

FLAMENCO SIN FRONTERAS LTD
(Limited By Guarantee and Not Having a Share Capital)
Registration Number: 2011-32553/D

DIRECTORS' STATEMENT
and
FINANCIAL STATEMENTS
31 October 2015

CSTAN & Co.
CHARTERED ACCOUNTANTS



Affiliated with the International Accounting and Audit Network,
a French entity.

Directors' Statement

The directors present their statement to the member together with the financial statements of the Company for the financial year ended 31 October 2015.

Directors in Office at the Date of Statement

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

Wong Pik Yee @ Tilly
Daphne Ng Mei Ling
Yong Kai Lin

Arrangements to Enable Directors to Acquire Benefits

Neither during nor at the end of 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 shares, debentures or warrants in the Company or any other body corporate.

Directors' Benefits

Since the beginning of the financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest except in respect of professional fees and or remuneration as shown in the financial statements.

Share Options

The Company is limited by guarantee and has no issued share capital.

Auditors

CS Tan & Co, Chartered Accountants, have expressed their willingness to accept re-appointment as auditors.

Opinion of Directors

In the opinion of the directors:-

- (a) the financial statements together with the notes thereon are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 October 2015 and of the results, comprehensive income, changes in funds and cash flows for the financial year then ended; 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.

On behalf of the Board of Directors



.....
Daphne Ng Mei Ling



.....
Wong Pik Yee @ Tilly

Singapore

- 5 JAN 2017

**Independent Auditor's Report to the Members of
Flamenco Sin Fronteras Ltd**

Report on the Financial Statements

We have audited the accompanying financial statements of Flamenco Sin Fronteras Ltd which comprise the statement of financial position at 31 October 2015, income statement, statement of comprehensive income, statement of changes in funds and statement of cash flows for the financial year then ended and a summary of significant accounting policies and other explanatory information.

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 (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, that transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair income statements and statements of financial position 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 judgement, 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 controls relevant to the entity's preparation of financial statements that give a true and fair view 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 controls. 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 and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company at 31 October 2015, and the results, comprehensive income, changes in funds and cash flows for the financial 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 Company have been properly kept in accordance with the provisions of the Act.


CS TAN & CO
Public Accountants and
Chartered Accountants
Singapore

- 5 JAN 2017



Affiliated with the International Accounting and Audit Network, a French entity.

FLAMENCO SIN FRONTERAS LTD
Year Ended 31 October 2015

**Statement of Financial Position
at 31 October 2015**

	Note	2015 \$	2014 \$
Assets			
Non current assets		<u>-</u>	<u>-</u>
Current assets			
Trade and other receivables	3	8,750	14,468
Bank balances		10,218	4,557
		<u>18,968</u>	<u>19,025</u>
Total assets		<u>18,968</u>	<u>19,025</u>
Funds and liabilities			
Capital and reserves			
Accumulated general (unrestricted) fund		<u>4,508</u>	<u>1,205</u>
Current liabilities			
Trade and other payables	4	<u>14,460</u>	<u>17,820</u>
Total funds and liabilities		<u>18,968</u>	<u>19,025</u>

The annexed notes to the financial statements form an integral part of and should be read in conjunction with these financial statements.

FLAMENCO SIN FRONTERAS LTD

Year Ended 31 October 2015

**Income Statement
for the financial year ended 31 October 2015**

	Note	2015	2014
		\$	\$
Revenue	5	98,205	118,620
Other income	6	92,405	27,507
Events and member activities expenses		(128,058)	(70,153)
Other expenses		(59,249)	(51,781)
Surplus for the year	7	<u>3,303</u>	<u>24,193</u>

The annexed notes to the financial statements form an integral part of and should be read in conjunction with these financial statements.

FLAMENCO SIN FRONTERAS LTD
Year Ended 31 October 2015

Statement of Comprehensive Income
for the financial year ended 31 October 2015

	2015	2014
	\$	\$
Surplus and total comprehensive income for the year, net of tax	<u><u>3,303</u></u>	<u><u>24,193</u></u>

The annexed notes to the financial statements form an integral part of and should be read in conjunction with these financial statements.

