

Singapore Drama Educators Association
(Unique Entity Number: T02SS0123G)

**Statement by the Management Committee
and Financial Statements
Financial Year Ended 31 March 2023**

KLP LLP

CHARTERED ACCOUNTANTS
Associated with Abacus Worldwide
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Tel: 6227 4180 Fax: 6324 0213

Singapore Drama Educators Association
General Information and Table of Content

Members of the Management Committee

The members of the Management Committee in office at the date of this report are:

<u>Name</u>	<u>Designation</u>
Aishwariyah Shanmuganathan	President
Tabitha Surita S Paramjothy	Vice-President
Banupriya Ponnarasu	Treasurer
Jeremy Leong Tze Wei	Secretary
Rashmi Koslaphirom	Committee Member
Adeeb Fazah Bin Anwar Aziz Marican	Committee Member

Registered Office

90 Goodman Road, Blk B
#04-02
Goodman Arts Centre
Singapore 439053

Auditor

KLP LLP

Principal Bankers

Oversea-Chinese Banking Corporation Limited
Hong Leong Finance Limited

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**Singapore Drama Educators Association
Statement by the Management Committee
For the financial year ended 31 March 2023**

We state that, in the opinion of the Management Committee,

- (a) the financial statements of Singapore Drama Educators Association (the "Association") are drawn up so as to give a true and fair view of the financial position of the Association as at 31 March 2023 and the financial performance, changes in funds and cash flows of the Association for the year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

On behalf of the Management Committee,

DocuSigned by:



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Aishwariyah Shanmuganathan
President

DocuSigned by:



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Banupriya Ponnarasu
Treasurer

Singapore, 20 September 2023



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Independent Auditor's Report to the members of Singapore Drama Educators Association

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Singapore Drama Educators Association (the "Association"), which comprise the statement of financial position as at 31 March 2023, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Association as at 31 March 2023 and of the financial performance, changes in funds and cash flows of the Association 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 Association 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 Committee is responsible for other information. The other information comprises Statement by the Management Committee set out on page 1.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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Independent Auditor's Report to the members of Singapore Drama Educators Association (continued)

Responsibilities of the Management Committee for the Financial Statements

Management Committee is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act, the Charities Act and Regulations and FRSS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, the Management Committee is responsible for assessing the Association'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 the Management Committee either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Management Committee is responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management Committee.



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Independent Auditor's Report to the members of Singapore Drama Educators Association (continued)

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


- Conclude on the appropriateness of management 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 Association'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 Association 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 Management Committee 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 Association have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- there was no fund-raising event held by the Association during the financial year ended 31 March 2023.

DocuSigned by:

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KLP LLP
 Public Accountants and
 Chartered Accountants

Singapore, 20 September 2023

Singapore Drama Educators Association
Statement of Financial Position
As at 31 March 2023

	Note	2023 S\$	2022 S\$
Assets			
Non-current asset			
Plant and equipment	4	-	152
Current assets			
Other receivables	5	2,298	6,781
Prepayments		933	2,896
Fixed deposit	6	107,142	106,715
Cash and bank balances	7	235,326	227,812
		<u>345,699</u>	<u>344,204</u>
Total assets		<u>345,699</u>	<u>344,356</u>
Funds and liabilities			
Accumulated fund		212,014	249,531
Project Outreach fund	8	63,340	63,340
Tina Sergeant Professional Development Initiative	9	10,442	11,792
Total funds		<u>285,796</u>	<u>324,663</u>
Current liabilities			
Other payables	10	59,903	19,693
		<u>59,903</u>	<u>19,693</u>
Total liabilities		<u>59,903</u>	<u>19,693</u>
Total funds and liabilities		<u>345,699</u>	<u>344,356</u>

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

Singapore Drama Educators Association
Statement of Comprehensive Income
For the financial year ended 31 March 2023

