

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)
Registration No. 199905145W

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

VERITY PARTNERS
Chartered Accountants of Singapore

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)
Registration No. 199905145W

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THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

DIRECTORS' STATEMENT

The directors present this statement to the members of the Company together with the audited financial statements for the financial year ended 31 March 2022.

1. **OPINION OF THE DIRECTORS**

In the opinion of the directors:

- (a) the financial statements set out on pages 7 to 29 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2022 and the financial performance, changes in fund and cash flows of the Company for the financial year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. **DIRECTORS**

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

Tan Beng Tian
Kwek Hongwei, Luke
Goh Chin Hou (appointed on 10 August 2022)
Yeo Whay Nee (appointed on 10 August 2022)

3. **ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES**

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

4. **OTHER MATTERS**

As the Company is limited by guarantee, matters relating to the issue of shares and share options are not applicable.

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

DIRECTORS' STATEMENT

5. INDEPENDENT AUDITOR

The independent auditor, Verity Partners, has expressed its willingness to accept re-appointment.

6. AUTHORISATION OF FINANCIAL STATEMENTS

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors



.....
TAN BENG TIAN
Director



.....
YEO WHAY NEE
Director

DATED: 26 SEPTEMBER 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE FINGER PLAYERS LTD
Registration No. 199905145W

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of THE FINGER PLAYERS LTD (the Company), which comprise the statement of financial position as at 31 March 2022, and the statement of comprehensive income, statement of changes in fund and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 7 to 29.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967, the Charities Act 1994 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRS) so as to give a true and fair view of the financial position of the Company as at 31 March 2022 and of the financial performance, changes in fund and cash flows of the Company 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 Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The financial statements of the Company for the financial year ended 31 March 2021 were audited by another auditor who expressed an unmodified opinion on those statements on 30 September 2021.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE FINGER PLAYERS LTD
Registration No. 199905145W**

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report is the Directors' Statement set out on pages 1 to 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 Act, the Charities Act and Regulations and FRS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

Those charged with governance comprises the directors. Their responsibilities include overseeing the Company's financial reporting process.

VERITY PARTNERS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FINGER PLAYERS LTD Registration No. 199905145W

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

VERITY PARTNERS

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE FINGER PLAYERS LTD
Registration No. 199905145W**

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

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 have been properly kept in accordance with the provisions of the Act, and the Charities Act and Regulations.

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

VERITY PARTNERS
Public Accountants and
Chartered Accountants
Singapore

DATED: 26 SEPTEMBER 2022

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 S\$	2021 S\$
ASSETS			
Non-current assets			
Equipment	5	<u>2,134</u>	<u>2,960</u>
Current assets			
Trade and other receivables	6	33,095	52,411
Cash and cash equivalents		<u>634,031</u>	<u>508,132</u>
		<u>667,126</u>	<u>560,543</u>
TOTAL ASSETS		<u><u>669,260</u></u>	<u><u>563,503</u></u>
FUND AND LIABILITIES			
Unrestricted fund			
General fund	7	<u>619,826</u>	<u>466,675</u>
		<u>619,826</u>	<u>466,675</u>
Current liabilities			
Trade and other payables	8	49,434	36,828
Contract liabilities	9	<u>-</u>	<u>60,000</u>
		<u>49,434</u>	<u>96,828</u>
TOTAL FUND AND LIABILITIES		<u><u>669,260</u></u>	<u><u>563,503</u></u>

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

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 S\$	2021 S\$
INCOME			
Performance income	10	295,509	279,885
Voluntary income	10	612,489	652,862
Other income	10	97,189	150,803
		<u>1,005,187</u>	<u>1,083,550</u>
EXPENDITURE			
Artistic and production costs		(338,040)	(287,316)
Audience development and education costs		(231,761)	(208,652)
Staff costs	11	(202,038)	(229,411)
Other operating expenses		(80,197)	(91,689)
		<u>(852,036)</u>	<u>(817,068)</u>
NET INCOME FOR THE YEAR	12	<u>153,151</u>	<u>266,482</u>
TOTAL COMPREHENSIVE INCOME		<u>153,151</u>	<u>266,482</u>

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

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

STATEMENT OF CHANGES IN FUND
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Unrestricted fund - General fund	Total
	S\$	S\$
Balance at 1 April 2021	466,675	466,675
Total comprehensive income	153,151	153,151
Balance at 31 March 2022	619,826	619,826
	Unrestricted fund - General fund	Total
	S\$	S\$
Balance at 1 April 2020	200,193	200,193
Total comprehensive income	266,482	266,482
Balance at 31 March 2021	466,675	466,675