FLAMENCO SIN FRONTERAS LTD

Year Ended 31 October 2015

**Statement of Changes in Funds
for the financial year ended 31 October 2015**

	Accumulated General (Unrestricted) Fund
	<u>\$</u>
At 1.11.2013	(22,988)
Total comprehensive income for the year, net of tax	24,193
At 31.10.2014	<u>1,205</u>
Total comprehensive income for the year, net of tax	3,303
At 31.10.2015	<u><u>4,508</u></u>

The annexed notes to the financial statements form an integral part of and should be read in conjunction with these financial statements.

FLAMENCO SIN FRONTERAS LTD

Year Ended 31 October 2015

**Statement of Cash Flows
for the financial year ended 31 October 2015**

	2015	2014
	\$	\$
Operating activities		
Surplus for the year	3,303	24,193
Receivables	5,718	(8,668)
Payables	(2,210)	3,170
Cash flows from operating activities	<u>6,811</u>	<u>18,695</u>
Financing activities		
Due to director (non trade)	(1,150)	(6,000)
Other creditor	-	(9,283)
Cash flows from financing activities	<u>(1,150)</u>	<u>(15,283)</u>
Net change in cash and cash equivalents	5,661	3,412
Cash and cash equivalents at beginning of year	<u>4,557</u>	<u>1,145</u>
Cash and cash equivalents at end of year	<u>10,218</u>	<u>4,557</u>

The annexed notes to the financial statements form an integral part of and should be read in conjunction with these financial statements.

Notes to the Financial Statements

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

1 General

The Company is a limited liability company incorporated and domiciled in Singapore with its registered office and principal place of business at 1 Lorong 24A Geylang, Singapore 398525.

The principal activities of the Company during the financial year have been those of orchestras and dance bands. There have been no significant changes in such activities during the financial year.

The financial statements were authorised for issue by the directors on the date shown on the Directors' Statement.

2 Significant accounting policies

(a) Statement of compliance

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS") as required by the Singapore Companies Act, Chapter 50 ("Act").

The preparation of financial statements in accordance with FRS requires the use of estimates, assumptions and judgements that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities (if any) at the date of the financial statements and the reported amounts of revenues and expenses during the financial period. These 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. Where appropriate, the estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed in the following significant accounting policies. Although these are based on the entity's best knowledge of current events and actions, actual results may ultimately differ from these estimates, assumptions and judgements.

On 1 November 2014, the following relevant new and revised FRS and Interpretations to FRS (“INT FRS”) that are applicable in the current financial year were adopted:-

New and Revised FRS

FRS 32	Amendments to FRS 32: Offsetting Financial Assets and Financial Liabilities
FRS 36	Amendments to FRS 36: Recoverable Amount Disclosures for Non-Financial Assets

At the date of authorisation of the financial statements, the following are new and revised FRS and Interpretations to FRS that have been issued (but yet to be effective) that are relevant to the entity. These have not been applied to the financial statements and are not anticipated to have any significant impact on the results of the entity.

Revised FRS – Issued But Yet to be Effective

FRS 115	Revenue from Contracts with Customers Illustrative Examples
FRS 109	Financial Instruments Illustrative Examples Implementation Guidance Amendments to Guidance on Other Standards
FRS 1	Amendments to FRS 1: Disclosure Initiative

(b) Basis of accounting

The financial statements (expressed in Singapore dollars) are prepared in accordance with the historical cost convention except as disclosed in the following accounting policies. The Singapore dollar is the entity’s functional and presentation currency. Functional currency is the currency of the primary economic environment in which the entity operates.

