

SINGAPORE DRAMA EDUCATORS ASSOCIATION

ACCOUNTS - 31 MARCH 2019

UEN No. T02SS0123G

SINGAPORE DRAMA EDUCATORS ASSOCIATION

STATEMENT BY THE MANAGEMENT COMMITTEE

We, being two members of the Management Committee of Singapore Drama Educators Association, state that in the opinion of the management committee, the accompanying Statement of Financial Position, Statement of Income & Expenditure, Statement of Changes in Fund, Statement of Cash Flows, together with the notes thereon, are properly drawn up in accordance with the provisions of the Societies Act Cap. 311 and the Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Association as at 31 March 2019 and its financial performance, changes in fund and cash flows for the year then ended.



.....
Elvira Holmberg
President



.....
Elaine Ng Eng Ngee
Hon. Treasurer

Singapore, 16 August 2019

T11LL1819B

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SINGAPORE DRAMA EDUCATORS ASSOCIATION

Report on the Audit of the financial statements

Opinion

We have audited the accompanying financial statements of Singapore Drama Educators Association, which comprise the statement of financial position as at 31 March 2019, the statement of income and expenditure, statement of changes in fund and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Societies Act, Cap. 311 (the "Act") and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Association as at 31 March 2019, and of the financial performance, changes in fund and cash flows of the Association for the year then ended.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Statement by the Management Committee.

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.

SINGAPORE DRAMA EDUCATORS ASSOCIATION

INDEPENDENT AUDITORS' REPORT FOR THE FINANCIAL YEAR
ENDED 31 MARCH 2019Management's Responsibilities 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 and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The management's responsibilities include overseeing the Association's financial reporting process.

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

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

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

SINGAPORE DRAMA EDUCATORS ASSOCIATION

INDEPENDENT AUDITORS' REPORT FOR THE FINANCIAL YEAR
ENDED 31 MARCH 2019

- 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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management 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 by the regulations enacted under the Societies Act, Cap.311 to be kept by the Association have been properly kept in accordance with those regulations.



S.H. ONG LLP
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS
SINGAPORE

16 August 2019

SINGAPORE DRAMA EDUCATORS ASSOCIATION

STATEMENT OF FINANCIAL POSITION - 31 MARCH 2019

	Note	\$	2018 \$
<u>ASSETS</u>			
<u>NON-CURRENT ASSETS</u>			
Plant & equipment	3	16,514	26,201
<u>CURRENT ASSETS</u>			
Receivables		3,136	6,514
Other debtor		1,199	1,055
Deposits & prepayments		878	2,851
Bank and cash balances		400,347	328,703
Fixed deposit	5	104,298	104,298
		<u>509,858</u>	<u>443,421</u>
TOTAL ASSETS		<u>526,372</u>	<u>469,622</u>
<u>FUND AND LIABILITIES :</u>			
<u>FUND</u>			
Members' Fund		419,466	312,384
<u>NON-CURRENT LIABILITIES</u>			
Project Outreach		63,340	63,340
Tina Sergeant Professional Development Initiative	7	11,190	11,190
		<u>74,530</u>	<u>74,530</u>
<u>CURRENT LIABILITIES</u>			
Accruals		10,669	14,876
Other creditors		5,622	42,490
Amount due to related party	4	1,243	-
Provision for taxation		13,141	3,481
Tote Board - Advance donation		-	15,000
Advance fees & subscriptions		1,701	6,861
		<u>32,376</u>	<u>82,708</u>
TOTAL FUND AND LIABILITIES		<u>526,372</u>	<u>469,622</u>

