

The directors present their report to the members together with the audited accounts of the Institute for the year ended 31 MARCH 2015.

#### **Directors**

The directors holding office at the date of this report are :

LIM FANG HUA  
POH SIN CHOON @ POH SENG CHOON  
TAN YOKE HAN  
KANG GIM SENG

ANG MONG SENG  
LIM HUAN CHIANG  
CHOO THIAM SIEW @ ANG THIAM SIEW  
LOW HEE TANG

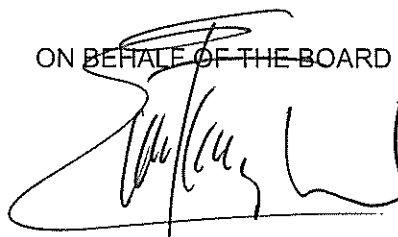
#### **Directors' Contractual Benefits**

Since the beginning of the financial year no director has received or become entitled to receive a benefit which is required to be disclosed by Section 201(8) of the Companies Act, Cap. 50 by reason of a contract made by the Institute or a related corporation with the director or with a firm of which he is a member, or with an Institute in which he has a substantial financial interest.

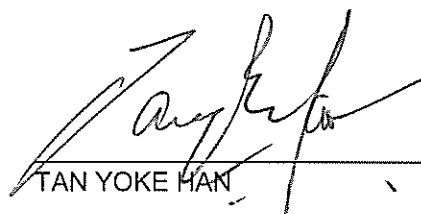
#### **Auditors**

Messrs S C TEO & CO. have expressed their willingness to accept re-appointment as independent auditors.

ON BEHALF OF THE BOARD



LIM FANG HUA



TAN YOKE HAN

SINGAPORE : - 8 SEP 2015

**THE CHINESE OPERA INSTITUTE**

- Co. Reg. No. 199504600N

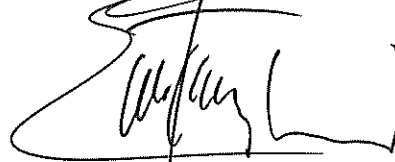
(Incorporated in the Republic of Singapore)

<Company Limited By Guarantee>

**STATEMENT OF DIRECTORS**  
for the year ended 31 March 2015

We, LIM FANG HUA and TAN YOKE HAN, being two of the directors of THE CHINESE OPERA INSTITUTE state that in the opinion of the directors, the financial statements of the Institute as set out on pages 5 to 20 are drawn up so as to give a true and fair view of the state of affairs of the Institute as at 31 MARCH 2015, and of the results of the operation, changes in funds and cash flows of the Institute for the financial year then ended, and at the date of this statement there are reasonable grounds to believe that the Institute will be able to pay its debts as and when they fall due.

ON BEHALF OF THE DIRECTORS



LIM FANG HUA



TAN YOKE HAN

SINGAPORE : - 8 SEP 2015

# **S C TEO & CO.**

*Public Accountants & Chartered Accountants*

149 Rochor Road #05-07 Fu Lu Shou Complex Singapore 188425

Tel: 63365206, 63365204, 63365202 Fax: 63365203

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## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**

### **THE CHINESE OPERA INSTITUTE**

*- Co. Reg. No. 199504600N*

(Incorporated in the Republic of Singapore)

<Company Limited By Guarantee>

#### ***Report On The Financial Statements***

We have audited the accompanying financial statements of THE CHINESE OPERA INSTITUTE, which comprise the statement of financial position as at 31 MARCH 2015, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information set out on 5 to 20.

#### ***Management's Responsibility 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 Singapore Companies Act, Chapter 50 [the "Act"], the Singapore Charities Act, Chapter 37 [the "Charities 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 unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Opinion*


In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act, the Charities Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Institute as at 31 MARCH 2015 and the results, changes in equity and cash flows of the Institute for the year ended on that date.

#### *Report On Other Legal And Regulatory Requirements*

In our opinion, the accounting and other records required by the Act to be kept by the Institute have been properly kept in accordance with the provisions of the Act.

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

- a. The use of the donation moneys was not in accordance with the objectives of the Institute as required under regulation 16 of the Charities [Institutions of a Public Character] Regulations; and
- b. The Institute has not complied with the requirements of regulation 15 [fund-raising expenses] of the Charities [Institutions of a Public Character] Regulations.