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

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 S\$	2021 S\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year		153,151	266,482
Adjustments for:			
Depreciation	5	826	826
Operating cash flows before working capital changes		153,977	267,308
Changes in working capital:			
Trade and other receivables		19,316	(8,623)
Trade and other payables		12,606	(56,674)
Contract liabilities		(60,000)	(40,000)
Net Cash From Operating Activities		125,899	162,011
Net Increase In Cash And Cash Equivalents		125,899	162,011
CASH AND CASH EQUIVALENTS			
Opening balance		508,132	346,121
Closing balance		634,031	508,132

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

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

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

1. GENERAL

The financial statements were authorised for issue by the Board of Directors on 26 September 2022.

The Company, which is limited by guarantee, is incorporated and domiciled in the Republic of Singapore.

Under Article 7 of its Memorandum of Association, every member of the Company undertakes to contribute to the assets of the Company if the Company is wound up during the time he is a member, or within one year afterwards, for the payment of the Company's debts and liabilities contracted before he ceases to be a member and the costs and expenses of the winding up, and for adjusting the rights among contributors, any amount as may be required, but not exceeding the sum of S\$100 only.

The Company is also register as a charity under the Charities Act 1994 with effect from 14 April 2005. The Company has been accorded an Institution of Public Character (IPC) status and has renewed its status from 1 July 2021 to 30 June 2023.

The registered office, which is also the principal place of business, is located at 126, Cairnhill Road, #03-01/02, Cairnhill Art Centre, Singapore 229707.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements are drawn up in accordance with the provision of the Companies Act 1967, Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore (FRS).

The financial statements are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Transfers between levels of the fair value hierarchy are recognised by the Group at the end of the reporting period during which the change occurred.

The preparation of financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision only affects that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 April 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

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

Description	Effective for annual periods beginning on or after
Amendments to FRS 16 Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
Amendments to FRS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 Presentation of Financial Statements and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023

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

2.2 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (functional currency). The financial statements are presented in Singapore Dollar (S\$), which is the Company's functional currency.

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Equipment

Equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated on a straight-line basis so as to write-off the cost of the assets over their estimated useful lives, as follows:

	Number of years
Office equipment	5
Renovation	5

The residual values and useful lives of equipment are reviewed, and adjusted as appropriate, at the end of the reporting period.

Subsequent expenditure relating to equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Company and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial period in which it is incurred.

On disposal of an item of equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

2.4 Financial assets

Classification and measurement

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

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

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

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

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Financial assets (continued)

Classification and measurement (continued)

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

The Company does not have any financial assets measured at FVOCI and FVPL at the end of the reporting period, and accordingly, the following policies on recognition and subsequent measurement are disclosed for financial assets at amortised cost only:

At initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

At subsequent measurement

Debt instruments of the Company mainly comprise cash and cash equivalents 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 profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

Impairment

The Company assesses on a forward-looking basis the expected credit losses 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.

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

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Financial assets (continued)

Recognition and derecognition

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

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company 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 profit or loss.

2.5 Receivables

Trade and other receivables are measured at initial recognition at fair value and subsequently at amortised cost using the effective interest rate method less an allowance for expected credit losses.

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

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and cash on hand.

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

2.7 Financial liabilities

The Company classifies its financial liabilities in the following categories: (a) financial liabilities at fair value through profit or loss; and (b) financial liabilities at amortised cost.

Financial liabilities are classified as financial liabilities at fair value through profit or loss if they are incurred for the purpose of short-term repurchasing (held for trading) or designated by management on initial recognition (designated under the fair value option). The Company does not have any financial liabilities classified at fair value through profit or loss at the end of the reporting period.

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Financial liabilities (continued)

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

Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transactions costs.

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest rate method, except for derivatives, which are measured at fair value.

A financial liability is derecognised when the obligation under the liability is extinguished. For financial liabilities other than derivatives, gains and losses are recognised in profit or loss when the liabilities are derecognised. Net gains or losses on derivatives include exchange differences.

2.8 Payables

Payables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

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

2.9 Leases - As lessee of short-term leases and leases of low value assets

At the inception of the contract, the Company assesses if the contract contains a lease. A contract contains a lease if the contract convey 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.

The Company has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Income recognition

Income comprises the fair value of the consideration received to which the Company expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties.