See Accompanying Notes

SINGAPORE DRAMA EDUCATORS ASSOCIATION

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2019

	Note	\$	2018 \$
INCOME			
Membership fees		5,990	6,575
Major Grant Scheme	6	250,000	207,670
Projects			
Celebrate Drama		-	14,400
Celebrate Drama - sponsorship		-	11,719
Connections - sponsorship		4,924	-
Continuing Education Training		1,863	15,654
Continuing Education Training - Sponsorship		2,400	900
Membership engagement - Let's Connect			
Interweave		160	-
SDEA Theatre Arts Conference		-	41,209
SDEA Theatre Arts Conference - Sponsorship		-	23,340
SDEA Workshops		3,650	14,996
SDEA Journals & Library resources		-	80
Totalisator Board Gold Cup 2015		15,000	15,000
Interest income		144	1,241
Other income		7,671	816
		<u>291,802</u>	<u>353,600</u>
LESS : EXPENDITURE			
Projects			
Celebrate Drama		1,383	25,079
Connections		9,257	-
Continuing Education Training	8	5,959	7,925
Membership engagement		2,861	275
SDEA Theatre Arts Conference		-	63,824
SDEA workshops		713	4,904
		<u>20,173</u>	<u>102,007</u>
Administration			
Audit fee - current year		3,650	2,950
Audit fee - prior year		100	-
AGM expenses		870	1,079
Conference expenses		-	2,806
Depreciation		9,687	9,687
General expenses		218	560
Membership fees		545	540
Office expenses		997	1,379
Planning session		1,215	1,674
Postage & stationery		213	271
		<u>17,495</u>	<u>21,646</u>

SINGAPORE DRAMA EDUCATORS ASSOCIATION

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2019

	\$	2018 \$
Balance B/F	17,495	21,646
Professional fees	55,200	7,820
Resource expense	270	4,180
Rent	8,405	7,423
Salaries & staff costs	69,174	161,197
Transport	141	251
Telephone & website expenses	2,482	2,551
Utilities	1,720	1,579
	<u>154,887</u>	<u>206,647</u>
 SURPLUS FOR THE YEAR BEFORE TAX	 116,742	 44,946
Less : Income tax - Current year	(9,660)	(3,481)
- Prior year	-	(13)
	<u>107,082</u>	<u>41,452</u>
 SURPLUS FOR THE YEAR AFTER TAX	 <u>107,082</u>	 <u>41,452</u>

See Accompanying Notes

SINGAPORE DRAMA EDUCATORS ASSOCIATION

STATEMENT OF CHANGES IN FUND FOR THE YEAR ENDED 31 MARCH 2019

	\$	2018 \$
MEMBERS' FUND		
Opening balance	312,384	270,932
Surplus for the year after tax	107,082	41,452
	<u>419,466</u>	<u>312,384</u>
Closing balance	<u>419,466</u>	<u>312,384</u>

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	\$	2018 \$
Operating Activities		
Surplus for the year before tax	116,742	44,946
Adjustment for:		
Depreciation	9,687	9,687
Interest income	(144)	(1,241)
	<u>126,285</u>	<u>53,392</u>
Operating cash flows before working fund changes		
Add/(Less) changes in working fund:		
Other receivables	5,207	2,042
Other creditors	(59,992)	30,621
	<u>71,500</u>	<u>86,055</u>
Cash from Operating Activities		
Interest income	144	1,241
Tax paid	-	(13)
	<u>71,644</u>	<u>87,283</u>
Net cash flows from Operating Activities		
	<u>71,644</u>	<u>87,283</u>
Financing Activities:		
Tina Sergeant Professional Development Initiative	-	6,690
	<u>-</u>	<u>6,690</u>
Net cash flows from Financing Activities		
	<u>-</u>	<u>6,690</u>
Cash and cash equivalents :		
Net change	71,644	93,973
At beginning of year	433,001	339,028
	<u>504,645</u>	<u>433,001</u>
At end of year	<u>504,645</u>	<u>433,001</u>

See Accompanying Notes

SINGAPORE DRAMA EDUCATORS ASSOCIATION

NOTES TO THE ACCOUNTS - 31 MARCH 2019

These notes form an integral part of the financial statements.

1. GENERAL

The Association was registered on 29 July 2002 under the Societies Act, Cap. 311 in the Republic of Singapore as a non-profit organisation. The registered office is at Goodman Arts Centre, 90 Goodman Road, Blk B, #04-02, Singapore 439053.

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

The financial statements were approved by the Management Committee on the date stated in the statement by the Management Committee.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements are prepared in accordance with the provisions of the Societies Act, Cap. 311 and Singapore Financial Reporting Standards (FRS) and under the historical cost convention. The accounting policies applied by the Association are consistent with those used in the previous financial year.

The financial statements are presented in Singapore dollars, which is the Association's functional and presentation currency.

