | (1,800) |
| At 31 March | **(7,246)** | **-** | **(7,246)** | (6,677) | - | (6,677) |

The Company credit risk exposure in relation to trade receivables are set out as follows:

| | **Up to 30 days** | **31 days to 60 days** | **61 days to 90 days** | **More than 90 days** | **Total** |
|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** |
| **2025** | | | | | |
| Expected loss rate | **5%** | **5%** | **5%** | **5%** | **5%** |
| Trade receivables | **142,161** | **1,128** | **436** | **1,199** | **144,924** |
| Loss allowance | **(7,108)** | **(56)** | **(22)** | **(60)** | **(7,246)** |
| 2024 | | | | | |
| Expected loss rate | 5% | 5% | 5% | 5% | 5% |
| Trade receivables | 122,714 | 3,328 | 5,692 | 1,803 | 133,537 |
| Loss allowance | (6,136) | (166) | (285) | (90) | (6,677) |

The Company recorded an impairment loss of $569 (2024: $1,800) in the profit or loss for the year ended 31 March 2025.

## 6 Prepayments

| | **2025** | 2024 |
|---|---|---|
| | **$** | $ |
| Advance payment | **8,957** | 10,531 |

## 7 Investment securities

| | **2025** Unrestricted fund $ | Endowment fund $ | Total $ | 2024 Unrestricted fund $ | Endowment fund $ | Total $ |
|---|---|---|---|---|---|---|
| Direct investments through fund manager | | | | | | |
| Debt instruments at FVTPL: | | | | | | |
| - Quoted bonds | **2,073,645** | **25,225,853** | **27,299,498** | 2,050,839 | 19,785,150 | 21,835,989 |
| Equity instruments at FVTPL: | | | | | | |
| - Quoted equity shares | **-** | **2,337,635** | **2,337,635** | - | 1,093,415 | 1,093,415 |
| | **2,073,645** | **27,563,488** | **29,637,133** | 2,050,839 | 20,878,565 | 22,929,404 |
| Investment placed with fund manager | | | | | | |
| Equity instruments at FVTPL: | | | | | | |
| - Quoted equity shares | **-** | **3,650,050** | **3,650,050** | | 3,308,679 | 3,308,679 |
| Debt instruments at FVTPL: | | | | | | |
| - Quoted bonds | **-** | **7,097,608** | **7,097,608** | - | 6,952,865 | 6,952,865 |
| | | **10,747,658** | **10,747,658** | | 10,261,544 | 10,261,544 |
| Derivatives | **-** | **(13,538)** | **(13,538)** | - | (33,064) | (33,064) |
| Cash and bank balances | **-** | **80,088** | **80,088** | - | 203,639 | 203,639 |
| | **-** | **10,814,208** | **10,814,208** | - | 10,432,119 | 10,432,119 |
| Total | **2,073,645** | **38,377,696** | **40,451,341** | 2,050,839 | 31,310,684 | 33,361,523 |

The Company appointed an external fund manager to invest and manage certain of its surplus funds in accordance with the guidelines set out by the Company. There is also an investment committee which reports to the Board of Directors on the investment strategy and performance of the Company. The external fund manager is given full discretionary mandate subject to the Company's investment guidelines, and reports the investment holdings and performance to the Company on a regular basis.

The Company's investment will continue to be classified as fair value through profit or loss (FVTPL) in accordance with FRS 109 based on the Company's business model. The Company's investments have been mandatorily measured at FVTPL. The fair value of financial assets traded in active markets (such as publicly traded debt securities and equity shares) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1 of the fair value hierarchy.

Investment in quoted equity shares offer the Company the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate.

