

**O SCHOOL LTD.**

[UEN. 200905934E]

**AND ITS SUBSIDIARY**

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

[Incorporated in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
31 MARCH 2021**

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**Fiducia LLP**

[UEN. T10LL0955L]

Public Accountants and

Chartered Accountants of Singapore

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# Directors' Statement

## O School Ltd. [UEN. 200905934E] and Its Subsidiary For the year ended 31 March 2021

The directors present their statement to the members together with the audited financial statements of O School Ltd. (the "Company") and its subsidiary (the "Group") for the financial year ended 31 March 2021.

In the opinion of the directors,

- a) the financial statements of the Company and the consolidated financial statements of the Group are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 March 2021 and the financial performance, changes in fund and cash flows of the Group for the financial year then ended; and
- b) at the date of this statement, there are reasonable grounds to believe that the Company and the Group will be able to pay its debts as and when they fall due.

### Directors

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

Low Heng Khuen  
June Chiam Wei Wei  
Chan Choon Yew, Lester  
Matthias Yeo Chiow Leng  
Elim Chew Soo Gim

### Arrangements to enable the directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

### Other matters

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

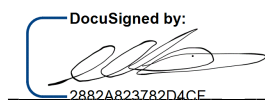
### Independent auditor

The independent auditor, Messrs. Fiducia LLP, Public Accountants and Chartered Accountants of Singapore, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,

DocuSigned by:  
  
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Low Heng Khuen  
Director

DocuSigned by:  
  
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June Chiam Wei Wei  
Director

Singapore, 26 September 2021

# Independent Auditor's Report

## O School Ltd. [UEN. 200905934E] and Its Subsidiary For the year ended 31 March 2021

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of O School Ltd. (the “Company”) and its subsidiary (the “Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2021, and the consolidated statement of financial activities, consolidated statement of changes in fund and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of Companies Act, Chapter 50 (the ‘Companies Act’), the Charities Act, Chapter 37 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 consolidated financial position of the Group and the financial position of Company as at 31 March 2021, and of the consolidated financial performance, consolidated changes in fund and consolidated cash flows of the Group for the financial 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 Group in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

Management is responsible for the other information. The other information comprises the Directors’ Statement (set out in page 2), but does not include the financial statements and our auditor’s report thereon.

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

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

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Group’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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance comprises the directors. Their responsibilities include overseeing the Group’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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Group'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 Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

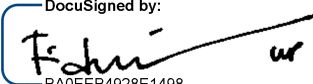


### Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Company and by its subsidiary corporation incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Companies 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:

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

DocuSigned by:  
  
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**Fiducia LLP**  
Public Accountants and  
Chartered Accountants

Singapore, 26 September 2021

Partner in charge: Soo Hon Weng  
PAB No.: 01089

# Consolidated Statement of Financial Activities

O School Ltd. [UEN. 200905934E] and Its Subsidiary  
For the year ended 31 March 2021

	NOTE	GROUP 2021	GROUP 2020 (AS RESTATED)
<b>INCOME</b>			
<b>Income from generated funds</b>			
<b>Voluntary income</b>			
Donations	5	18,895	2,790
Government grants	6	474,140	428,928
Sponsorship income	4	50,000	9,000
<b>Total income from generated funds</b>		<b>543,035</b>	<b>440,718</b>
<b>Income from charitable activities</b>			
Dance class fees	4	325,293	506,379
Event income	4	7,215	157,720
Project and performance income	4	7,505	75,824
Sale of merchandise	4	670	-
<b>Total Income from charitable activities</b>		<b>340,683</b>	<b>739,923</b>
<b>Other income</b>			
COVID-19 related rent concessions		88,456	-
Dance class fees		144,739	120,302
Government grants - Jobs support scheme		206,507	-
Project and performance income		93,955	171,991
Rental income		19,724	38,965
Sale of merchandise		2,100	45
School income		309,040	366,715
Miscellaneous income	7	28,369	13,143
<b>Total other income</b>		<b>892,890</b>	<b>711,161</b>
<b>Total income</b>		<b>1,776,608</b>	<b>1,891,802</b>
<b>EXPENSES</b>			
Cost of charitable activities	8	624,984	849,102
Other expenses	8	515,666	600,242
Governance and administrative costs	8	342,671	432,675
Finance cost	8	9,196	16,885
<b>Total expenses</b>		<b>1,492,517</b>	<b>1,898,904</b>
<b>NET INCOME/(LOSS) BEFORE INCOME TAX</b>		<b>284,091</b>	<b>(7,102)</b>

## Consolidated Statement of Financial Activities

	NOTE	GROUP 2021	GROUP 2020 (AS RESTATED)
<b>INCOME TAX</b>			
Income tax expense	9	2,208	-
NET INCOME/(LOSS) FOR THE FINANCIAL YEAR		281,883	(7,102)
GENERAL FUND BROUGHT FORWARD		134,670	141,772
GENERAL FUND CARRIED FORWARD		416,553	134,670

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

# Statements of Financial Position - Group and Company

O School Ltd. [UEN. 200905934E] and Its Subsidiary  
For the year ended 31 March 2021