	Note	2023 S\$	2022 S\$
Income	11		
Grants from National Arts Council:			
- Major Company Scheme		220,000	171,132
- Arts and Culture Resilience Package Operating Grant		-	35,000
- NAC Commission		-	7,610
Government grant - Jobs Growth Incentive		3,049	5,344
Government grant - Jobs Support Scheme		-	10,147
Government grant - Progressive Wage Credit Scheme		24,340	-
Grant from National Council of Social Service		-	7,062
Grant from National Youth Council - Internship allowance		17,755	20,185
Grant from SGUnited Mid-Career Pathways Programme		11,759	-
Donations - Non-Tax Deductible		3,550	13,970
Membership fees		960	1,280
Entrance and ticketing fees		89	-
Events and registration income		20,878	17,811
Interest income		381	1,592
Other income		6,574	10,530
		<u>309,335</u>	<u>301,663</u>
Items of expenditure			
Project costs	12	(50,391)	(74,142)
Administrative expenses	13	(297,811)	(342,418)
		<u>(348,202)</u>	<u>(416,560)</u>
Deficit before income tax		<u>(38,867)</u>	<u>(114,897)</u>
Income tax expense	16	-	-
Deficit after income tax		<u>(38,867)</u>	<u>(114,897)</u>
Deficit after income tax is attributable as follows:			
Accumulated fund		(37,517)	(114,184)
Tina Sergeant Professional Development Initiative	9	(1,350)	(713)
		<u>(38,867)</u>	<u>(114,897)</u>

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

Singapore Drama Educators Association
Statement of Changes in Funds
For the financial year ended 31 March 2023

	Unrestricted funds			Total funds
	Accumulated fund	Project Outreach fund	Tina Sergeant Professional Development Initiative	
	S\$	S\$	S\$	S\$
Balance as at 1 April 2021	363,715	63,340	12,505	439,560
Total deficit for the year	(114,184)	-	(713)	(114,897)
Balance as at 31 March 2022	249,531	63,340	11,792	324,663
Total deficit for the year	(37,517)	-	(1,350)	(38,867)
Balance as at 31 March 2023	212,014	63,340	10,442	285,796

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

Singapore Drama Educators Association
Statement of Cash Flows
For the financial year ended 31 March 2023

	2023	2022
	S\$	S\$
Cash flows from operating activities		
Deficit before income tax	(38,867)	(114,897)
<i>Adjustment for:</i>		
Bad debts expenses	-	495
Depreciation of plant and equipment	152	167
Interest income	(381)	(1,592)
Operating cash flow before changes in working capital	(39,096)	(115,827)
<i>Changes in working capital:</i>		
Prepayments	1,963	1,602
Other receivables	4,438	21,772
Other payables	40,209	452
Deferred income	-	(10,500)
Deferred grant income	-	(10,147)
Cash generated from/(used in) operations	7,514	(112,648)
Income tax paid	-	(266)
Net cash generated from/(used in) operating activities	7,514	(112,914)
 Net increase/(decrease) in cash and bank balances	 7,514	 (112,914)
Cash and bank balances at the beginning of financial year	227,812	340,726
Cash and bank balances at the end of financial year		
(Note 7)	235,326	227,812

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

Singapore Drama Educators Association
Notes to the Financial Statements
For the financial year ended 31 March 2023

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

1. General

Singapore Drama Educators Association (the "Association") is an association registered in Singapore under the Societies Act 1966 with its registered office and principal place of business at 90 Goodman Road, Blk B, #04-02, Goodman Arts Centre, Singapore 439053.

The principal objective of the Association is to foster and establish drama education as a profession by promoting, advocating and advancing the study and development of a drama and theatre education in Singapore.

The Association is registered as a charity on 20 February 2020. Subsequent to current financial year 2023, the Association was granted the status of an Institutions of a Public Character under the Charities Act 1994 from 29 May 2023 to 28 November 2024.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Association have been drawn up in accordance with the Charities Act 1994, the Societies Act 1966 and Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

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

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Association has adopted all the new and amended standards which are relevant to the Association and are effective for annual financial periods beginning on or after 1 April 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Association.