S C TEO & CO  
Public Accountants And  
Chartered Accountants  
Singapore

Dated : - 8 SEP 2015

**STATEMENT OF COMPREHENSIVE INCOME**  
 for the year ended 31 March 2015

	<u>Note</u>	<u>2015</u> \$	<u>2014</u> \$
<b>GENERAL FUND</b>			
<b>INCOME</b>			
Art Education Programme		19,880	26,029
Course Fee		6,125	12,365
Donation	4	34,989	4,000
Interest Income		738	967
NAC Subsidy		202,472	180,750
Performance Fee		2,760	300
Other Income	5	<u>19,114</u>	<u>23,249</u>
<i>Total Income</i>		<u>286,078</u>	<u>247,660</u>
<b>COST AND EXPENSES</b>			
Depreciation Of Plant And Equipment	8	15,328	15,109
Finance Costs		452	239
Salaries And Employees' Benefits	6	146,787	169,872
Other Operating Expenses	7	<u>112,157</u>	<u>151,857</u>
<i>Total Cost And Expenses</i>		<u>274,724</u>	<u>337,077</u>
<b>NET SURPLUS / (DEFICIT) FOR THE YEAR</b>		<u>11,354</u>	( <u>89,417</u> )
<b>CORD FUND</b>			
<b>EXPENDITURES</b>			
Grants		16,489	-
Other Operating Expenses		<u>95</u>	<u>-</u>
<i>Total Cost And Expenses</i>		<u>16,584</u>	<u>-</u>
<b>NET DEFICIT REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		( <u>5,230</u> )	( <u>89,417</u> )

	<u>Note</u>	<u>2015</u> \$	<u>2014</u> \$
<b>Assets</b>			
<b>Non-Current Assets</b>			
Plant And Equipment - Net	8	<u>30,832</u>	<u>45,069</u>
<b>Current Assets</b>			
Other Receivables	9	23,287	9,668
Fixed Deposits		137,758	172,099
Cash And Bank Balances		<u>858,811</u>	<u>394,432</u>
<b>Total Current Assets</b>		<u>1,019,856</u>	<u>576,199</u>
<b>Total Assets</b>		<u><u>1,050,688</u></u>	<u><u>621,268</u></u>
<b>Equity And Liabilities</b>			
<b>Equity</b>			
Accumulated Fund		107,068	95,714
Endowment Fund		100,000	100,000
Singapore Chinese Opera Research And Development Fund		<u>820,416</u>	<u>417,500</u>
<b>Total Equity</b>		<u>1,027,484</u>	<u>613,214</u>
<b>Current Liabilities</b>			
Other Payables	10	<u>23,204</u>	<u>8,054</u>
<b>Total Equity And Liabilities</b>		<u><u>1,050,688</u></u>	<u><u>621,268</u></u>

**STATEMENT OF CHANGES IN FUNDS**  
 for the year ended 31 March 2015

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	<u>Note</u>	<u>2015</u>	<u>2014</u>
		\$	\$
<b>ENDOWMENT FUND</b>			
Balance As At Beginning / End Of The Year		<u>100,000</u>	<u>100,000</u>
<b>ACCUMULATED FUND</b>			
Balance As At The Beginning Of The Year		95,714	185,131
Total Comprehensive Income For The Year		<u>11,354</u>	( <u>89,417</u> )
Balance As At The End Of The Year		<u>107,068</u>	<u>95,714</u>
<b>SINGAPORE CHINESE OPERA</b>			
<b>RESEARCH AND DEVELOPMENT FUND</b>	4		
Balance As At The Beginning Of The Year		417,500	-
Addition During The Year		419,500	417,500
Movement During The Year		( <u>16,584</u> )	<u>-</u>
Balance As At The End Of The Year		<u>820,416</u>	<u>417,500</u>