	NOTE	GROUP 2021	GROUP 2020 (AS RESTATED)	COMPANY 2021	COMPANY 2020 (AS RESTATED)
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	10	522,717	170,348	350,127	84,056
Trade and other receivables	11	156,999	137,399	82,678	85,443
Inventories	12	8,047	7,793	6,776	6,776
<b>Total current assets</b>		<b>687,763</b>	<b>315,540</b>	<b>439,581</b>	<b>176,275</b>
<b>Non-current assets</b>					
Investment in a subsidiary	13	-	-	5,000	5,000
Property, plant and equipment	14	153,637	279,788	151,647	277,333
<b>Total non-current assets</b>		<b>153,637</b>	<b>279,788</b>	<b>156,647</b>	<b>282,333</b>
<b>Total assets</b>		<b>841,400</b>	<b>595,328</b>	<b>596,228</b>	<b>458,608</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	16	243,249	170,180	153,796	97,838
Contract liabilities	4	57,712	65,897	53,004	58,857
Lease liabilities	17	99,066	102,903	99,066	102,903
Income tax payable	9	2,208	-	-	-
<b>Total current liabilities</b>		<b>402,235</b>	<b>338,980</b>	<b>305,866</b>	<b>259,598</b>
<b>Non-current liabilities</b>					
Lease liabilities	17	22,612	121,678	22,612	121,678
<b>Total liabilities</b>		<b>424,847</b>	<b>460,658</b>	<b>328,478</b>	<b>381,276</b>
<b>NET ASSETS</b>		<b>416,553</b>	<b>134,670</b>	<b>267,750</b>	<b>77,332</b>
<b>FUND</b>					
Unrestricted fund		416,553	134,670	267,750	77,332
<b>TOTAL FUND</b>		<b>416,553</b>	<b>134,670</b>	<b>267,750</b>	<b>77,332</b>

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

# Consolidated Statement of Changes in Fund

## O School Ltd. [UEN. 200905934E] and Its Subsidiary For the year ended 31 March 2021

	NOTE	
<b>Unrestricted fund</b>		
Balance as at 1 April 2019		141,772
Net loss for the financial year		(29,595)
Balance as at 31 March 2020, as previously reported		112,177
Restatement	24	22,493
Balance as at 31 March 2020, as restated		134,670
Net income for the financial year		281,883
Balance as at 31 March 2021		416,553

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

# Consolidated Statement of Cash Flows

O School Ltd. [UEN. 200905934E] and Its Subsidiary  
For the year ended 31 March 2021

	NOTE	GROUP 2021	GROUP 2020 (AS RESTATED)
<b>Cash flows from operating activities</b>			
Net income/(loss) before income tax		284,091	(7,102)
<b>Adjustments for:</b>			
Bad debts written off		-	1,525
COVID-19 related rent concessions received		(70,804)	-
Depreciation	14	130,883	134,405
Interest expense on lease liabilities	15	9,196	16,885
Operating cash flow before changes in working capital		353,366	145,713
<b>Changes in working capital</b>			
Trade and other receivables		(19,600)	28,386
Inventories		(254)	(517)
Trade and other payables		73,069	39,863
Contract liabilities		(8,185)	(6,727)
<b>Net cash generated from operating activities</b>		<b>398,396</b>	<b>206,718</b>
<b>Cash flows from investing activity</b>			
Purchases of property, plant and equipment, representing net cash used in investing activity	14	(4,732)	(1,694)
<b>Cash flows from financing activities</b>			
Interest paid		(9,196)	(16,885)
Payment of principal portion of of lease liabilities		(32,099)	(177,721)
<b>Net cash used in financing activities</b>		<b>(41,295)</b>	<b>(194,606)</b>
<b>Net increase in cash and cash equivalents</b>		<b>352,369</b>	<b>10,418</b>
<b>Cash and cash equivalents</b>			
Cash and cash equivalents at beginning of financial year		170,348	159,930
Net change in cash and cash equivalents		352,369	10,418
Cash and cash equivalents at end of financial year (Note 10)		522,717	170,348

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

# Notes to the Financial Statements

## O School Ltd. [UEN. 200905934E] and Its Subsidiary For the year ended 31 March 2021

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

### 1. General information

O School Ltd. (the “Company”) was incorporated on 2 April 2009 as a company limited by guarantee and not having a share capital. The Company is registered as a charity under the Charities Act, Chapter 37 on 19 April 2010. The Company was accorded as an Institution of a Public Character (“IPC”) status for the period from 1 October 2019 to 31 March 2021. The IPC status was subsequently renewed and extended from 1 April 2021 until 31 March 2023.

The address of the Company’s registered office and principal place of business is at 2 Orchard Link, #04-04 SCAPE, Singapore 237978.

The principal activities of the Company are to conduct art classes and choreography lessons, sales of dance apparel and event or concert organiser. Its mission is to inspire youths to pursue their dreams and bringing dance to masses.

The principal activities of the subsidiary is discussed in Note 13.

### 2. Significant accounting policies

#### 2.1 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore (“FRSs”) and the provisions of the Charities Act, Chapter 37. The financial statements have been prepared under the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar (“S\$”), which is the Group’s and the Company’s functional currency. Functional currency is the currency of the primary economic environment which the Group operates. All financial information presented are denominated in Singapore Dollar unless otherwise stated.

The preparation of these financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements are disclosed in Note 3.

#### Interpretations and amendments to published standards effective in 2020

In the current financial year, the Group has adopted the new or revised FRSs and Interpretations of FRSs (“INT FRSs”) that are relevant and mandatory to its operations and effective on 1 April 2020. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

Except for the adoption of amendments of FRS 116 Leases as discussed below, the adoption of these new or revised FRSs and INT FRSs did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

#### Early adoption of amendments to FRS 116 Leases - Related Rent Concession

The Group has elected to early adopt the amendments to FRS 116 which introduced a practical expedient for a lessee to elect not to assess whether a rent concession is a lease modification, if all the following conditions are met:

- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- (c) there is no substantive change to other terms and conditions of the lease.

The Group has elected to apply this practical expedient to all property leases. As a result of applying the practical expedient, rent concessions of S\$88,456 was recognised as negative variable lease payments in the consolidated statement of comprehensive income during the year.

### Standards issued but not yet effective

The Group has not adopted the following relevant new/revised FRSs, INT FRSs and amendments to FRSs that were issued but not yet effective:

Descriptions	Effective for annual periods commencing on
Amendments to:	
- FRS 109, FRS 39, FRS 107, FRS 104, FRS 116: Interest Rate Benchmark Reform - Phase 2	1 January 2021
- FRS 103: References to the Conceptual Framework	1 January 2022
- FRS 16: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
- FRS 37: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to:	
- FRS 1: Classification of Liabilities as Current or Non-current	1 January 2023
- FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The management expects that the adoption of the revised standards and interpretations will have no material impact on the financial statements in the period of initial application.