As at 31 March 2025, debt instruments comprise corporate bonds with coupon rates ranging from 2% to 5,25% (2024: 2.00% to 5.25%) per annum and maturity dates ranging from 11 April 2025 to 2 August 2034 (2024: 23 April 2024 to 12 April 2030).

| | **2025** Unrestricted fund $ | Endowment fund $ | Total $ | 2024 Unrestricted fund $ | Endowment fund $ | Total $ |
|---|---|---|---|---|---|---|
| Forward currency contracts | **-** | **(13,538)** | **(13,538)** | - | (33,064) | (33,064) |

## 7 Investment securities (Cont'd)

The contracts set out above were transacted by the external fund manager to hedge foreign currency exposures arising from investments in overseas assets. These included the gross amount of all notional values for contracts that had not yet been settled or cancelled. The amount of notional value outstanding was not necessarily a measure or indication of market risk, as the exposure of certain contracts may be offset by that of other contracts.

| | Notional amount<br>$ | Termination date | Fair value loss<br>$ |
|---|---|---|---|
| **2025** | | | |
| Forward currency contract | | | |
| - SGD/EUR | **351,791** | **23 May 2025** | **(1,615)** |
| - SGD/USD | **2,227,606** | **23 May 2025** | **(10,997)** |
| - SGD/HKD | **245,592** | **23 May 2025** | **(926)** |
| | **2,824,989** | | **(13,538)** |
| 2024 | | | |
| Forward currency contract | | | |
| - SGD/EUR | 346,318 | 11 June 2024 | (633) |
| - SGD/USD | 2,159,888 | 11 June 2024 | (30,177) |
| - SGD/HKD | 169,720 | 11 June 2024 | (2,254) |
| | 2,675,826 | | (33,064) |

The contracts set out above have maturity dates within one year.

The fair value of forward currency contracts is based on current value of the difference between contractual exchange rate and market rate at end of reporting year. The valuation technique uses market observable inputs. This is classified under Level 2 of the fair value hierarchy.

**Sensitivity analysis for price risk of equity and debts securities at FVTPL**

There are investments in equity shares or similar instruments. Such investments are exposed to both currency risk and market price risk arising from uncertainties about future values of the investment securities. A hypothetical 10% increase in market index of quoted equity and debts securities at FVTPL would have an effect on fair value of $4,045,134 (2024: $3,336,152).

For similar price decreases in fair value of the above financial assets, there would be comparable impacts in the opposite direction.

This figure does not reflect currency risk, which has been considered in the foreign currency risks analysis section only. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

## 8 Cash and fixed deposits

| | **2025** | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| | **Unrestricted fund** | **Restricted fund** | **Endowment fund** | **Total** | Unrestricted fund | Restricted fund | Endowment fund | Total |
| | **$** | **$** | **$** | **$** | $ | $ | $ | $ |
| Cash at bank | **2,973,655** | **301,173** | **1,125** | **3,275,953** | 3,923,630 | 314,000 | 484,078 | 4,721,708 |
| Fixed deposits | **14,240,790** | **-** | **201,571** | **14,442,361** | 14,959,756 | - | 2,605,797 | 17,565,553 |
| | **17,214,445** | **301,173** | **202,696** | **17,718,314** | 18,883,386 | 314,000 | 3,089,875 | 22,287,261 |

The Company placed fixed deposits of $14,442,361 (2024: $17,565,553) with maturity dates ranging from April 2025 to February 2026 (2024: April 2024 to February 2025). The rate of interest for the cash on interest earning balances ranged from 1.30% to 3.84% (2024: 2.15% to 3.84%) per annum.

For the purposes of presenting the statement of cash flows, cash and cash equivalents comprise the following at the end of the financial year:

| | **2025** | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| | **Unrestricted fund** | **Restricted fund** | **Endowment fund** | **Total** | Unrestricted fund | Restricted fund | Endowment fund | Total |
| | **$** | **$** | **$** | **$** | $ | $ | $ | $ |
| Cash and fixed deposits | **17,214,445** | **301,173** | **202,696** | **17,718,314** | 18,883,386 | 314,000 | 3,089,875 | 22,287,261 |
| Less: Fixed deposits maturing in more than three months | **(3,324,707)** | **-** | **(201,571)** | **(3,526,278)** | (4,559,358) | - | - | (4,559,358) |
| Cash and cash equivalents in the statement of cash flows | **13,889,738** | **301,173** | **1,125** | **14,192,036** | 14,324,028 | 314,000 | 3,089,875 | 17,727,903 |

## 9 Restricted fixed deposits

Restricted fixed deposits of $25,282 (2024: $25,282) are pledged to a bank for the corporate credit card. The fixed deposits carry an effective interest rate ranging from 1.48% to 2.20% (2024: 2.15 to 2.20%) per annum which mature between 13 May 2025 to 10 February 2026 (2024: 13 May 2024 to 10 February 2025).