2.3 Standards issued but not yet effective

The Association has not adopted the following standards applicable to the Association that have been issued but not yet effective:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to FRS 1 <i>Presentation of Financial Statements</i> : Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 <i>Presentation of Financial Statements</i> and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> : Definition of Accounting Estimates	1 January 2023

The Management Committee expects that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

Singapore Drama Educators Association
Notes to the Financial Statements
For the financial year ended 31 March 2023

2. Summary of significant accounting policies (continued)

2.4 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

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

	<u>Useful lives</u>
Furniture and fittings	5 years
Office equipment	3 years
Renovations	5 years

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

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

Fully depreciated assets are retained in the financial statements until they are no longer in use.

2.5 Impairment of non-financial assets

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

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

Singapore Drama Educators Association
Notes to the Financial Statements
For the financial year ended 31 March 2023

2. Summary of significant accounting policies (continued)

2.6 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the Association becomes a party to the contractual provisions of the financial instrument.

At initial recognition, the Association measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement

Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, the financial asset at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Derecognition

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

(b) Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL 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.

Singapore Drama Educators Association
Notes to the Financial Statements
For the financial year ended 31 March 2023

2. Summary of significant accounting policies (continued)

2.6 Financial instruments (continued)

(b) Financial liabilities (continued)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.7 Impairment of financial assets

The Association recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Association expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

The Association considers a financial asset in default when internal or external information indicates that the Association is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Association. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.8 Cash and bank balances

Cash and bank balances comprise cash at bank and on hand and are subject to an insignificant risk of changes in value.

2.9 Income recognition

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

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

(a) Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Singapore Drama Educators Association
Notes to the Financial Statements
For the financial year ended 31 March 2023

2. Summary of significant accounting policies (continued)

2.9 Income recognition (continued)

(b) Membership fees

Income from membership subscription is recognised over the membership period as performance obligation satisfied over time.

(c) Events and registration income

The Association received income from courses, seminars and conferences held for the members and participants. Revenue from event income is recognised at a point in time when the events take place.

(d) Donations

Income from donations is recognised at a point in time when the Association received donations from public except where donations are received in advance, these are deferred and taken to profit or loss over the period necessary to match them with the costs they are intended to compensate.

(e) Interest income

Interest income from fixed deposit is recognised using the effective interest rate method.

(f) Sponsorship in-kind

A sponsorship in kind (if any) is included in the statement of comprehensive income based on an estimate of the fair value at the date of the receipt of the sponsorship of the non-monetary asset or the grant of a right to the monetary asset. The sponsorship is recognised if the amount of the sponsorship can be measured reliably and there is no uncertainty that it will be received. No value is ascribed to volunteer services.

2.10 Employee benefits

(a) Defined contribution plans

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

(b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Association has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.11 Taxes

The Association is a tax-exempted institution under the Section 13(1)(zm) of the Income Tax Act 1947.

Singapore Drama Educators Association
Notes to the Financial Statements
For the financial year ended 31 March 2023

2. Summary of significant accounting policies (continued)

2.12 Conflict of interest policy

Management Committee members are expected to avoid actual and perceived conflicts of interest. Where a Management Committee member has personal interest in business transactions or contracts that Association may enter into, or have vested interest in other organisations that Association has dealings with or is considering to enter into joint ventures with, he is expected to declare such interests to the Management Committee as soon as possible and abstain from discussion and decision-making on the matter. Where such conflicts exist, the Management Committee will evaluate whether any potential conflicts of interest will affect the continuing independence of the Management Committee member and whether it is appropriate for the Management Committee member to continue to remain on the Management Committee.

2.13 Funds

Funds balance include funds over which the Association retains full control to use in achieving any of the Association's objectives.

Unrestricted funds

Unrestricted funds comprise general and designated fund. General fund is used for the general purposes of the Association as set out in its governing document. These funds are expendable at the discretion of the Management Committee. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the Management Committee's discretion to apply the fund.

The Association classifies its accumulated fund, Project Outreach Fund and Tina Sergeant Professional Development Initiative as unrestricted funds.