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**STATEMENT OF CASH FLOW**  
 for the year ended 31 March 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
<b>Cash Flows From Operating Activities</b>		
Deficit For The Year	( 5,230 )	( 89,417 )
<i>Adjustments For :-</i>		
Depreciation Of Plant And Equipment	15,328	15,109
Interest Income	( 738 )	( 967 )
<i>Operating Surplus / (Deficit) Before Working Capital Changes</i>	9,360	( 75,275 )
Changes In Working Capital		
Receivables	( 13,619 )	24,018
Payables	15,150	5,958
<b>Net Cash From / (Used In) Operating Activities</b>	<u>10,891</u>	( 45,299 )
<b>Cash Flows From Investing Activities</b>		
Purchase Of Plant And Equipment	( 1,091 )	( 24,894 )
Interest Received	738	967
<b>Net Cash Used In Investing Activities</b>	( 353 )	( 23,927 )
<b>Cash Flows From Financing Activities</b>		
Collection For Singapore Chinese Opera		
Research And Development Fund	419,500	417,500
<b>Net Cash From Financing Activities</b>	<u>419,500</u>	<u>417,500</u>
<b>Net Increase In Cash And Cash Equivalents</b>	430,038	348,274
<b>Cash And Cash Equivalents At Beginning Of The Year</b>	<u>566,531</u>	<u>218,257</u>
<b>Cash And Cash Equivalents At End Of The Year</b>	<u><u>996,569</u></u>	<u><u>566,531</u></u>

*Note : Cash And Cash Equivalents Comprises Of Bank Balances And Fixed Deposits*



**THE CHINESE OPERA INSTITUTE**

- Co. Reg. No. 199504600N

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**NOTES TO THE ACCOUNTS**

31 March 2015

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

**1. Organization Information**

The financial statements of THE CHINESE OPERA INSTITUTE for the year ended 31 March 2015 were authorized for issue in accordance with a resolution of the directors on 8 SEP 2015.

The Institute is registered and operates in the Republic of Singapore. The registered office of THE CHINESE OPERA INSTITUTE is located at 80 Raffles Place #25-01 UOB Plaza 1 Singapore 048624. The principal place of operation is located at 28 Aliwal Street #03-05 Aliwal Arts Centre Singapore 199918.

**2. Principal Activities**

The principal activities of the Institute are those of develop, promote, establish and manage a professional Chinese opera in Singapore.

**3. Significant Accounting Policies****(a) Basis Of Preparation And Accounting**

The financial statements of the Institute have been prepared in accordance with the Singapore Financial Reporting Standards [FRS] and applicable requirements of Singapore Law.

The accounts expressed in Singapore dollars [SGD] [also the functional currency] are prepared in accordance with the historical cost convention except as disclosed in the accounting policies below.

**New And Revised FRS Issued But Not Yet Effective**

At the date of authorization of these financial statements, certain new / revised FRS have been issued and are relevant to the Institute's operations but are only effective for future periods.

*Effective For Financial Year Beginning 1 July 2014*

FRS 16 [Amendment] – Property, Plant And Equipment  
FRS 113 [Amendment] – Fair Value Measurement

*Effective For Financial Year Beginning 1 January 2016*

FRS 1 [Amendment] – Disclosure Initiative

FRS 16 And FRS 38 [Amendment]  
– Clarification Of Acceptable Methods Of Depreciation And Amortization

The preparation of financial statements in conformity with the FRS requires management to exercise its judgment in the process of applying the Institute's accounting policies. It also requires the use of accounting estimates and assumptions that affects the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on the management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have significant effect on the amount recognized in the financial statements is included.

**(b) Critical Accounting Estimates And Judgments**

Estimates and judgments are currently evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Apart from information disclosed elsewhere in the financial statements, the following summarizes 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 and significant judgments made in the process of applying the Institute's accounting policies :-

Impairment Of Receivables

The Institute makes allowance for impairment based on the assessment of the recoverability of the other receivables. Allowance is applied to other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful receivables requires the use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying amount of the trade and other receivables and allowance for impairment in the financial year in which such estimate has been changed.

Depreciation Of Property, Plant And Equipment

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives. Management estimates the useful lives of these assets to be within 5 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

**(c) Plant And Equipment**

All plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and costs of bringing the asset to working condition for its intended use and the cost of dismantling and removing items and restoring the site. When parts of an item of plant and equipment have different useful lives, they are accounted as separate items of plant and equipment. The cost of replacing part of an item of plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Institute and its costs can be measured reliably. The costs of day-to-day servicing of plant and equipment are recognized in the income statement as incurred.