Income is recognised when the Company satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the 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.

Donations

Donations received are recognised in the financial statements as and when they are received.

Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

Engagement fees, touring and arts education programme

Revenue from rendering of services is recognised once the services have been performed and rendered.

Sales of tickets

Revenue from sales of tickets for performance carried out during the reporting period is recognised when the performance has been completed.

Miscellaneous income

Miscellaneous income is recognised when received.

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Government grants

Government grants are recognised when there is reasonable assurance that the Company will comply with conditions related to them and that the grants will be received.

Grants related to income are recognised in profit or loss over the periods necessary to match them with the related costs that they are intended to compensate. The timing of such recognition in profit or loss will depend on the fulfillment of any conditions or obligations attached to the grant.

Grants related to assets are presented as deferred income (liability) in the statement of financial position. The profit or loss will be affected by recognising deferred income systematically over the useful life of the related asset.

2.12 Impairment of non-financial assets

The Company assesses at each reporting date whenever there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount (i.e. higher of the cash-generating unit's fair value less cost to sell and value in use) of the asset is estimated to determine the amount of the impairment loss.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs to. If the recoverable amount of the asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. The impairment loss is recognised in profit or loss 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 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 an 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 amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Expenditure recognition

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

2.14 Employee benefits

As required by law, the Company makes contributions to the Central Provident Fund (CPF). CPF contributions are recognised as compensation expenses in the same period as employment that gives rise to the contributions. These expenses are charged to profit or loss as and when they arise and are disclosed as part of staff costs.

2.15 Foreign currencies

Transactions in foreign currencies are measured and recorded in Singapore Dollar using the exchange rate in effect at the date of the transaction. At the end of the reporting period, recorded monetary balances that are denominated in a foreign currency are translated to reflect the rate at that date. All exchange adjustments are taken to profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.16 Taxation

There is no tax charge as the Company is exempted from tax under Section 13(1) (zm) of the Income Tax Act 1947, as it is a registered charity under the Charities Act 1994 since 14 April 2005.

THE FINGER PLAYERS LTD
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

3. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

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 judgements in applying the Company's accounting policies

The management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.

3.2 Useful lives of equipment

The management of the Company determines the estimated useful lives and related depreciation expense for the equipment. The management of the Company estimates useful lives of the equipment by reference to expected usage of the equipment, expected repair and maintenance, and technical or commercial obsolescence arising from changes or improvements in the market. The useful lives and related depreciation expense could change significantly as a result of the changes in these factors.

3.3 Allowance for impairment of receivables

The policy for allowance for impairment of trade and other receivables of the Company is based on the evaluation of collectibility of receivables, ageing analysis of accounts and on management's estimate. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of the debtors were to deteriorate and result in an impairment of their ability to make payments, additional allowance may be required.

3.4 Government grants

Government grants to meet operating expenses are recognised as income in the statement of comprehensive income on the accruals basis in the year these operating expenses were incurred and there is reasonable assurance that the Company 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 the funds which have been disbursed to the Company if the conditions are not met.

4. **PRINCIPAL ACTIVITIES**

The principal activities of the Company are those of productions of live theatrical presentations (including stage plays, musicals and theatre productions).

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NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

5. EQUIPMENT

	At 01.04.2021	Additions	Disposals	At 31.03.2022
	S\$	S\$	S\$	S\$
Cost				
Office equipment	4,130	-	-	4,130
Renovation	4,550	-	-	4,550
	<u>8,680</u>	<u>-</u>	<u>-</u>	<u>8,680</u>
Accumulated depreciation				
Office equipment	1,170	826	-	1,996
Renovation	4,550	-	-	4,550
	<u>5,720</u>	<u>826</u>	<u>-</u>	<u>6,546</u>
	At 01.04.2020	Additions	Disposals	At 31.03.2021
	S\$	S\$	S\$	S\$
Cost				
Office equipment	4,130	-	-	4,130
Renovation	4,550	-	-	4,550
	<u>8,680</u>	<u>-</u>	<u>-</u>	<u>8,680</u>
Accumulated depreciation				
Office equipment	344	826	-	1,170
Renovation	4,550	-	-	4,550
	<u>4,894</u>	<u>826</u>	<u>-</u>	<u>5,720</u>
			At 31.03.2022	At 31.03.2021
			S\$	S\$
Carrying amount				
Office equipment			2,134	2,960
Renovation			-	-
			<u>2,134</u>	<u>2,960</u>

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NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

6. TRADE AND OTHER RECEIVABLES

	2022	2021
	S\$	S\$
	S\$	S\$
Trade receivables	12,140	26,826
Deposits	915	875
Grant receivables	18,540	22,960
Prepayments	1,500	-
Sundry receivables	-	1,750
	20,955	25,585
	33,095	52,411

7. GENERAL FUND

The general fund is expandable at the discretion of management in furtherance of the Company's objectives and purposes.