3. Significant accounting judgements and estimates

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

3.1 Judgements made in applying accounting policies

The management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Singapore Drama Educators Association
Notes to the Financial Statements
For the financial year ended 31 March 2023

3. Significant accounting judgements and estimates (continued)

3.2 Key sources of estimation of uncertainty

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

(a) Useful lives of plant and equipment

The useful life of an item of plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Association's plant and equipment as at 31 March 2023 was S\$ Nil (2022: S\$152).

(b) Provision for expected credit losses of other receivables

The Association assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Association measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

The carrying amount of the Association's other receivables as at 31 March 2023 was S\$2,298 (2022: S\$6,781).

4. Plant and equipment

	Furniture and fittings	Office equipment	Renovations	Total
	S\$	S\$	S\$	S\$
Cost				
At 1 April 2021, 31 March 2022 and at 31 March 2023	<u>34,973</u>	<u>17,550</u>	<u>9,361</u>	<u>61,884</u>
Accumulated depreciation				
At 1 April 2021	34,973	17,231	9,361	61,565
Depreciation	<u>-</u>	<u>167</u>	<u>-</u>	<u>167</u>
At 31 March 2022	34,973	17,398	9,361	61,732
Depreciation	<u>-</u>	<u>152</u>	<u>-</u>	<u>152</u>
At 31 March 2023	<u>34,973</u>	<u>17,550</u>	<u>9,361</u>	<u>61,884</u>
Carrying amount				
At 31 March 2022	<u>-</u>	<u>152</u>	<u>-</u>	<u>152</u>
At 31 March 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Singapore Drama Educators Association
Notes to the Financial Statements
For the financial year ended 31 March 2023

5. Other receivables

	2023	2022
	S\$	S\$
Deposits	1,969	1,969
Others receivables	-	4,438
Interest receivable	329	374
	<u>2,298</u>	<u>6,781</u>

Other receivables are denominated in Singapore Dollars.

6. Fixed deposit

Fixed deposit has maturity of 12 months (2022: 12 months) and earns interest at 0.35% (2022: 0.40%) per annum.

Fixed deposit is denominated in Singapore Dollars.

7. Cash and bank balances

	2023	2022
	S\$	S\$
Cash at bank	223,288	215,775
Cash on hand	12,038	12,037
	<u>235,326</u>	<u>227,812</u>

Cash and bank balances are denominated in Singapore Dollars.

8. Project Outreach fund

	2023	2022
	S\$	S\$
Balance at beginning and end of the year	<u>63,340</u>	<u>63,340</u>

The Project Outreach fund was set up for commission and/or fund projects that would benefit the less fortunate, tapping on the experience of drama or theatre practitioners to run projects or initiatives that would serve the underprivileged.

As the fund aims to sustain and support drama education programmes to meet the social needs of the community, the funding process involves identifying facilitators with a background in both drama and social needs/practice and matching them to a corresponding welfare organisation. Once both parties agree to a working relationship, either the member or the welfare organisation may then submit a proposal requesting for funding. The Outreach Fund Committee will evaluate the proposal and fund up to 50% of the total cost of the programme.

This fund had not been utilised during the year.

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9. Tina Sergeant Professional Development Initiative

Movement of the fund during the year are as follows:

	2023	2022
	S\$	S\$
At 1 April	11,792	12,505
Funds received	150	510
Less: Disbursements	(1,500)	(1,223)
	(1,350)	(713)
At 31 March	10,442	11,792

This initiative is named after Christina Sergeant, one of the founding members of the Association. The purpose of this initiative is to encourage theatre practitioners and drama educators to start making professional development a regular part of their practice.

During the year, the fund had been utilised for:

	2023	2022
	S\$	S\$
Continuing Education & Training	1,500	1,223

10. Other payables

	2023	2022
	S\$	S\$
Accruals	56,156	19,307
Others payables	3,747	386
	59,903	19,693

Other payables are denominated in Singapore Dollars.