## 2.2 Income recognition

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

Income is recognised when the Group satisfies a performance obligation by transferring a promise good or service to the customer, which is when the customer 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. Income is recognised as follows:

### 2.2.1 Donations and sponsorship

Donations and sponsorship are recognised in the statement of financial activities upon receipt. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

### 2.2.2 School income and dance class fee

School income and dance class fee are recognised over the period in which the services are performed or rendered.

### 2.2.3 Project and performance income

Project and performance income is recognised upon completion of projects or performance.

### 2.2.4 Ticketing sales

Revenue from sale of tickets is recognised when the production/service has been performed.

### 2.2.5 Sale of goods

Income from the sale of goods is recognised when the Group has delivered the products to the buyer, the buyer has accepted the products, and the collectability of the related receivables is reasonably assured.

### 2.2.6 Management fees

Management fees for events are recognised when services are rendered and the fees are accepted.

### 2.2.7 Rental income

Rental income is recognised on a straight-line basis over the term of the relevant lease.



#### 2.2.8 Other income

Other income is recognised when received.

### 2.3 Government grants

Grants from the government are recognised as receivable at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

### 2.4 Group accounting

#### 2.4.1 Subsidiaries

##### (i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of financial activities, statement of changes in equity, and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

##### (ii) Acquisition

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair value at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

##### (iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in the consolidated statement of financial activities.

## 2.5 Expense recognition

All expenses are accounted for on an accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

### 2.5.1 Cost of charitable activities

Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objectives of the Group. The total costs of charitable activities are apportionment of overhead and shared costs.

### 2.5.2 Governance and administrative costs

Governance costs include the costs of governance arrangement, which relate to the general running of the Group, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

### 2.5.3 Other expenses

Other expenses include the payment of any expenditure that the Group has not been able to analyse within the main expenditure categories.

### 2.5.4 Finance cost

Finance cost includes interest on lease liabilities.

## 2.6 Employee benefits

### 2.6.1 Defined contribution plans

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

### 2.6.2 Employee leaves entitlement

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

## 2.7 Leases

At the inception of the contract, the Group assess if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

### When the Group is the lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

#### 2.7.1 Right-of-use assets

The Group recognises a right-of-use asset and lease liabilities at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted of any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The accounting policy for impairment is disclosed in Note 2.13. The right-of-use assets are presented within property, plant and equipment as disclosed in Note 14.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation miscalculated using the estimated useful life of the asset.

### 2.7.2 Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising the option.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

For contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for property lease and account there as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is a modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in the statement of financial activities if the carrying amount of the right-of-use asset has been reduced to zero.

The Group's lease liabilities are disclosed in Note 17.

The Group has applied the amendment to FRS 116 Leases: COVID-19 Related Rent Concessions. The Group applies the practical expedient allowing it not to assess whether a rent concession related to COVID-19 is a lease modification. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Group assesses whether there is a lease modification.

### 2.7.3 Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease term of 12 months or less from the commencement date and do not contain a purchase option and leases of low value assets, except for sublease arrangements. Lease payments relating to short term leases and leases of low-value assets are expensed to the statement of financial activities on straight-line basis over the lease term.

#### 2.7.4 Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in the statement of financial activities in the periods that triggered those lease payments.

### 2.8 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability that affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- a) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and
- b) based on the tax consequence that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in the consolidated statement of financial activities, except to the extent that the tax arises from a transaction which is recognised directly in fund.

### 2.9 Financial assets

#### 2.9.1 Classification and measurement

The Group classifies its financial assets under the amortised cost category.

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

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

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

##### (i) At initial recognition

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

##### (ii) At subsequent measurement

#### Debt instruments

Debt instruments of the Group mainly comprise of cash and cash equivalents and trade and other receivables.

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 the statement of financial activities when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

## 2.9.2 Impairment

The Group assesses on a forward looking basis the expected credit losses (“ECL”) associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 22.2 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For cash and cash equivalents and other receivables, the general 3 stage approach is applied. Credit loss allowance is based on 12-month ECL if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime ECL will be calculated and recognised.

## 2.9.3 Recognition and derecognition

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

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in the statement of financial activities.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in the statement of financial activities if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

## 2.10 Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits with a financial institution that are subject to an insignificant risk of change in value.

## 2.11 Inventories

Inventories comprising T-shirts and caps are valued at the lower of cost and net realisable value. Cost comprises of purchase and other costs incurred in bringing the inventories to their present location and condition and are determined on a first-in, first-out basis. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated cost of completion and the necessary cost to make the sale.

## 2.12 Property, plant and equipment

### 2.12.1 Measurement

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is 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 property, plant and equipment if the obligation for dismantlement, removal and restoration is included as a consequence of acquiring or using the property, plant and equipment.

### 2.12.2 Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Furniture and fitting	5 years
Office equipment	3 years
Renovation	3 years
Right-of-use asset - premises	Over the remaining lease term

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in the statement of financial activities when the changes arise.

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

### 2.12.3 Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the statement of financial activities when incurred.

### 2.12.4 Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the statement of financial activities.

## 2.13 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the statement of financial activities, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed if, and 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. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in the statement of financial activities, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in the statement of financial activities.

## 2.14 Investment in a subsidiary

Investment in a subsidiary is carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in the statement of financial activities.

**2.15 Financial liabilities**

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual agreements of the financial instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of financial activities. Financial liabilities include "Trade and other payables" and "Lease liabilities" in the statement of financial position.

Financial liabilities which are due to be settled within 12 months after the reporting date are presented as current liabilities in the statement of financial position even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other financial liabilities due to be settled more than 12 months after the reporting date are presented as non-current liabilities in the statement of financial position.