## 10 Unrestricted fund

The unrestricted fund is a general fund of the Company to be applied for the general purpose of the Company in support of its objectives.

## 11 Restricted fund

Restricted funds are funds to be applied for the specific purposes designated by donors or grantors in support of the Company's objectives.

The restricted fund is represented by the following:

| | **Roots music video** | **Festive fever** | **Video series** | **Travelling exhibition** | **Total** |
|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** |
| **At 1 April 2024** | - | **61,805** | **52,195** | **200,000** | **314,000** |
| Deficit for the year | - | **(7,570)** | - | **(5,257)** | **(12,827)** |
| **At 31 March 2025** | - | **54,235** | **52,195** | **194,743** | **301,173** |
| At 1 April 2023 | 1,502 | 71,100 | 66,220 | 200,000 | 338,822 |
| Deficit for the year | (1,502) | (9,295) | (14,025) | - | (24,822) |
| At 31 March 2024 | - | 61,805 | 52,195 | 200,000 | 314,000 |

## 12 Endowment fund

The endowment fund is represented by the following:

| | Note | **2025** | 2024 |
|---|---|---|---|
| | | **$** | $ |
| Trade and other receivables | 5 | **172,387** | 120,638 |
| Investment securities | 7 | **38,377,696** | 31,310,684 |
| Cash and fixed deposits | 8 | **202,696** | 3,089,875 |
| Trade and other payables | 14 | **(22,726)** | (26,584) |
| Net assets | | **38,730,053** | 34,494,613 |

## 12 Endowment fund (Cont'd)

The endowment fund comprises:

| | 2025<br>$ | 2024<br>$ |
|---|---|---|
| Capital account | **36,210,000** | 32,940,000 |
| Accumulated surplus | **2,520,053** | 1,554,613 |
| | **38,730,053** | 34,494,613 |

In May 2019, the Company set up an endowment fund and transferred all its investment securities into this fund. The purpose of the endowment fund is to provide a stable stream of income for the Company's operations by transferring income from the endowment fund to the Company's unrestricted fund. The Capital of the endowment fund has been increased from $32.94 million to $36.21 million during the year, which has been approved by the Board members. The capital in the endowment fund cannot be applied for purposes other than investments, except for rare exigencies such as structural defects or destruction of a material part of the Premise. Utilisation of the capital from the permanent endowment fund for rare exigencies must be approved by a members' special resolution with 75% of the Board members' approval.

## 13 Deferred income

| | Note | 2025<br>$ | 2024<br>$ |
|---|---|---|---|
| Operating grant | A | **1,381,139** | 1,976,439 |
| Cultural matching fund | B | **4,737,670** | 5,383,171 |
| Job support scheme | C | **-** | 811,608 |
| Bicentennial community fund matching grant | D | **154,784** | 212,745 |
| TOTE Board grant | E | **256,972** | 328,037 |
| NAC grant | F | **120,000** | - |
| MDDI grant | G | **25,000** | - |
| | | **6,675,565** | 8,712,000 |
| **Presented as:** | | | |
| - Current | | **2,705,561** | 5,176,868 |
| - Non-current | | **3,970,004** | 3,535,132 |
| | | **6,675,565** | 8,712,000 |

Note A: Operating grant

| | Note | 2025<br>$ | 2024<br>$ |
|---|---|---|---|
| At 1 April | | **1,976,439** | 2,548,469 |
| Grants received during the year | | **16,361,000** | 15,203,930 |
| Grants recognised during the year | 15 | **(16,956,300)** | (15,775,960) |
| At 31 March | | **1,381,139** | 1,976,439 |

The funding is provided by MCCY to meet operational expenses.