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11. Income

Disaggregation of revenue

Timing of transfer of goods or services	At a point in time S\$	Over time S\$	Total S\$
2023			
Grants from National Arts Council:			
- Major Company Scheme	220,000	-	220,000
Government grant - Jobs Growth Incentive	3,049	-	3,049
Government grant - Progressive Wage Credit Scheme	24,340	-	24,340
Grant from National Youth Council - Internship allowance	17,755	-	17,755
Grant from SGUnited Mid-Career Pathways Programme	11,759	-	11,759
Donations - Non-Tax Deductible	3,550	-	3,550
Membership fees	-	960	960
Entrance and ticketing fees	89	-	89
Events and registration income	20,878	-	20,878
Interest income	381	-	381
Other income	6,574	-	6,574
	308,375	960	309,335
2022			
Grants from National Arts Council:			
- Major Company Scheme	171,132	-	171,132
- Arts and Culture Resilience Package Operating Grant	35,000	-	35,000
- NAC Commission	7,610	-	7,610
Government grant - Jobs Growth Incentive	5,344	-	5,344
Government grant - Jobs Support Scheme	10,147	-	10,147
Grant from National Council of Social Service	7,062	-	7,062
Grant from National Youth Council - Internship allowance	20,185	-	20,185
Donations - Non-Tax Deductible	13,970	-	13,970
Membership fees	-	1,280	1,280
Events and registration income	17,811	-	17,811
Interest income	1,592	-	1,592
Other income	10,530	-	10,530
	300,383	1,280	301,663

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12. Project costs

	2023	2022
	S\$	S\$
Level Up! Festival	161	6,292
Theatre Arts Conference	8,568	38,211
Adhoc Projects	-	11,250
Continuing Education & Training: Essentials of Teaching and Learning Approaches	8,400	7,233
Continuing Education & Training: Essentials of Teaching and Learning Approaches - Community of Practice	111	-
Continuing Education & Training: Essentials of Teaching and Learning Approaches - Early Childhood	19,631	3,027
Continuing Education & Training: Masterclasses and Workshop	2,156	-
Connections	7,336	7,817
Legal Playbook	2,125	-
Membership engagement	-	312
Other project costs	1,903	-
	<u>50,391</u>	<u>74,142</u>

13. Administrative expenses

	2023	2022
	S\$	S\$
Accounting fee	(300)	14,150
AGM/EGM expenses	1,403	-
Accommodation	-	1,087
Audit fee	6,575	6,540
Bad debts expenses	-	495
Depreciation of plant and equipment (Note 4)	152	167
Employee benefits expenses (Note 14)	252,913	276,119
General expenses	876	41
Insurance	-	483
Office expenses	595	536
Other expenses	189	131
Postage and stationery	390	624
Professional fees	6,350	6,150
Rental expense	13,364	11,203
Repair and maintenance	280	10
Tax agent fees	-	-
Telephone and website expenses	8,302	10,194
Training	-	12,529
Transport	9	253
Travelling	5,400	-
Utilities	909	963
Welfare	404	743
	<u>297,811</u>	<u>342,418</u>

Rental expense represents the lease of office space. The lease is not accounted for in accordance with FRS 116 Leases because the landlord has the substantive right to substitute the asset throughout the period of use.

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14. Employee benefits expenses

	<u>2023</u>	<u>2022</u>
	<u>S\$</u>	<u>S\$</u>
Salaries, bonuses and allowance	227,818	248,780
CPF, SDL and other contributions	22,008	27,339
Other benefits	3,087	-
	<u>252,913</u>	<u>276,119</u>

15. Significant related party transactions

An entity or individual is considered a related party of the Association if it is subject to common control or common significant influence with the Association or is one party who is able to significantly influence the financial and operating decisions of the other party.

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	<u>2023</u>	<u>2022</u>
	<u>S\$</u>	<u>S\$</u>
Facilitator and contract fees paid to President	<u>1,650</u>	<u>-</u>

16. Taxation

The Association was registered as an approved charity under the Charities Act 1994, effective from 20 February 2020. No provision for taxation has been made in the financial statements as the Association is exempt from income tax in accordance with the provisions of the Income Tax Act 1947.

17. Financial risk management

The Association's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk and liquidity risk.