Financial liabilities are derecognised when the obligations under the liability are discharged, cancelled or expires. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability or 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 respective carrying amounts is recognised in the statement of financial activities.

**2.16 Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year, which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). Otherwise, they are presented as non-current liabilities.

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

Other payables excluding accruals, are recognised at their transaction price, excluding transaction cost, if any, both at initial recognition and at subsequent measurement. Transaction costs are recognised as an expense in the statement of financial activities when incurred. Accruals are recognised at the best estimate of the amount payable.

**2.17 Offsetting of financial instruments**

Financial assets and 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.

**2.18 Provision for other liabilities and charges**

Provisions for other liabilities and charges are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

**2.19 Borrowing costs**

Borrowing costs are recognised in the statement of financial activities using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. Borrowing costs may include interest in respect of lease liabilities recognised in accordance with FRS 116.

**2.20 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 directors. Externally restricted funds may only be utilised in accordance with the purposes for which they are established. The directors retain full control over the use of unrestricted funds for any of the Group's purposes. There is no restricted fund at the end of the financial year.

**2.21 Contingencies**

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable

**2.22 Events after the reporting period**

Events after the reporting period that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

**3. Critical accounting estimates, assumptions and judgements**

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**3.1 Critical accounting estimates and assumptions**

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There is no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**3.2 Critical judgements in applying the entity's accounting policies**

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

**3.2.1 Government grants**

Government grants to meet operating expenses are recognised as income in the statement of financial activities on the accrual basis in the period these operating expenses were incurred and there is reasonable assurance that the Group will comply with the conditions attached to it. For certain grants, the government agencies reserve the right to withdraw, withhold or reduce the amount of any funds approved but not yet disbursed or to call for the refund of all funds which have been disbursed to the Group if the conditions are not met.

	NOTE	GROUP 2021	GROUP 2020
<b>4. Revenue from contracts with customers</b>			
<b>(a) Disaggregation of revenue from contracts with customers:</b>			
<b>Revenue from:</b>			
Dance class fees		325,293	506,379
Donations	5	18,895	2,790
Event income		7,215	157,720
Project and performance income		7,505	75,824
Sale of merchandise		670	-
Sponsorship income		50,000	9,000
Other income		597,927	711,161
<b>Total revenue</b>		<b>1,007,505</b>	<b>1,462,874</b>
<b>Timing of transfer of goods or services:</b>			
- At a point in time		122,194	24,978
- Over time		885,311	1,437,896
<b>Total</b>		<b>1,007,505</b>	<b>1,462,874</b>



	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>(b) Contract liabilities</b>					
Amounts received in advance for dance fees and registration fees relates to dance course registrations	16	57,712	65,897	53,004	58,857
Income recognised in relation to contract liabilities		65,897	72,624		

The contract liabilities relate to the dance fees for the unsatisfied performance obligation in providing dance courses. Revenue will be recognised when services are rendered over the course period.

	NOTE	GROUP 2021	GROUP 2020
<b>5. Donations</b>			
Tax exempt donations		18,145	2,790
Non-tax exempt donations		750	-
<b>Total donations</b>		<b>18,895</b>	<b>2,790</b>

During the financial year, the Group issued tax-deductible receipts, for donations totalling S\$18,145 (2020: S\$2,790) pursuant to its Institutions of a Public Character ("IPC") status.

	NOTE	GROUP 2021	GROUP 2020
<b>6. Government grants</b>			
<b>Grants from National Art Council</b>			
Major Company Grant		310,000	310,000
Arts and Culture Resilience Operating Grant		75,000	-
Cultural Matching Fund		2,790	18,928
Digital Presentation Grant		20,000	-
Commissioning Grant		16,350	-
<b>Total grants from National Art Council</b>		<b>424,140</b>	<b>328,928</b>
Grants from National Youth Council		50,000	100,000
<b>Total government grants</b>		<b>474,140</b>	<b>428,928</b>

	NOTE	GROUP 2021	GROUP 2020
<b>7. Miscellaneous income</b>			
Wage credit scheme		26,519	12,687
Others		1,850	456
<b>Total miscellaneous income</b>		<b>28,369</b>	<b>13,143</b>

	NOTE	GROUP 2021	GROUP 2020
<b>8. Expenses by function</b>			
<b>Cost of charitable activities</b>			
Accommodation		-	8,172
Air passage		-	13,973
Contractual services		67,155	159,875
Director's remuneration	18	55,575	54,703
Event expenses		56,545	161,536
Honorarium		-	13,420
Lease expenses - short term lease (studio premise)		84,926	27,637
Lease expenses - short term lease (equipment)		16,050	104,400
Props and costumes		-	13,072
Staff costs - CPF and SDL contributions		50,438	43,051
Staff costs - salaries and bonuses		291,875	248,797
Staff costs - training and seminars		2,420	266
Staff costs - other benefits		-	200
<b>Total cost of charitable activities</b>		<b>624,984</b>	<b>849,102</b>
<b>Other expenses</b>			
Contractual services		309,573	403,030
Event expenses		33,921	3,931
Props and costumes		-	1,727
Staff costs - CPF and SDL contributions		25,193	28,147
Staff costs - salaries and bonuses		146,142	163,407
Staff costs - training and seminars		837	-
<b>Total other expenses</b>		<b>515,666</b>	<b>600,242</b>