**13 Deferred income (Cont'd)**

Note B: Cultural matching fund

| | Note | 2025 $ | 2024 $ |
|---|---|---|---|
| At 1 April | | **5,383,171** | 6,251,526 |
| Grants received during the year | | **1,440,000** | 1,620,000 |
| Grants amortised during the year | 15 | **(1,836,645)** | (1,888,807) |
| Grants recognised during the year | 15 | **(248,856)** | (599,548) |
| At 31 March | | **4,737,670** | 5,383,171 |

The cultural matching fund was disbursed by the National Arts Council as the Company had satisfied the requirement in meeting the donations collected. Grants related to depreciable assets are recognised as income over the periods and in the proportions in which the depreciation or amortisation expenses on those assets are recognised.

Note C: Job support scheme

| | 2025 $ | 2024 $ |
|---|---|---|
| At 1 April | **811,608** | 811,300 |
| Grants received during the year | **-** | 308 |
| Grants refunded during the year | **(811,608)** | - |
| At 31 March | **-** | 811,608 |

The Company is required to seek MCCY's approval to tap on this grant, indicating the purposes for which they will be used. Subsequently, the amount has been fully refunded to IRAS on 17 April 2024.

Note D: Bicentennial community fund matching grant

| | Note | 2025 $ | 2024 $ |
|---|---|---|---|
| At 1 April | | **212,745** | 270,782 |
| Grants amortised during the year | 15 | **(24,371)** | (25,029) |
| Grants recognised during the year | 15 | **(33,590)** | (33,008) |
| At 31 March | | **154,784** | 212,745 |

This fund will be used to support the Company's asset replacement and office renovation needs.

Note E: TOTE Board grant

| | Note | 2025 $ | 2024 $ |
|---|---|---|---|
| At 1 April | | **328,037** | 440,008 |
| Grants recognised during the year | 15 | **(71,065)** | (111,971) |
| At 31 March | | **256,972** | 328,037 |

Tote Board grant is received to promote Chinese Singaporean culture.

## 13 Deferred income (Cont'd)

Note F: NAC grant

| | **2025** | 2024 |
|---|---|---|
| | **$** | $ |
| At 1 April | **-** | - |
| Grants received during the year | **120,000** | - |
| At 31 March | **120,000** | - |

NAC grant supports raising the profile and production quality of local Chinese Opera groups, and aims to foster pride and appreciation for the art form among Singaporeans.

Note G: MDDI grant

| | Note | **2025** | 2024 |
|---|---|---|---|
| | | **$** | $ |
| At 1 April | | **-** | - |
| Grants received during the year | | **180,000** | - |
| Grants recognised during the year | 15 | **(155,000)** | - |
| At 31 March | | **25,000** | - |

MDDI grant is desirous of enhancing the vernacular programming capabilities of public service media outlets by tapping on SCCC's capabilities to research and promote local Chinese culture and identity through the curation of media content.

## 14 Trade and other payables

| | **2025** | | | 2024 | | |
|---|---|---|---|---|---|---|
| | **Unrestricted fund** | **Endowment fund** | **Total** | Unrestricted fund | Endowment fund | Total |
| | **$** | **$** | **$** | $ | $ | $ |
| Trade payables | **782,619** | **-** | **782,619** | 913,520 | - | 913,520 |
| **<u>Other payables</u>** | | | | | | |
| Other payables | **1,371** | **-** | **1,371** | 71,343 | - | 71,343 |
| Directors | **849** | **-** | **849** | 849 | - | 849 |
| Deposits received | **125,498** | **-** | **125,498** | 112,422 | - | 112,422 |
| Accruals | **1,642,294** | **22,726** | **1,665,020** | 1,473,067 | 26,584 | 1,499,651 |
| GST payables | **29,201** | **-** | **29,201** | 35,979 | - | 35,979 |
| Advances from customers | **233,483** | **-** | **233,483** | 249,813 | - | 249,813 |
| | **2,032,696** | **22,726** | **2,055,422** | 1,943,473 | 26,584 | 1,970,057 |
| Total | **2,815,315** | **22,726** | **2,838,041** | 2,856,993 | 26,584 | 2,883,577 |

## 14 Trade and other payables (Cont'd)

Trade payables are non-interest bearing and are generally on 30 days (2024: 30 days) credit term.