(b) Accounting estimates

The preparation of financial statements in conformity with FRS requires management's best ability and knowledge to make judgement, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Such judgement, estimates and assumptions are assessed on an on going basis and are based on current events, historical experience and other apparent factors under the circumstances. Actual results may differ from those estimates and assumptions which the Association makes concerning the future.

(c) Changes in accounting policies

The Association adopted all the new and revised FRS that are applicable and relevant to its operations and effective for this financial year. The adoption of new/revised FRS has no material impact on the financial statements. Preliminary assessment of FRS which have been issued but not effective indicates that these will have no material financial impact on the financial statements.

SINGAPORE DRAMA EDUCATORS ASSOCIATION

NOTES TO THE ACCOUNTS - 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

- (d) Standards issued but not yet effective
The Association has not adopted the following standard that has been issued but not yet effective :

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
FRS 116 Leases	1 January 2019

The management expects that the adoption of the above standard will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 116 is described below:

FRS 116 Leases

FRS 116 was issued in June 2016 and will supersede FRS 17 Leases and its associated interpretative guidance. The standard provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The identification of leases, distinguishing between leases and service contracts, are determined on the basis of whether there is an identified asset controlled by the customer. Significant changes to lessee accounting are introduced, with the distinction between operating and finance leases removed and assets and liabilities recognised in respect of all leases (subject to limited exceptions for short-term leases and leases of low value assets). The standard maintains substantially the lessor accounting approach under the predecessor FRS17.

(e) Plant & equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation is calculated on the straight-line method to write off the cost of the assets over their estimated useful lives as follows :

Furniture & Fittings	5 years
Renovations	5 years
Office equipment	3 years

The carrying amount is reviewed annually to assess whether it needs to be written down to its recoverable amount. Fully depreciated assets are retained in the accounts until they are no longer in use. The useful lives and depreciation method are reviewed annually to ensure that these are consistent with the pattern of economic benefits provided by the assets.

SINGAPORE DRAMA EDUCATORS ASSOCIATION

NOTES TO THE ACCOUNTS - 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

- (f) **Impairment of assets**
Assets are reviewed for impairment annually. Whenever there is an indication that an asset is impaired, the difference between the carrying amount and the estimated recoverable amount is recognised in the income and expenditure statement.
- (g) **Receivables**
Receivables are recognised and carried at cost less allowance for uncollectible amount, if any. An estimate for doubtful debt is made when collection of the full amount is no longer probable. Bad debts are written-off as and when incurred.
- (h) **Payables and Provisions**
Payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Past events are reviewed to ascertain whether provisions are required and to recognise such obligations in the financial statements if these can be estimated reliably.
- (i) **Income recognition**
Members' annual fees are recognised on the calendar year basis. Income from projects are recognised upon the completion of the projects. Donations are recognised when received. Interest income is recognised using the effective interest method.
- (j) **Grants**
Grants received are recognised as income for the year as they are used to meet the current year's operating expenses. Grants received in advance are recorded as deferred grant income.
- (k) **Operating leases**
Rent paid for operating lease is included in the statement of comprehensive income on a straight line basis over the period of the lease.
- (l) **Employee benefits**
Contributions to defined contribution pension plans (Central Provident Fund) are recognised as an expense in the same period as the employment that gives rise to the contribution. Obligations for future employee benefits, if material, are recognised as current expenses in the accounts.
- (m) **Cash and cash equivalents**
These comprise of bank and cash balances.

SINGAPORE DRAMA EDUCATORS ASSOCIATION

NOTES TO THE ACCOUNTS - 31 MARCH 2019

3. PLANT & EQUIPMENT

	Furniture & fittings \$	Office equipment \$	Renovations \$	Total \$
<u>2019</u>				
COST				
At beginning & end of year	34,973	17,051	9,361	61,385
ACCUMULATED DEPRECIATION				
At beginning of year	14,295	15,621	5,268	35,184
Charge for the year	6,893	1,430	1,364	9,687
At end of year	21,188	17,051	6,632	44,871
NET BOOK VALUE	13,785	-	2,729	16,514
<u>2018</u>				
COST				
At beginning & end of year	34,973	17,051	9,361	61,385
ACCUMULATED DEPRECIATION				
At beginning of year	7,402	14,191	3,904	25,497
Charge for the year	6,893	1,430	1,364	9,687
At end of year	14,295	15,621	5,268	35,184
NET BOOK VALUE	20,678	1,430	4,093	26,201

4. RELATED PARTY TRANSACTIONS

The amount due to related party is non-trade, unsecured, interest free and has no fixed terms of repayment. A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Association if that person:
- (i) has control or joint control over the Association;
 - (ii) has significant influence over the Association; or
 - (iii) is a member of the key management personnel of the Association.