## Notes to the Financial Statements

	NOTE	GROUP 2021	GROUP 2020
<b>Governance and administrative costs</b>			
Accessories and supplies		4,076	712
Advertising and publicity		-	19,057
Auditor's remuneration		10,486	9,416
Bad debts written off		-	1,525
Bank charges		529	616
Credit card charges		11	1,937
Depreciation	14	130,883	134,405
Food and refreshment		2,404	11,651
General expenses		22,809	17,405
Gift and prizes		306	624
Honorarium		-	70
Insurance		5,667	7,073
Lease expenses - short term lease (equipment)		810	-
Lease expenses - short term lease (studio premise)		86,103	107,530
Marketing		2,702	2,396
Merchandise	12	764	1,236
Professional fees		42,094	45,858
Printing and stationery		1,241	1,827
Repair and maintenance		2,549	11,892
Staff costs - annual leave		3,738	2,094
Staff costs - medical leave		105	218
Subscriptions		10,988	11,915
Telecommunication		1,940	2,089
Travelling		81	4,461
Utilities		11,385	22,615
Welfare and prizes		-	14,053
Write-off of deposits		1,000	-
<b>Total governance and administrative costs</b>		<b>342,671</b>	<b>432,675</b>
<b>Finance cost</b>			
Interest on lease liabilities	15	9,196	16,885

## 9. Income tax

The Company is registered as a charity organisation under Charities Act, Chapter 37. Consequently, the income of the Company is exempted from income tax under the provisions of Section 13(1) of the Income Tax Act, Chapter 134.

The Group's income tax solely includes the income/(loss) before income tax attributable to its subsidiary.

	NOTE	GROUP 2021	GROUP 2020
<b>Current income tax:</b>			
- Current year		2,208	-

### Relationship between tax expense and accounting profit/(loss)

A reconciliation between tax expense and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate for the financial year ended 31 March 2021 and 2020 was as follows:

	NOTE	GROUP 2021	GROUP 2020
<b>Reconciliation of income tax</b>			
Net income/(loss) before income tax		284,091	(7,102)
Tax calculated at tax rate of 17% (2020: 17%)		48,295	(1,207)
<b>Effects of:</b>			
Expenses not deductible for tax purpose		286	2,856
Income not subject to tax		(43,989)	-
Utilisation of unabsorbed tax losses and capital allowances		(4,592)	(1,649)
Others		2,208	-
Tax expense		2,208	-

	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>Movement in current income tax liabilities</b>					
Beginning of financial year		-	-	-	-
Current income tax		2,208	-	-	-
<b>End of financial year</b>		<b>2,208</b>	<b>-</b>	<b>-</b>	<b>-</b>

At the reporting date, the Group has an unabsorbed tax losses amounting to approximately S\$4,200 (2020: S\$21,900). The availability of the tax losses for offset against future taxable income for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to agreement by the Singapore Comptroller of Income Tax and the requirement under Section 23 and 37 of Singapore Income Tax Act.

	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>10. Cash and cash equivalents</b>					
Cash on hand		1,008	1,008	1,008	1,008
Cash at bank		521,709	169,340	349,119	83,048
<b>Total cash and cash equivalents</b>		<b>522,717</b>	<b>170,348</b>	<b>350,127</b>	<b>84,056</b>

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

	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>11. Trade and other receivables</b>					
<b>Trade receivables</b>					
Third parties		69,244	68,007	10,986	38,557
<b>Other receivables</b>					
Deposits		34,142	47,559	34,142	45,469
Grant receivable - Jobs Support Scheme		25,563	17,224	17,043	-
Grant receivable - National Art Council		7,270	-	7,270	-
Prepayments		1,910	1,777	1,910	1,417
Non-trade debtors		18,870	2,832	11,327	-
<b>Total other receivables</b>		<b>87,755</b>	<b>69,392</b>	<b>71,692</b>	<b>46,886</b>
<b>Total trade and other receivables</b>		<b>156,999</b>	<b>137,399</b>	<b>82,678</b>	<b>85,443</b>

Trade receivables are interest-free and are generally repayable within 30 days' (2020: 30 days') term.

The Jobs Support Scheme (JSS) provides wage support to employers to help them retain their local employees (Singapore Citizens and Permanent Residents) during this period of economic and pandemic uncertainty. JSS pay-outs are intended to offset local employees' wages and help protect their jobs.

	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>Movement of allowance for impairment</b>					
Beginning of financial year		-	-	-	-
Allowance for the year		-	1,525	-	-
Bad debts written off		-	(1,525)	-	-
<b>End of financial year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

At the reporting date, the carrying amounts of trade and other receivables approximate their fair values.

	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>12. Inventories</b>					
T-shirts, DVDs and towels - at cost		8,047	7,793	6,776	6,776

The cost of inventories recognised as an expense in the consolidated statement of financial activities amounted to S\$764 (2020: S\$1,236).

	NOTE	COMPANY 2021	COMPANY 2020
<b>13. Investment in a subsidiary</b>			
<b>Unquoted shares, at cost</b>			
Balance at the beginning and end of financial year		5,000	5,000

Details of the subsidiary are as follows:

O2 Pte. Ltd. is incorporated and domiciled in Singapore. The principal activities of the subsidiary are event management, production, design and agency work and agents for artists, athletes, models and other performers.

	NOTE	COMPANY 2021	COMPANY 2020
<b>Equity held</b>			
<b>O2 Pte. Ltd.</b>			
Percentage equity held (%)		100	100

	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
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#### 14. Property, plant and equipment

##### Furniture and fittings

###### Cost

Beginning and end of financial year	11,411	11,411	11,411	11,411
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###### Accumulated depreciation

Beginning of financial year	11,123	10,428	11,123	10,428
Depreciation	195	695	195	695
<b>End of financial year</b>	<b>11,318</b>	<b>11,123</b>	<b>11,318</b>	<b>11,123</b>

<b>Carrying amount</b>	<b>93</b>	<b>288</b>	<b>93</b>	<b>288</b>
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##### Office equipment

###### Cost

Beginning of financial year	64,383	62,689	31,838	31,838
Additions	4,732	1,694	3,513	-
Disposal	(18,698)	-	(18,698)	-
<b>End of financial year</b>	<b>50,417</b>	<b>64,383</b>	<b>16,653</b>	<b>31,838</b>