Depreciation is calculated by using the straight line method to write off the cost of the assets over their estimated useful lives which have been taken as follows :-

Computers	5 Years
Furniture And Fittings	5 Years
Office Equipment	5 Years
Opera Costumes, Instruments And Equipment	5 Years
Reference Books	5 Years

Fully depreciated plant and equipment are retained in the accounts until they are no longer in use.

The gain and loss arising from the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and carrying amounts of the asset and is recognized in the income statement.

**(d) *Impairment***

The carrying amount of the Institute's assets is reviewed at each balance sheet date as to whether there is any indication that an asset may be impaired. Whenever the carrying amount or the cash-generating unit of an asset exceeds its recoverable amount, an impairment loss is recognized in the profit and loss account unless it reverses a previous revaluation, credited to equity, in which case it is charged to equity.

A cash-generating unit [CGU] is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The recoverable amount is the greater of the asset's net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of the estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

For the purpose of impairment testing, recoverable amount is determined on an individual basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such a case, recoverable amount is determined for the CGU to which the asset belongs to.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the recoverable amount since the last impairment loss has been recognized. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined [net of depreciation or amortization], had no impairment loss been recognized for the asset in prior years. A reversal of impairment loss for an asset is recognized in the profit and loss unless the asset is carried at revalued amount where in such a case it is treated as a revaluation increase.

**(e) *Financial Assets And Liabilities***

Financial assets are recognized on the balance sheet when the Institute becomes a party to the contractual provisions of the instrument.

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Financial assets are initially recognized at fair value plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are derecognized when the contractual rights to the cash flows from the financial assets have expired or have been transferred. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognized directly in equity is recognized in the statement of profit and loss.

All regular way purchases and sales of financial assets are recognized and derecognized on trade date basis where the purchase or sale of assets are under a contract whose terms require delivery of the assets within the timeframe established by the market concerned.

Financial liabilities include trade creditors, other amounts of payables, payables to related parties and interest bearing loans and borrowings. Financial liabilities are recognized in the balance sheet when, and only when, the Institute becomes a party to the contractual provisions of the financial instrument.

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

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

A financial liability is derecognized when the obligation under the liability is extinguished. For financial liabilities other than derivatives, gains and losses are recognized in the income statement when the liabilities are derecognized, and through the amortization process. Any gains or losses arising from changes in fair value of derivatives are recognized in the income statement.

**(f) Other Receivables**

Receivables from others are recognized and carried at cost less impairment losses on any uncollectible amounts.

**(g) Cash And Cash Equivalents**

Cash and cash equivalents consist of cash on hand, balances with banks, fixed deposits.

(h) **Other Payables**

Liabilities for other amounts payable are carried at amortized cost. Interest bearing liabilities are recorded at fair value and are subsequently stated at amortized cost. Any difference between the cost and redemption value is taken to the profit and loss over the period of the borrowings using the effective interest method.

(i) **Income Recognition**

Income from donation and grants are accounted on receipt basis.

Income from AEP, performance and course conducted are accounted by reference to completion of the specific transaction assessed on the basis of the approximation of actual service provided at the balance sheet date.

Interest income is recognized on accrued receivable basis.

(j) **Employee Benefits**

Contributions to defined contribution plans as defined by the laws of Singapore in which the Institute operates are recognized as an expense in the profit and loss account as incurred.

Employee entitlements to annual leave are recognized when they are accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(k) **Operating Lease**

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss account on a straight line basis over the lease term.

(l) **Income Tax**

No provision for taxation is made as the Institute is registered as a charitable institution under the Charities Act Cap. 37.

4. **Donation**

Donation from operation amounting to S\$25,000 <2014 : S\$4,000> are tax deductible.

Donations collected for the "Singapore Chinese Opera Research And Development Fund" ["CORD"] are tax deductible. During the financial year, the Institute received "Cultural Matching Fund" for its collections in last financial year.