(c) Impairment of assets (excluding goodwill)

At each statement of financial position date, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Assessing value in use requires an estimation of future cash flows expected to arise from the cash-generating unit(s) and a suitable discount rate in order to calculate present value. Significant judgement is exercised in the estimation of expected future cash flows and in the selection of a suitable discount rate.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(d) Trade and other receivables

Trade and other receivables are recognised initially at fair value (inclusive of transaction costs) and subsequently measured at amortised cost using the effective interest method less allowance for impairment. An allowance for impairment is established when there is objective evidence that not all amounts due will be collectible according to the original terms of the receivable. The allowance amount is the difference between the carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate. Allowance for impairment is charged to the income statement. Trade receivables that are factored out (to banks and other financial institutions) with recourse to the entity are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

Receivables and deposits are financial assets designated as loans and receivables and are recognised on the date they are originated. Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the entity provides money, goods or services directly to a debtor with no intention of trading the receivables. Loans and receivables with maturity less than and more than 12 months after statement of financial position date are classified as current assets and non current assets respectively.

At each statement of financial position date, management assesses whether there is any objective evidence that receivables are impaired. Factors such as probability of insolvency, significant financial difficulties of the debtor, default or significant delay in payments are considered. Where there is objective evidence of impairment, the amount and timing of future cashflows are estimated based on historical loss experience. If the financial positions of these debtors were to deteriorate and further impair their ability to make payments, additional allowances may be required.

(e) Trade and other payables and interest bearing loans

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

Interest bearing loans are recognised initially at fair value net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to the income statement over the period of the borrowings using the effective interest method.

(f) Provisions

Provisions are recognised when the entity has present legal or constructive obligations as a result of past events and it is probable that the entity will be required to settle that obligation. Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. Any increase in provision due to passage of time is recognised in income statement as finance expense. Changes in the estimated timing or amount of the expenditure or discount rate are recognised in the income statement in the period the changes in estimates arise.

The entity exercises judgement in estimating the amount of future expenditure and discount rate that reflects the time value of money. If actual expenditure and actual time value of money exceeds these estimates, present value of current obligations may exceed provision amounts at statement of financial position date.

(g) Determination of fair value

The fair values of quoted financial assets and financial liabilities are based on current market bid prices and asking prices respectively. If the market for a financial asset/liability is not active, fair value is established by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

Fair values of financial assets and financial liabilities (excluding finance leases) approximate their carrying amounts either due to their short term nature or that they are floating rate instruments that are repriced to market interest rates on or near the balance sheet date. Fair values of interest bearing finance leases are estimated by discounting future contractual cash flows at current market interest rate for similar financial instruments. Fair values of foreign currency forward contracts are determined using actively quoted forward exchange rates. Fair values of interest rate swaps are estimated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

Financial instruments (in statement of financial position) remeasured to fair value are classified using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurements. The fair value hierarchy is classified into the following levels:

- (i) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (ii) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (is as prices) or indirectly (ie derived from prices); and
- (iii) Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(h) Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes (if any) by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes.

(i) Taxation

Tax expense represents the sum of current tax payable and deferred tax.

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and further excludes items that are not taxable or tax deductible. Liability for current tax payable is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the entity operates.

Deferred income tax benefits/liabilities are recognised for all deductible/taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax benefits/liabilities arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction and affects neither accounting nor taxable profit or loss. Deferred income tax benefit is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax benefits and liabilities are measured at:

- (i) the tax rates that are expected to apply when the related deferred income tax benefit is realised or the deferred income tax liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted by the statement of financial position date; and
- (ii) the tax consequence that would follow from the manner in which the entity expects, at the statement of financial position date, to recover or settle the carrying amounts of its assets and liabilities.

Deferred tax is charged or credited to income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax benefits and liabilities are offset when there is a legally enforceable right to set off current tax benefits against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the entity intends to settle its current tax benefits and liabilities on a net basis.

Where deferred tax benefits are recognised, the realisation of these benefits mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are less than expected, a material reversal of deferred tax benefits (previously recognised) may arise, which would be recognised in the income statement in the period in which such a reversal take place.

Significant judgment is required in determining provision for tax. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The entity recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made. The carrying amount of taxation and deferred taxation is disclosed in the statement of financial position.