###### Accumulated depreciation

Beginning of financial year	61,792	58,264	31,702	31,295
Depreciation	2,745	3,528	1,061	407
Disposal	(18,698)	-	(18,698)	-
<b>End of financial year</b>	<b>45,839</b>	<b>61,792</b>	<b>14,065</b>	<b>31,702</b>

<b>Carrying amount</b>	<b>4,578</b>	<b>2,591</b>	<b>2,588</b>	<b>136</b>
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	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>Renovation</b>					
<b>Cost</b>					
Beginning and end of financial year		52,031	52,031	52,031	52,031
<b>Accumulated depreciation</b>					
Beginning of financial year		50,381	47,242	50,381	47,242
Depreciation		900	3,139	900	3,139
<b>End of financial year</b>		<b>51,281</b>	<b>50,381</b>	<b>51,281</b>	<b>50,381</b>
<b>Carrying amount</b>		<b>750</b>	<b>1,650</b>	<b>750</b>	<b>1,650</b>
<b>Right-of-use assets - premises</b>					
<b>Cost</b>					
Beginning of financial year (as reported)		402,302	-	402,302	-
Effect of adopting FRS 116		-	402,302	-	402,302
Beginning of financial year (as restated)		402,302	402,302	402,302	402,302
End of financial year		402,302	402,302	402,302	402,302
<b>Accumulated depreciation</b>					
Beginning of financial year		127,043	-	127,043	-
Depreciation	15	127,043	127,043	127,043	127,043
<b>End of financial year</b>		<b>254,086</b>	<b>127,043</b>	<b>254,086</b>	<b>127,043</b>
<b>Carrying amount</b>		<b>148,216</b>	<b>275,259</b>	<b>148,216</b>	<b>275,259</b>
<b>Total</b>					
<b>Cost</b>					
Beginning of financial year (as reported)		530,127	126,131	497,582	95,280
Effect of adopting FRS 116		-	402,302	-	402,302
Beginning of financial year (as restated)		530,127	528,433	497,582	497,582
Additions		4,732	1,694	3,513	-
Disposal		(18,698)	-	(18,698)	-
End of financial year		516,161	530,127	482,397	497,582
<b>Accumulated depreciation</b>					
Beginning of financial year		250,339	115,934	220,249	88,965
Depreciation	8	130,883	134,405	129,199	131,284
Disposal		(18,698)	-	(18,698)	-
<b>End of financial year</b>		<b>362,524</b>	<b>250,339</b>	<b>330,750</b>	<b>220,249</b>
<b>Carrying amount</b>		<b>153,637</b>	<b>279,788</b>	<b>151,647</b>	<b>277,333</b>

**15. Leases**Nature of the Group's leasing activities

The Group leases premises for the purpose of business operations.

	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>(a) Carrying amount</b>					
Premises	14	148,216	275,259	148,216	275,259

	NOTE	GROUP 2021	GROUP 2020
<b>(b) Depreciation charged during the financial year</b>			
Premises	14	127,043	127,043

	NOTE	GROUP 2021	GROUP 2020
<b>(c) Interest expense on lease liabilities</b>			
Premises	8	9,196	16,885

	NOTE	GROUP 2021	GROUP 2020
<b>(d) Lease expenses not capitalised in lease liabilities</b>			
Lease expense - short term lease		187,889	239,567

(e) The Group has total cash outflows for leases of S\$211,532 in 2021.

	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
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**16. Trade and other payables****Trade payables**

Third parties		66,392	39,639	9,400	10,433
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**Other payables**

Accruals		106,395	98,041	71,868	74,028
Amount due to a subsidiary		-	-	26,544	2,734
Deferred grant income - Jobs Support Scheme		45,452	17,224	27,043	-
Non-trade creditors		3,503	2,876	3,383	2,876
Provision for unutilised leave		21,507	12,400	15,558	7,767
<b>Total other payables</b>		<b>176,857</b>	<b>130,541</b>	<b>144,396</b>	<b>87,405</b>

<b>Total trade and other payables</b>		<b>243,249</b>	<b>170,180</b>	<b>153,796</b>	<b>97,838</b>
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Trade payables are interest-free and are generally repayable within 30 days' (2020: 30 days') term.

The deferred grant income - Jobs Support Scheme (JSS) will be recognised as a grant income, on a systematic basis, over the estimated 17 months of economic uncertainty till August 2021 in which the Group recognises the related salary costs.

The non-trade amount due to a subsidiary is unsecured, interest-free and is repayable on demand.

At the reporting date, the carrying amounts of trade and other payables approximate their fair values.



	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>17. Lease liabilities</b>					
Current		99,066	102,903	99,066	102,903
Non-current		22,612	121,678	22,612	121,678
<b>Total lease liabilities</b>		<b>121,678</b>	<b>224,581</b>	<b>121,678</b>	<b>224,581</b>

A reconciliation of lease liabilities arising from financing activities is as follows:

	1 April 2020 S\$	Repayments during the year S\$	Accretion of interests S\$	Non-cash changes Related rent concessions S\$	Others S\$	31 March 2021 S\$
<b>Group and Company</b>						
Current	102,903	(41,295)	9,196	(70,804)	99,066	99,066
Non-current	<u>121,678</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(99,066)</u>	<u>22,612</u>
	<u>224,581</u>	<u>(41,295)</u>	<u>9,196</u>	<u>(70,804)</u>	<u>0</u>	<u>121,678</u>

	1 April 2019 S\$	Additions during the year S\$	Repayments during the year S\$	Non-cash changes Accretion of interests S\$	Others S\$	31 March 2020 S\$
<b>Group and Company</b>						
Current	0	177,722	(194,606)	16,885	102,902	102,903
Non-current	<u>0</u>	<u>224,580</u>	<u>0</u>	<u>0</u>	<u>(102,902)</u>	<u>121,678</u>
	<u>0</u>	<u>402,302</u>	<u>(194,606)</u>	<u>16,885</u>	<u>0</u>	<u>224,581</u>