Amount due to Directors are unsecured, interest-free and repayable on demand.

Advances from customers are non-interest bearing and represent payments received in advance to secure venue bookings.

## 15 Government grants

| | Note | 2025<br>$ | 2024<br>$ |
|---|---|---|---|
| Operating grant | 13 | **16,956,300** | 15,775,960 |
| Land rental subvention | | **4,355,640** | 4,322,340 |
| Cultural matching fund | 13 | **2,085,501** | 2,488,355 |
| Bicentennial community fund matching grant | 13 | **57,961** | 58,037 |
| Tote Board grants | 13 | **71,065** | 111,971 |
| MDDI grants | 13 | **155,000** | - |
| | | **23,681,467** | 22,756,663 |

## 16 Donations

| | Note | **2025**<br>**Unrestricted fund**<br>**$** | **Restricted fund**<br>**$** | **Total**<br>**$** | 2024<br>Unrestricted fund<br>$ | Restricted fund<br>$ | Total<br>$ |
|---|---|---|---|---|---|---|---|
| Tax deductible donation | 20 | **580,300** | - | **580,300** | 1,077,815 | - | 1,077,815 |
| Other non-tax deductible donations | | **2,348** | - | **2,348** | 1,083 | - | 1,083 |
| | | **582,648** | - | **582,648** | 1,078,898 | - | 1,078,898 |

## 17 Other income

| | 2025<br>$ | 2024<br>$ |
|---|---|---|
| Miscellaneous income | **85,767** | 170,250 |
| Other project income | **231,343** | 163,952 |
| Input GST recoverable | **135,442** | 142,601 |
| | **452,552** | 476,803 |

## 18 Employee benefits

| | 2025<br>$ | 2024<br>$ |
|---|---|---|
| Short term employee benefits expense | **4,196,606** | 3,624,149 |
| Contributions to defined contribution plan | **629,282** | 561,827 |
| Other benefits | **157,559** | 167,142 |
| | **4,983,447** | 4,353,118 |

## 19 Other expenses

| | Note | 2025<br>$ | 2024<br>$ |
|---|---|---|---|
| Audit fees: | | | |
| - auditor of the Company | | **25,000** | 23,000 |
| Cleaning fees | | **474,692** | 419,592 |
| Front of house | | **245,184** | 310,516 |
| Impairment loss on trade receivables | 5 | **569** | 1,800 |
| Marketing expenses | | **1,303,000** | 1,216,922 |
| Professional fees | | **75,171** | 71,644 |
| Project and activities expenses | | **6,059,797** | 4,758,334 |
| Property, plant and equipment write-off | 3 | **-** | 2,764 |
| Repair and maintenance | | **987,471** | 818,606 |
| Research expenses | | **2,226,164** | 2,006,658 |
| Security fees | | **601,652** | 595,832 |
| Utilities | | **754,859** | 1,026,861 |
| Website hosting & maintenance | | **379,272** | 330,400 |

## 20 Tax exempt receipt

The Company enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times double tax deduction for the donations made to the Company. The IPC status was renewed for 36 months with effect from 1 February 2023 to 31 January 2026 (2024: 1 February 2023 to 31 January 2026).

| | 2025<br>$ | 2024<br>$ |
|---|---|---|
| Donations for which tax-exempt receipts were issued | **580,300** | 1,077,815 |

## 21 Operating Leases

Operating lease payment commitments – as lessee

The rental charged by the Government pursuant to a tenancy agreement for the Premise is fully funded by way of Government subvention. Refer to Note 2(d)(i) for the significant judgments used in applying accounting policies in respect of the tenancy agreement and subvention commitment.

At end of reporting year, total future minimum lease payment commitments under non-cancellable operating leases are as follows:

| | **2025** | 2024 |
|---|---|---|
| | **$** | $ |
| Within 1 year | **2,903,760** | 4,355,640 |
| Between 1 to 2 years | - | 2,903,760 |
| | **2,903,760** | 7,259,400 |

Rental expenses of $4,355,640 (2024: $4,322,340) from the temporary occupation licenses for the use of state land during the year are included within "rental expenses".