(j) Revenue

(i) Donations and sponsorship

Donations and sponsorship fees are recognised in the statement of financial activities on accruals basis when the donations and sponsorship fees are committed to the entity. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

(ii) Rendering of services

Service revenue is recognised over the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual services provided as a proportion of the total services to be performed.

(iii) Rent

Rent income is recognised on accrual basis on straight line basis over the lease term.

(iv) Government grant income

Grants from government to meet the entity's operating expenses are recognised as income to match the related operating expenditure.

(k) Operating leases (lessor)

Assets leased out under operating leases are included in property, plant and equipment and investment properties. Rent income from such operating leases (net of incentives given to lessees) is recognised in the income statement on a straight line basis over the lease term.

Initial direct costs incurred by the entity in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense in the income statement over the lease term on the same basis as lease income. Contingent rents are recognised as income in the income statement in the period in which they are earned.

(l) Operating leases (lessee)

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating leases are recognised as an expense in the income statement on a straight line basis over the lease term. Contingent rents are recognised as an expense in the income statement in the period in which they are incurred. When an operating lease is terminated before the expiry of the lease period, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which the termination occurs.

(m) Foreign currencies

Transactions in foreign currencies are measured and recorded in Singapore dollars using the prevailing exchange rates at the date of transaction. At each statement of financial position date, monetary balances denominated in foreign currencies are translated at prevailing exchange rates at the statement of financial position date. All exchange differences are taken to the income statement.

(n) Cash and cash equivalents

Cash consists of cash on hand and cash with banks or financial institutions, including fixed deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to insignificant risk of changes in value.

(o) Related parties

Parties are considered to be related if the entity has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions or vice versa or the entity and the related party are subject to common control or common significant influence. Related parties may be individuals or corporations.

3 Trade and other receivables

	2015	2014
	\$	\$
Trade receivables	8,550	14,268
Prepayment	100	100
Deposit	100	100
	<u>8,750</u>	<u>14,468</u>

4 Trade and other payables

	2015	2014
	\$	\$
Trade payables	9,610	11,820
Due to director – non trade*	4,850	6,000
	<u>14,460</u>	<u>17,820</u>

* This amount is unsecured, interest free and is repayable on demand. The fair value of this amount approximates its carrying amount due to its short term nature.

5 Revenue

	2015	2014
	\$	\$
Donations and sponsorships	4,515	18,920
Course fee income	42,639	45,459
Sale of performance tickets	23,296	35,616
Performance fee income	27,755	18,625
	<u>98,205</u>	<u>118,620</u>

FLAMENCO SIN FRONTERAS LTD

Year Ended 31 October 2015

6 Other income

	2015	2014
	\$	\$
Studio rent income	6,700	4,355
Government grant income	85,694	22,200
Miscellaneous	11	952
	<u>92,405</u>	<u>27,507</u>

7 Surplus for the year

Surplus for the year is arrived at after charging:

	2015	2014
	\$	\$
Operating leases	<u>64,575</u>	<u>48,144</u>

8 Taxation

The Company has unrecognised tax losses of \$6,000 (2014: \$9,000) to carry forward for offset against future taxable income subject to compliance with the relevant sections of the Income Tax Act and agreement of the tax authorities. The deferred tax benefit arising from these tax losses have not been recognised due to uncertainty of its recoverability. These unutilised tax losses have no expiry date.

A reconciliation of the Company's effective tax rate applicable to the results for the financial year is as follows:

	2015	2014
	%	%
Singapore statutory rate	17.0	17.0
Utilisation of tax loss brought forward	<u>(17.0)</u>	<u>(17.0)</u>
Effective tax rate	<u>-</u>	<u>-</u>

9 Related party information

Year end amounts due from/to related parties (if any) arising from transactions with related parties during the financial year are set out in the above notes to the financial statements. Unless otherwise stated, such amounts are to be settled with cash, unsecured and are not backed by guarantees. Where applicable, trade amounts are unsecured, non-interest bearing and are on ordinary credit terms (between 30 to 90 days) similar to those extended to unrelated parties whereas terms for non trade amounts outstanding are disclosed in the above notes.