## 18. Related party transactions

(a) The following transactions took place between the Group and the Company and related parties during the financial year at terms agreed between the parties:

	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>Transactions with related parties:</b>					
<b>Subsidiary</b>					
<b>O2 Pte. Ltd.</b>					
<b>Income</b>					
Project income		-	-	(1,050)	-
Rental income		-	-	(24,063)	(41,525)
<b>Expenses</b>					
Event		-	-	35,306	28,900
Income collected on behalf of the Subsidiary		-	-	119,793	107,568
Income collected on behalf of the Company		-	-	(37)	-
Expenses paid on behalf of the Subsidiary		-	-	433	847

## Notes to the Financial Statements

	NOTE	GROUP 2021	GROUP 2020
<b>Company in which family members of directors have an interest</b>			
<b>Advante Consulting Pte Ltd</b>			
Donations		(9,900)	(1,100)
Accounting, tax and payroll fees		31,780	37,571
Others		1,345	-
<b>A director</b>			
<b>Low Heng Khuen</b>			
Donations		8,020	-
Claims and reimbursements		6,404	864

(b) The key management personnel compensation for the financial year was as follows:

	NOTE	GROUP 2021	GROUP 2020
<b>Key management personnel compensation</b>			
<b>Director's remuneration</b>			
Salaries and other short-term benefits		47,500	46,754
Post-employment benefits – CPF contributions		8,075	7,949
<b>Total</b>		<b>55,575</b>	<b>54,703</b>
<b>Director's remuneration charged to the following expense</b>			
Cost of charitable activities	8	55,575	54,703
<b>Remuneration band (S\$50,001 to S\$100,000)</b>			
Number of key management personnel		1	1

The remuneration of key management personnel is determined by the directors.

## 19. Management of conflict of interest

The directors are required to disclose any interest that they may have, whether directly or indirectly, that the Group may enter into or in any organisation that the Group has dealings with or is considering dealing with and any personal interests accruing to him as one of the Group's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected member of the Board may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

## 20. Reserve policy and position

The Company's reserve position for financial year ended 31 March 2021 and 2020 are as follows:

	2021	2020	Increase/(Decrease)
	S\$'000	S\$'000	%
(A) Unrestricted fund - Accumulated fund	268	77	248
(B) Restricted or designated funds	0	0	N/A
(C) Endowment fund	0	0	N/A
(D) Total funds	268	77	248
(E) Total annual operating expenditure	965	1,302	(26)
(F) Ratio of funds to annual operating expenditure (A/E)	0.278	0.059	

Reference:

C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a foundation to spend as grants.

D. Total Funds include unrestricted, restricted / designated and endowment funds.

E. Total Annual Operating Expenditure includes expenses related to Cost of Charitable Activities and Governance and Administrative Costs.

The Company's reserve policy is as follows:

The Company shall try to maintain its reserve at a minimum level equivalent to a reserve ratio of 0.25 which corresponds to three (3) months' operational expenditures and shall not exceed the reserve ratio of 2. This is to ensure that the Company has enough liquidity to tide through unforeseen temporal economic downturns while at the same time be able to use the reserves to generate economic activities.

## 21. Financial instruments

The carrying amounts of financial assets and liabilities of the Group and the Company as at end of financial year are as follows:

	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>Financial assets, at amortised cost</b>					
Cash and cash equivalents		522,717	170,348	350,127	84,056
Trade and other receivables (excluding prepayments)		155,089	135,622	80,768	84,026
<b>Total financial assets</b>		<b>677,806</b>	<b>305,970</b>	<b>430,895</b>	<b>168,082</b>
	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>Financial liabilities, at amortised cost</b>					
Trade and other payables (excluding deferred grant income and provision for unutilised leave)		176,290	140,556	111,195	90,071
Lease liabilities		121,678	224,581	121,678	224,581
<b>Total financial liabilities</b>		<b>297,968</b>	<b>365,137</b>	<b>232,873</b>	<b>314,652</b>

## 22. Financial risk management

The Group's activities expose it mainly to liquidity risk, credit risk and interest rate risk.

The Board of Directors are responsible for setting the objectives and underlying principles of financial risk management for the Group. The Group's management then establishes the detailed policies such as risk identification and measurement and exposure limits and hedging strategies, in accordance with the objectives and underlying principle approved by the Board of Directors.

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

### 22.1 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations due to shortage of funds. The Group exposure to liquidity risk arises primarily from mis-matches of the maturities of financial assets or liabilities.

The Group adopts prudent liquidity risk management by maintaining sufficient cash and cash equivalents and available funding through an adequate amount of committed credit facilities.

The table below summarises the maturity profile of the Group's financial liabilities at the end of the reporting period based on the contractual undiscounted repayment obligations:

	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>Maturity profile of financial assets and liabilities</b>					
<b>Within one year</b>					
<b>Financial assets, at amortised cost</b>					
Cash and cash equivalents		522,717	170,348	350,127	84,056
Trade and other receivables (excluding prepayments)		155,089	135,622	80,768	84,026
<b>Total financial assets</b>		<b>677,806</b>	<b>305,970</b>	<b>430,895</b>	<b>168,082</b>
<b>Financial liabilities, at amortised cost</b>					
Trade and other payables (excluding deferred grant income and provision for unutilised leave)		(176,290)	(140,556)	(111,195)	(90,071)
Lease liabilities		(102,425)	(112,098)	(102,425)	(112,098)
<b>Total financial liabilities</b>		<b>(278,715)</b>	<b>(252,654)</b>	<b>(213,620)</b>	<b>(202,169)</b>
<b>Later than one year but not later than five years</b>					
<b>Financial liabilities, at amortised cost</b>					
Lease liabilities		(22,761)	(125,186)	(22,761)	(125,186)
<b>Net financial assets/(liabilities)</b>		<b>376,330</b>	<b>(71,870)</b>	<b>194,514</b>	<b>(159,273)</b>

### 22.2 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group.

#### (i) Risk management

The Group adopts the following policy to mitigate the credit risk.