The Management Committee reviews and agrees policies and procedures for the management of these risks, which are executed by the Management Committee. It is, and has been throughout the current and previous financial year, the Association's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Association's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

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

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17. Financial risk management (continued)

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Association. The Association's exposure to credit risk arises primarily from other receivables. For other financial assets (such as fixed deposit and cash and bank balances), the Association minimises credit risk by dealing exclusively with high credit rating financial institutions.

The maximum exposure to credit risk is the total carrying amounts of the financial assets at the end of the reporting date.

The Association's other receivables comprise of receivables with good credit ratings counterparties. These receivables are considered to be low credit risk as the counterparties have a strong capacity to meet their contractual obligations if demanded in the near term.

Other receivables

The Association assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Association measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

Liquidity risk

Liquidity risk refers to the risk that the Association will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Association'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 Association's objective is to maintain an adequate level of cash and cash equivalents to finance the Association's operations. The Association's operations are financed mainly through the funding from National Arts Council. The Management Committee members are satisfied that funds are available to finance the operations of the Association.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Association's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount	Contractual cash flows	One year or less
	S\$	S\$	S\$
31 March 2023			
Financial assets:			
Other receivables	2,298	2,298	2,298
Fixed deposit	107,142	107,142	107,142
Cash and bank balances	235,326	235,326	235,326
Total undiscounted financial assets	<u>344,766</u>	<u>344,766</u>	<u>344,766</u>
Financial liability:			
Other payables	59,903	59,903	59,903
Total undiscounted financial liability	<u>59,903</u>	<u>59,903</u>	<u>59,903</u>
Total net undiscounted financial assets	<u><u>284,863</u></u>	<u><u>284,863</u></u>	<u><u>284,863</u></u>

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17. Financial risk management (continued)

Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities (continued)

	Carrying amount	Contractual cash flows	One year or less
	S\$	S\$	S\$
31 March 2022			
Financial assets:			
Other receivables	6,781	6,781	6,781
Fixed deposit	106,715	106,715	106,715
Cash and bank balances	227,812	227,812	227,812
Total undiscounted financial assets	<u>341,308</u>	<u>341,308</u>	<u>341,308</u>
Financial liability:			
Other payables	19,693	19,693	19,693
Total undiscounted financial liability	<u>19,693</u>	<u>19,693</u>	<u>19,693</u>
Total net undiscounted financial assets	<u><u>321,615</u></u>	<u><u>321,615</u></u>	<u><u>321,615</u></u>

18. Reserve Policy

	2023	2022
	S\$	S\$
Unrestricted funds	285,796	324,663
Annual operating expenditures	348,202	416,560
Ratio of reserves to annual expenditures	<u>0.82</u>	<u>0.78</u>

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

19. Fair values of assets and liabilities

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

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and bank balances, fixed deposit, other receivables and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

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20. Financial instruments by category

At the reporting date, the aggregate carrying amounts of financial assets and financial liabilities measured at amortised cost were as follows:

	<u>2023</u>	<u>2022</u>
	<u>S\$</u>	<u>S\$</u>
Financial assets measured at amortised cost		
Other receivables (Note 5)	2,298	6,781
Fixed deposit (Note 6)	107,142	106,715
Cash and bank balances (Note 7)	<u>235,326</u>	<u>227,812</u>
Total financial assets measured at amortised cost	<u><u>344,766</u></u>	<u><u>341,308</u></u>
Financial liability measured at amortised cost		
Other payables (Note 10)	<u>59,903</u>	<u>19,693</u>
Total financial liability measured at amortised cost	<u><u>59,903</u></u>	<u><u>19,693</u></u>

21. Fund management

The primary objective in the management of the Association's funds is to ensure that it maintains a strong and healthy level of reserves and working fund ratio in order to support its operations. The Management Committee reviewed the capital structure of the Association at least annually to ensure the Association will be able to continue as going concern. The capital structure of the Association comprises of accumulated fund, Project Outreach fund and Tina Sergeant Professional Development Initiative. The Association's overall strategy remained unchanged since the previous financial year.

22. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 March 2023 were authorised for issue by the Management Committee on the date of the Statement by the Management Committee.