8. TRADE AND OTHER PAYABLES

	2022	2021
	S\$	S\$
Trade payables	26,361	24,890
Accruals	5,992	5,992
Non-trade payables	17,081	5,946
	23,073	11,938
	49,434	36,828

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NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

9. CONTRACT LIABILITIES

	2022	2021
	S\$	S\$
Amount received in advance for production fees and sponsorship support	-	60,000

The contract liabilities relate to the production fees and sponsorship support for the unsatisfied performance obligation in providing the production to be held. Revenue will be recognised when the production are held.

10. INCOME

	2022	2021
	S\$	S\$
Performance income		
Engagement fees	132,307	164,774
Ticket sales	8,202	6,111
Touring	155,000	109,000
	295,509	279,885
Voluntary income		
Donations	88,087	63,748
Government grants:		
- National Arts Council		
- Arts fund	12,000	12,000
- Major grant	336,000	420,000
- Other projects	119,600	78,960
- Culture Matching fund	56,802	78,154
	612,489	652,862
Other income		
Arts education programme	38,884	24,680
Job support scheme and other government grants	55,797	113,634
Miscellaneous income	2,508	12,489
	97,189	150,803
	1,005,187	1,083,550

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NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

10. INCOME (CONTINUED)

	2022	2021
	S\$	S\$
Timing of transfer of services:		
At a point in time	850,187	974,550
Over time	155,000	109,000
	1,005,187	1,083,550

During the reporting period, the Company issued tax-deductible receipts for donations totalling S\$36,912 (2021: S\$13,649) pursuant to its IPC status:

	2022	2021
	S\$	S\$
Tax exempt donations	36,912	13,649
Non-tax exempt donations	51,175	50,099
	88,087	63,748

11. STAFF COSTS

	2022	2021
	S\$	S\$
Staff salaries	170,273	188,436
Staff CPF contributions	28,993	32,034
Other staff costs	2,772	8,941
	202,038	229,411

12. NET INCOME FOR THE YEAR

	2022	2021
	S\$	S\$
This is determined after charging:		
Instructors' and artists' fees	226,435	238,140
Short-term lease expense	7,625	5,443
Touring expenses	174,864	120,486
	174,864	120,486

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NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

13. RELATED PARTY TRANSACTIONS

During the reporting period, there were significant related party transactions, at terms agreed between the parties, as follows:

	2022	2021
	S\$	S\$
Transaction with director		
Professional fees paid to director	-	4,300
	<u> </u>	<u> </u>
Transactions with key management personnel		
Salaries and other short-term employee benefits	76,250	126,821
CPF contributions	12,963	21,420
Project fees	21,751	19,670
	<u>110,964</u>	<u>167,911</u>
	<u> </u>	<u> </u>
	2022	2021
Number of key management personnel in remuneration band below S\$100,000	<u> 3</u>	<u> 3</u>

14. FINANCIAL INSTRUMENTS

Categories of financial instruments

The financial instruments as at the end of the reporting period were:

	2022	2021
	S\$	S\$
Financial assets measured at amortised cost	665,626	560,543
Financial liabilities measured at amortised cost	<u>49,434</u>	<u>36,828</u>

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NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

14. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management

The main risks arising from the Company's financial instruments are liquidity risk and credit risk. The policies for managing each of these risks were summarised as follows:

14.1 Liquidity risk

Liquidity risk is the risk the Company is unable to meet its cash flow obligations as and when they fall due.

In the management of its liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

Trade and sundry payables are non-interest bearing and are generally on 30 days' term.

14.2 Credit risk

Credit risk is the potential loss arising from any failure by the customers or debtors to fulfill their obligations as and when these obligations fall due.

Due to the nature of its operations, the Company has minimal exposure to credit risk. As the Company does not hold any collateral, the carrying amounts of the financial assets represent the Company's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

There is no concentration of credit risk with respect to other receivables at the end of the reporting period.

Trade receivables are non-interest bearing and are generally on 30 days' term.