SINGAPORE DRAMA EDUCATORS ASSOCIATION

NOTES TO THE ACCOUNTS - 31 MARCH 2019

4. RELATED PARTY TRANSACTIONS (Cont'd)

- (b) An entity is related to the Association if any of the following conditions applies:
- (i) the entity and the Association are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) both entities are joint ventures of the same third party.
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) the entity is a post-employment benefit plan for the benefit of the employees of either the Association or an entity related to the Association. If the Association is itself such a plan, the sponsoring employers are also related to the Association.
 - (vi) the entity is controlled or jointly controlled by a person identified in (a).
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Significant transactions between the Association and its related parties during the year, on terms arranged by or agreed between the parties concerned, were :

		2018
	\$	\$
Fees paid to related party	900	900
Sponsorship received from related parties	-	20,000

5. FIXED DEPOSIT

At the date of this report, the fixed deposit has matured and is in the process of being renewed.

6. MAJOR GRANT SCHEME

The Major Grant Scheme seeks to develop arts organisations that serve as hallmarks of excellence in the artistic landscape of Singapore. The Scheme provides financial assistance towards the achievement of high quality programmes that develop artistic practice, professional expertise and audience engagement with the arts.

The Association has been selected by National Arts Council ("NAC") to receive funding under the Major Grant Scheme for 3 years commencing from 1 April 2016 to 31 March 2019. During the financial year, the Association received \$250,000 (2018 : \$207,670) from NAC.

SINGAPORE DRAMA EDUCATORS ASSOCIATION

NOTES TO THE ACCOUNTS - 31 MARCH 2019

7. Tina Sergeant Professional Development Initiative

		2018
	\$	\$
Balance at beginning of year	11,190	4,500
Donations	-	9,700
Disbursements	-	(3,010)
	<u>11,190</u>	<u>11,190</u>
Balance at end of year	<u>11,190</u>	<u>11,190</u>

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

8. CONTINUING EDUCATION TRAINING

CET is one of the agreed programmes under the Major Company Scheme for FY 2017 to FY 2019. Included in the project expense is \$900 paid to a member of SDEA's executive committee, for training services rendered to the project.

9. OPERATING LEASE COMMITMENTS

Lease commitments under non-cancellable operating leases where the Association is the lessee:

		2018
	\$	\$
Payable within one year	8,405	7,855
Payable between two and five years	1,401	9,165

10. INCOME TAX

The Association is subject to tax under Section 11 (1) of the Income Tax Act. The reconciliation of tax expense is as follows:

		2018
	\$	\$
Surplus for the year before taxation	116,742	44,946
Tax at enacted rate of 17%	19,846	7,641
Tax effects of -		
Non deductible expenses	247	92
Capital allowances and timing differences	78	78
Statutory exempted income	(10,511)	(4,330)
Tax expense	<u>9,660</u>	<u>3,481</u>

SINGAPORE DRAMA EDUCATORS ASSOCIATION

NOTES TO THE ACCOUNTS - 31 MARCH 2019

11. FINANCIAL RISK MANAGEMENT

The main risk arising from the Association's financial instruments is liquidity risk. Liquidity risk is the risk that the Association is unable to meet its cash flow obligation as and when they fall due. In the management of liquidity risk, the Management Committee monitors its cash flow actively and maintains a level of cash and bank balances deemed adequate to finance the Association's activities and to mitigate the effects of fluctuations in cash flows.

12. FAIR VALUES

The fair values of the current financial assets and financial liabilities in the statement of financial position approximate their carrying values due to their short-term nature.

13. FUND MANAGEMENT

The primary objective in the management of the Association's funds is to ensure that it maintains a strong and healthy level of reserves and working fund ratio in order to support its operations.