For banks and financial institutions, the Group mitigates its credit risks by transacting only with counterparties who are rated "A" and above by independent rating agencies.

The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligation as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

(ii) Impairment of financial assets

The Group had applied the simplified approach by using the provision matrix to measure the lifetime expected credit losses for trade receivables and contract assets.

To measure the expected credit losses, these receivables have been grouped based on shared credit risk characteristic and days past due. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers, and adjust for forward-looking macroeconomic data.

Receivables are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the Group. The Group categorises a receivable for write off when a debtor fails to make contractual payment based on historical collection trend.

Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in the statement of financial activities.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor;
- A breach of contract, such as a default or past due event;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- There is a disappearance of an active market for that financial asset because of financial difficulty.

The Group categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

Trade receivables are unsecured and the analysis of their aging is as follows:

	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>Trade receivables aging analysis</b>					
Current		66,754	33,392	10,626	5,457
<b>Past due but not impaired</b>					
Within 30 days		600	8,616	-	7,176
31 to 60 days		1,690	999	160	924
61 days and above		200	25,000	200	25,000
<b>Total trade receivables</b>		<b>69,244</b>	<b>68,007</b>	<b>10,986</b>	<b>38,557</b>

In calculating the expected credit loss rates, the Group considers historical rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no receivable expectation of recovery, such as debtors failing to engage in repayment plan with the Group. The Group considers a financial asset as default if the counterparty fails to make contractual payments within a year when they fall due, and writes off the financial asset when a debtor fails to make contractual payments despite the Group's effort to collect the financial asset after a year past due. When receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in the consolidated statement of financial activities.

The Group has provided credit loss allowance amounting to S\$Nil (2020: S\$1,525) and subsequently written off as at 31 March 2021 and 2020, respectively

**22.3 Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from their cash and cash equivalents and borrowings.

The Group does not expect any significant effect on the Group's income or expenditure arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

Sensitivity analysis for interest rate risk

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments were as follows:

	NOTE	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
<b>Fixed rate instruments</b>					
<b>Financial liabilities</b>					
Lease liabilities		121,678	224,581	121,678	224,581

The sensitivity analysis is based on changes in the interest rates of variable rate financial instruments.

Sensitivity analysis for interest rate risk is not presented as the Group do not have significant exposure to market risk for changes in interest rate.

At the reporting date, the Group does not have variable rate interest-bearing financial instruments.

**23. Fair values**

The carrying amounts of the financial assets and liabilities recorded in the financial statements of the Group approximate their fair values due to their short-term nature.

The carrying amounts of lease liabilities approximate their fair values as they are subject to interest rate close to market rate of interests for similar arrangements with financial institutions.

## 24. Comparative figures

Restatements have been made to the prior year's financial statements as follows:

The comparative figures for the financial year ended 31 March 2020 have been restated in the following balances due to unrecorded 6 months rent free period as stated in the renewal contract of lease.

The effect of the restatements are summarised as follows:

2020	As previously reported S\$	Restatement S\$	As restated S\$
<b>Group</b>			
<b>Statement of financial position</b>			
Property, plant and equipment	321,433	(41,645)	279,788
Lease liabilities - current	134,500	(31,597)	102,903
Lease liabilities - non-current	154,219	(32,541)	121,678
<b>Statement of financial activities</b>			
Governance and administrative costs	451,895	(19,220)	432,675
Finance cost	20,158	(3,273)	16,885

2020	As previously reported S\$	Restatement S\$	As restated S\$
<b>Company</b>			
<b>Statement of financial position</b>			
Property, plant and equipment	318,978	(41,645)	277,333
Lease liabilities - current	134,500	(31,597)	102,903
Lease liabilities - non-current	154,219	(32,541)	121,678

## 25. Impact of Coronavirus Disease 2019 (COVID-19)

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Group's significant operations are in Singapore. The nature of the Group's business are those of activities relating to arts education which have been affected by the spread of COVID-19 in 2021. Summarise the impact of COVID-19 as below on the Group's financial performance reflected in this set of financial statements for the year ended 31 March 2021:

- i. The Group has assessed that the going concern basis of preparation for this set of financial statements remains appropriate. The Board of Directors are continuously monitoring the COVID-19 pandemic situation and will take further action as necessary in response to the economic disruption.
- ii. The Singapore Multi-Ministry Taskforce implemented an elevated set of safe distancing measures as a circuit breaker from 7 April 2020 to 1 June 2020, to pre-empt the trend of increasing local transmission of COVID-19. Except for those providing essential services and selected economic sectors which are critical for our local and the global supply chains, all businesses are required to suspend all in-person activities and the Group's physical operations were temporarily closed to adhere to the respective governments' movement control measures.
- iii. During the financial year, the Group received rental rebates from the Landlord for its leasing of premises and studio equipment amounted to S\$88,456. The effects of the rental concessions received are disclosed in Note 17.

iv. As the COVID-19 pandemic minimised the community mobility of the customers affecting the Group's physical operations, the Group reached out to lessors for provisions of rental rebates or lowered leasing commitments and applied for NAC operational grant.

v. The government has also implemented assistance measures which might mitigate some of the impact of COVID-19 on the Group's results and liquidity.

As the global COVID-19 situation remains very fluid at the date these financial statements were authorised for issuance, the Group cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 March 2022. If the situation persists beyond management's current expectations, the Group's assets may be subject to further write-downs in the subsequent financial periods.

## **26. Authorisation of financial statements**

The financial statements for the financial year ended 31 March 2021 were authorised for issue in accordance with a resolution of the Board of Directors of the Group on 26 September 2021.