Credit risk on bank deposits is limited as these balances are placed with a financial institution which is regulated. Receivables that are neither past due nor impaired are creditworthy debtors with good collection track record with the Company. There is no other class of financial assets that is past due and/or impaired except for trade receivables.

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NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

14. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management (continued)

14.2 Credit risk (continued)

A summary of the Company's exposure to credit risk for trade receivables is as follows:

	2022	2021
	S\$	S\$
Current	6,840	26,826
Past due 1 to 30 days	5,300	-
	<u>12,140</u>	<u>26,826</u>

The management is of the opinion that there is no significant collection losses associated with its debtor balances as the management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

15. RESERVES POLICY

The Company's reserves position at the end of the reporting period were as follows:

	2022	2021	Increase / (Decrease)
	S\$	S\$	
Unrestricted fund	619,826	466,675	32.82%
Restricted/Designated Fund	-	-	0.00%
	<u>619,826</u>	<u>466,675</u>	
Ratio of unrestricted funds to annual operating expenditure	<u>0.73</u>	<u>0.57</u>	

The reserve policy of the Company provides financial stability and the means for the development of the Company's principal activities. The management intends to maintain the reserves at a level sufficient for its operating needs.

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

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NOTES TO THE FINANCIAL STATEMENTS, 31 MARCH 2022

16. MANAGEMENT OF CONFLICT OF INTEREST

One of the Board members, who is also a co-founder of the Company, has served for more than 10 consecutive years to provide continuity after the Board renewal in 2022.

During the current and prior reporting period, none of the Board members received any remuneration from the Company.

The Board of Directors are required to disclose any interest that they may have, whether directly or indirectly, that the Company may enter into or in any organisations that the Company has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Company's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected Director 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.

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**DETAILED INCOME AND EXPENDITURE ACCOUNTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

	2022 S\$	2021 S\$
INCOME		
Performance income		
Engagement fees	132,307	164,774
Ticket sales	8,202	6,111
Touring	<u>155,000</u>	<u>109,000</u>
	<u>295,509</u>	<u>279,885</u>
Voluntary income		
Donations	88,087	63,748
Government grants:		
- National Arts Council		
- Arts fund	12,000	12,000
- Major grant	336,000	420,000
- Other projects	119,600	78,960
- Culture Matching fund	<u>56,802</u>	<u>78,154</u>
	<u>612,489</u>	<u>652,862</u>
Other income		
Arts education programme	38,884	24,680
Job support scheme and other government grants	55,797	113,634
Miscellaneous income	<u>2,508</u>	<u>12,489</u>
	<u>97,189</u>	<u>150,803</u>
	1,005,187	1,083,550
Less:		
EXPENDITURE	<u>852,036</u>	<u>817,068</u>
NET INCOME FOR THE FINANCIAL YEAR	<u><u>153,151</u></u>	<u><u>266,482</u></u>

This schedule does not form part of the financial statements.

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EXPENDITURE
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	2022	2021
	S\$	S\$
Artistic and production costs		
Creative artists' fees	55,540	46,115
Performing artists' fees	7,000	22,700
Publicity and promotions	13,869	18,881
Theatre rental	4,277	2,356
Touring	174,864	120,486
Others	82,490	76,778
	<u>338,040</u>	<u>287,316</u>
Audience development and education costs		
Costumes/hair/makeup	431	220
Instructors' and artists' fees	163,895	169,325
Miscellaneous	37,310	13,884
Puppets/sets/props	16,730	7,174
Reach-out production (printing and stationery)	4,674	11,998
Sound	6,600	3,500
Transportation	2,121	2,551
	<u>231,761</u>	<u>208,652</u>
Staff costs		
Staff salaries	170,273	188,436
Staff CPF contributions	28,993	32,034
Other staff costs	2,772	8,941
	<u>202,038</u>	<u>229,411</u>
Other operating expenses		
Bank charges	1,106	1,397
Depreciation charges	826	826
Foreign exchange loss	44	-
IT software and subscription fees	2,727	-
Marketing	10,000	16,313
Postage, courier, printing and stationery	3,172	2,936
Professional fees	28,104	24,471
Rental of premises	3,348	3,087
Repairs and maintenance	13,056	8,034
Sub-contractor fees	11,900	26,100
Telecommunications	1,378	1,778
Water and electricity	2,626	2,262
Others	1,910	4,485
	<u>80,197</u>	<u>91,689</u>
TOTAL EXPENDITURE	<u><u>852,036</u></u>	<u><u>817,068</u></u>

This schedule does not form part of the financial statements.