Operating lease payments are for rentals payable under temporary occupation license for the use of state land. The lease rental payment terms are negotiated for an average term of three years.

Operating lease income commitments – as lessor

The Company subleases some of its premises rented from the Government. The Company has classified these subleases as operating leases because they do not transfer substantially all of the risks and rewards incidental to ownership. As the rental charged by the Government for its premises is fully funded by way of Government subvention, any changes in residual value at the end of the term of the subleases do not represent a significant risk for the Company.

At the end of the reporting year, the total future minimum lease receivables committed under non-cancellable operating leases are as follows:

| | **2025** | 2024 |
|---|---|---|
| | **$** | $ |
| Undiscounted lease payments to be received: | | |
| - Year 1 | **432,156** | 486,341 |
| - Year 2 | **261,062** | 122,995 |
| - Year 3 | **261,062** | - |
| | **954,280** | 609,336 |

Rental income of $437,884 (2024: $457,668) from subleasing office space during the year is included within "Income from leasing activities".

Operating lease income commitments is from the leasing of office space. The lease rental income terms are negotiated for an average term of three years.

## 22 Significant related party transactions

Some of the Company's transactions and arrangements are with a related party and the effect of these on the basis determined between the parties is reflected in these financial statements.

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party is subject to common control, or the party is a member of key management personnel of the Company, or the party is a close family member of any individual of the key management personnel or controlling party.

Other than as disclosed elsewhere in the financial statement, the following transactions took place between the Company and these related parties at terms agreed between the parties:

| | **2025** | 2024 |
|---|---|---|
| | **$** | $ |
| Reimbursement from co-shared projects | **86,007** | 92,632 |
| Projects and activities expenses | **(144,597)** | (341,376) |
| Sales of goods and services | **280** | 467 |

*Compensation of key management personnel*

The remuneration of key management personnel during the year is as follows:

| | **2025** | 2024 |
|---|---|---|
| | **$** | $ |
| Short-term benefit | **325,162** | 313,824 |
| Post-employment benefits | **20,186** | 13,151 |
| | **345,348** | 326,975 |

## 23 Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the Company's operating, investing and financing activities. There is exposure to the financial risks on the financial instruments such as interest rate risk, credit risk and liquidity risk. Management has certain practices for the management of financial risks. The guidelines set up the short and long term objectives and action to be taken in order to manage the financial risks. The guidelines include the following:

- Minimise interest rate, currency, credit and market risk for all kinds of transactions;
- All financial risk management activities are carried out and monitored by senior management staff; and
- All financial risk management activities are carried out following acceptable market practices. The Company is not exposed to significant interest rate and currency risks.

There has been no change to the Company's exposure to these financial risk or the manner in which it manages and measures these risks.

The Company is not exposed to significant interest rate and currency risks.

### 23.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in interest rates. The Company's exposure to interest rate risk arises primarily from investment in debt instruments (quoted bonds) and fixed deposits.

As the investment in debt instruments (quoted bonds) and fixed deposits are earning interest at fixed interest rate, the Company does not expect any significant effect on the Company's statement of profit or loss and other comprehensive income arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

### 23.2 Credit risk

Credit risk is the potential financial loss resulting from the failure of a counterparty to settle its financial and contractual obligations to the Company as and when they fall due. The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of financial year in relation to each class of recognised financial assets is the carrying amounts of those assets as stated in the statement of financial position. Trade and other receivable balances and payment profile of the debtors are monitored on an on-going basis with the result that the Company's exposure to bad debts is not significant.

Trade receivables relate to income from leasing facilities, which are collateralised by the rental deposits received (Note 14) from the tenants.

At the reporting date, other than as disclosed in Note 5, no allowances for impairment is necessary in respect of trade and other receivables past due and not past due.