**5. Other Income**

Included under other income are :-

	<u>2015</u>	<u>2014</u>
	\$	\$
Special Employment Credit	960	900

**6. Staff Costs**

Included under staff costs [including key management] are :-

	<u>2015</u>	<u>2014</u>
	\$	\$
Salaries - Staff	126,881	148,545
Other Costs	4,810	7,047
Central Provident Fund	<u>15,096</u>	<u>14,280</u>
	<u>146,787</u>	<u>169,872</u>

**7. Other Operating Expenses**

Included under other operating expenses are :-

	<u>2015</u>	<u>2014</u>
	\$	\$
Rental And Management Fees	22,048	21,902

**8. Plant And Equipment**

Cash flow analysis of the Institute's capital expenditure as follows :-

	<u>2015</u>	<u>2014</u>
	\$	\$
Acquisition By Cash Payments	<u>1,091</u>	<u>24,894</u>

<u>2015</u>	<u>Cost @ 01.04.14</u>	<u>Additions/ (Disposal)</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>	<u>Current Depreciation</u>
	\$	\$	\$	\$	\$
Computer	58,290	-	55,941	2,349	2,600
Furniture And Fittings	38,975	-	37,869	1,106	738
Office Equipment	54,612	1,091	53,055	2,648	1,009
Opera Costumes, Instruments And Equipment	107,914	-	96,764	11,150	6,429
Reference Books	6,070	-	6,070	-	26
Renovation	22,631	-	9,052	13,579	4,526
	<u>288,492</u>	<u>1,091</u>	<u>258,751</u>	<u>30,832</u>	<u>15,328</u>
<u>2014</u>	<u>Cost @ 01.04.13</u>	<u>Additions/ (Disposal)</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>	<u>Current Depreciation</u>
	\$	\$	\$	\$	\$
Computer	58,290	-	53,341	4,949	2,600
Furniture And Fittings	38,312	663	37,131	1,844	738
Office Equipment	53,012	1,600	52,046	2,566	791
Opera Costumes, Instruments And Equipment	107,914	-	90,335	17,579	6,429
Reference Books	6,070	-	6,045	26	25
Renovation	-	22,631	4,526	18,105	4,526
	<u>263,598</u>	<u>24,894</u>	<u>243,424</u>	<u>45,069</u>	<u>15,109</u>

**9. Other Receivables**

	<u>2015</u>	<u>2014</u>
	\$	\$
Advance Deposit	10,000	-
Deposits	1,378	1,548
Fees Receivable	9,710	5,917
Interest Receivable	346	332
Prepayments	1,853	1,871
	<u>23,287</u>	<u>9,668</u>



**10. Other Payables**

	<u>2015</u>	<u>2014</u>
	\$	\$
Advance Receipt	7,820	-
Amount Owing To A Director	6,000	6,000
Accruals	9,384	2,054
	<u>23,204</u>	<u>8,054</u>

The amount owing to a director is unsecured, interest free and has no fixed terms of repayment.

**11. Lease Commitments**

The Institute was committed to making future minimum lease payments in respect of operating lease agreements contracted for at the balance sheet date with term of one year :-

	<u>2015</u>	<u>2014</u>
	\$	\$
Lease Payments Payable :-		
- Within One Year	18,155	19,805
- One Year But Not More Than Five Years	-	18,155
	<u>18,155</u>	<u>37,960</u>

**12. Financial Risk Management Objectives And Policies**

The Institute's activities expose it to market risk [including interest rate risk], credit risk and liquidity risk. The Institute's overall risk management strategy seeks to minimize adverse effects from the volatility of financial markets on the Institute's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Institute. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Institute's activities.

There has been no change to the Institute's exposure to these financial risks or the manner in which they manage and measure the risk.

Categories Of Financial Instruments

	<u>2015</u>	<u>2014</u>
	\$	\$
<i>Financial Assets</i>		
Other Receivables	23,287	7,797
Cash And Cash Equivalents	<u>996,569</u>	<u>566,531</u>
	<u>1,019,856</u>	<u>574,328</u>
<i>Financial Liabilities</i>		
Other Payables	<u>23,204</u>	<u>8,054</u>

Financial Risks Management

The Institute's risk management seeks to minimize the potential adverse effects from these exposures. The Institute does not hold any derivation financial instruments for speculative purposes. The management reviews and agrees policies for managing each of these risks and they are summarized below.

**(a) Market Risk**

***Interest Rate Risk***

Interest rate risk is the risk that the fair value of future cash flows of the Institute's financial instruments will fluctuate due to changes in market interest rates.

The Institute is exposed to interest rate risk arises relate primarily to the interest-earning financial assets.

The Institute's policy is to obtain competitive interest rates at the most favourable terms and conditions available for the financial assets.