**23 Financial risk management (Cont'd)**

**23.2 Credit risk (Cont'd)**

The tables below detail the credit quality of the Company's financial assets and other items, as well as maximum exposure to credit risk by internal credit rating grades:

| | Note | 12-month/ Lifetime ECL | Gross carrying amount $ | Loss allowance $ | Net carrying amount $ |
|---|---|---|---|---|---|
| **2025** | | | | | |
| **Unrestricted fund** | | | | | |
| Trade receivables | (1) | Lifetime ECL | **144,924** | **(7,246)** | **137,678** |
| Other receivables | | 12-month ECL | **450,029** | - | **450,029** |
| **2025** | | | | | |
| **Endowment fund** | | | | | |
| Other receivables | | 12-month ECL | **172,387** | - | **172,387** |
| 2024 | | | | | |
| **Unrestricted fund** | | | | | |
| Trade receivables | (1) | Lifetime ECL | 133,537 | (6,677) | 126,860 |
| Other receivables | | 12-month ECL | 394,935 | - | 394,935 |
| 2024 | | | | | |
| **Endowment fund** | | | | | |
| Other receivables | | 12-month ECL | 120,638 | - | 120,638 |

The carrying amount of financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the Company's maximum exposure to credit risk.

(1) Trade receivables

The Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the expected credit losses on these items based on the historical credit loss experience and knowledge of any events or circumstances impeding recovery of the amounts. At the reporting date, no loss allowance for trade receivables was required except as disclosed.

The Company has adopted procedures in monitoring its credit risk. Cash and fixed deposits are held with reputable institutions and are subject to immaterial credit loss.

The Company does not have any significant credit risk exposure to any single counterparty.

The Company's surplus funds are also managed centrally by placing them with reputable financial institutions on varying maturities.

## 23 Financial risk management (Cont'd)

### 23.3 Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain an adequate level of cash and cash equivalents to finance the Company's operation.

The following table analyses the remaining contractual maturity profile of the Company's financial liabilities based on contractual undiscounted cash flow, including estimated interest payments.

| | ---Contractual undiscounted cash flows--- | | | |
|---|---|---|---|---|
| | Less than 1 year | Between 2 to 5 years | Total | Carrying amount |
| | $ | $ | $ | $ |
| **2025** | | | | |
| Trade and other payables* | **2,575,357** | - | **2,575,357** | **2,575,357** |
| | **2,575,357** | - | **2,575,357** | **2,575,357** |
| 2024 | | | | |
| Trade and other payables* | 2,597,785 | - | 2,597,785 | 2,597,785 |
| | 2,597,785 | - | 2,597,785 | 2,597,785 |

* Exclude GST payables and advances from customers

## 24 Financial instruments

The carrying amounts of financial assets and financial liabilities at the reporting date by categories are as follows:

| | Unrestricted fund $ | Restricted fund $ | Endowment fund $ | Total $ |
|---|---|---|---|---|
| **31 March 2025** | | | | |
| Financial assets | | | | |
| At amortised cost | **17,826,442** | **301,173** | **375,083** | **18,500,146** |
| At FVTPL | **2,073,645** | **-** | **38,377,696** | **40,451,341** |
| | **19,900,087** | **301,173** | **38,752,779** | **58,951,487** |
| Financial liabilities | | | | |
| At amortised cost* | **2,552,631** | **-** | **22,726** | **2,575,357** |
| 31 March 2024 | | | | |
| Financial assets | | | | |
| At amortised cos | 19,430,463 | 314,000 | 3,210,513 | 22,954,976 |
| At FVTPL | 2,050,839 | - | 31,310,684 | 33,361,523 |
| | 21,481,302 | 314,000 | 34,521,197 | 56,316,499 |
| Financial liabilities | | | | |
| At amortised cost* | 2,571,201 | - | 26,584 | 2,597,785 |

* exclude GST payables and advances from customers

## 25 Fair value measurement

Definition of fair value

FRSs define fair value as 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.

Fair value hierarchy

The Company classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(a) Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
(b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
(c) Level 3 - Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

**Fair value measurement of financial assets and liabilities**

The carrying amounts of cash and cash equivalents, trade and other receivables and trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

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.