Maturity of financial instruments exposed to interest rate risk :-

	<u>2015</u>	<u>2014</u>
	\$	\$
<i>Within One Year - Floating Rates</i>		
Fixed Deposits	<u>137,758</u>	<u>172,099</u>

Interest in financial instruments subject to floating interest rates is re-price regularly where financial instruments at fixed rates are fixed until the maturity of the instruments. Other financial instruments that are not included in the above table are not subject to interest rate risks.

*Sensitivity Analysis For Interest Rate Risk*

A change in the market interest rate of 50 basis points higher or lower with no change to other variables, the annual interest income of the Institute would be higher or lower by S\$689 <2014 : S\$860>.

**(b) Credit Risk**

Credit risk is the potential financial loss resulting from the failure of a customer or a counter party to settle its financial and contractual obligations to the Institute as and when they fall due.

Fixed deposits and bank balances are placed with reputable banks.

The Institute's maximum exposure to credit risk in relation to each class of recognized financial assets is the carrying amount of those assets are indicated in the balance sheet. At the end of the financial year, there was no significant concentration of credit risk to the Institute.

**(c) Liquidity Risk**

Liquidity risk is the risk that the Institute will encounter difficulty in meeting financial obligations due to shortage of funds. The Institute's exposure to liquidity arises primarily from the timing of the maturities of financial assets and liabilities.

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

At the balance sheet date, all of the Institute's financial liabilities have a maturity of less than one year.

The Institute does not have any significant liquidity risk exposure.

**13. Fair Values**

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale.

**THE CHINESE OPERA INSTITUTE**

- Co. Reg. No. 199504600N

(Incorporated in the Republic of Singapore)

<Company Limited By Guarantee>

**NOTES TO THE ACCOUNTS**

31 March 2015

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*Other Financial Assets And Liabilities*

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

	<u>2015</u>	<u>2014</u>
	\$	\$
<b>GENERAL FUND</b>		
INCOME		
- AEP	19,880	26,029
- Courses	6,125	12,365
- Donation	34,989	4,000
- Event Collections	10,460	15,080
- Fixed Deposit Interest	738	967
- NAC Subsidy	202,472	180,750
- Performance Fee	2,760	300
- Sundry	7,694	7,269
- Special Employment Credit	<u>960</u>	<u>900</u>
	<u>286,078</u>	<u>247,660</u>
LESS Expenditures As Per Schedule	( <u>274,724</u> )	( <u>337,077</u> )
SURPLUS / (DEFICIT) FOR THE YEAR	<u><u>11,354</u></u>	( <u><u>89,417</u></u> )
<b>CORD FUND</b>		
EXPENDITURES		
Bank Charges	95	-
Grants	<u>16,489</u>	<u>-</u>
SURPLUS FOR THE YEAR	<u><u>16,584</u></u>	<u><u>-</u></u>

**DETAILED EXPENDITURE ACCOUNT**  
for the year ended 31 March 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
Advertising And Publicity Expenses	417	-
Auditors' Remuneration	1,500	1,000
Bank Charges	452	239
Central Provident Fund	15,096	14,280
Conference Event Expenses	-	14
Consultancy Fee	-	15,000
Depreciation	15,328	15,109
Entertainment, Gifts And Souvenir	3,509	1,895
Events Expenses	29,529	58,297
FWL Contributions	3,661	6,139
General Expenses	253	180
Instructors' Fee	2,465	7,959
Insurance	716	772
Medical Fee	675	559
Membership And Subscription Fees	12	167
Magazine	123	-
Office Maintenance	80	150
Performance Expenses	11,723	2,055
Postage	295	401
Printing And Stationery	398	8,749
Professional Fee	2,800	2,833
Publication Expenses	-	1,463
Rental And Management Fee	22,048	21,902
Rental Of Equipment / Stage	28,997	14,318
Rental Of Office Equipment	2,555	2,801
Salaries	126,881	148,545
Skill Development Levy	298	349
Staff Training	96	-
Staff Welfare	80	-
Telephone, Internet And Website Charges	2,269	4,360
Transport And Travelling Expenses	98	4,961
Water And Electricity	2,370	2,580
	<u>274,724</u>	<u>337,077</u>

The above statements do not form part of the audited statutory accounts of the institute.

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