Where applicable, allowances made in respect of amounts due from related parties and movements in such allowances during the year are disclosed in the above notes.

10 Financial risk management

The Company's activities expose it to a variety of financial risks. The Company's risk management objectives seek to minimise the potential adverse effects of these risks on its financial performance. The Company's risk management objectives, policies and processes remain unchanged from previous year and are outlined below.

Funds management

The Company defines funds as net assets computed by deducting total liabilities from total assets. The Company's objectives when managing funds are to achieve and maintain optimal fund structure in the furtherance of its stated objectives. To achieve this, the Company mainly accepts grants. Except as described in the above notes, the Company is not subject to any externally imposed fund requirements.

Interest rate risk

Interest rate risk is the risk that changes in interest rates will affect the Company's income.

The Company is not exposed to any significant interest rate risk and has no risk management objectives, policies and procedures with regard to this risk.

Foreign currency risk

Foreign currency risk is the risk that foreign currency exchange rates will affect the Company's income.

The Company is not exposed to any significant foreign currency risk and has no risk management objectives, policies and procedures with regard to this risk.

Credit risk

Credit risk is the potential risk of financial loss resulting from failure of customers or other parties to settle their financial and contractual obligations to the Company as and when they fall due.

The maximum exposure to credit risk is the carrying amount of certain financial assets which are mainly receivables (trade and non trade from unrelated and related parties), deposits and cash amounts. The Company does not hold any collateral or credit enhancements in respect of these receivables.

The Company's objective with regard to credit risk is the preservation of cash amounts placed with financial institutions. Trade payables are generally due within 30 days. Credit risk arising from cash is minimised by placing cash amounts (including fixed deposits) with reputable financial institutions with high credit ratings assigned by international credit rating agencies. Except as disclosed above, there are no trade or other receivables or cash amounts that are past due or impaired.

Market price risk

Market price risk is the risk that changes in market values of investments will affect the value of the Company's holdings of financial instruments or income.

The Company is not exposed to any significant market price risk and has no risk management objectives, policies and procedures with regard to this risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company's objective with regard to liquidity risk is to maintain sufficient cash (and equivalents) to fund its operations. The Company ensures it has adequate internally generated cash to finance capital expenditure and working capital.

Contractual undiscounted cash flows of loans are the same as their carrying amounts.

Fair values

Financial assets comprise receivables, deposits and cash amounts. Receivables, deposits and cash amounts are categorised as loans and receivables which are financial assets with fixed payments that are not quoted in an active market.

Financial liabilities comprise payables (trade and non trade to unrelated and related parties) and loans payable. Financial liabilities are measured at amortised cost.

The Company's financial assets and financial liabilities approximate to or are the same as their fair values.

FLAMENCO SIN FRONTERAS LTD

Year Ended 31 October 2015

**Detailed Income Statement
for the financial year ended 31 October 2015**

	2015	2014
	\$	\$
Revenue	98,205	118,620
Other income		
Studio rent income	6,700	4,355
Government grant income	85,694	22,200
Miscellaneous	11	952
Events and member activities expenses		
Advertising	4,780	1,383
Costumes	2,246	1,730
Equipment rent (^)	7,694	250
Equipment maintenance	612	340
Performer fees	51,056	21,640
Photography and filming	2,523	5,715
Stage lighting (^)	18,898	6,858
Stage rent (^)	1,983	5,036
Ticketing fee	87	-
Training and choreography	38,179	27,201
	<u>128,058</u>	<u>70,153</u>
Other expenses		
Accountancy fee	2,200	1,920
Audit fee	2,400	2,400
Bank charges	611	473
Donation	-	3
Entertainment	1,521	218
Fines and penalties	450	-
General expense	346	273
Insurance	375	-
Office rent (^)	36,000	36,000
Postage and courier	11	-
Printing and stationery	1,588	2,733
Professional fee	2,008	750
Secretarial fee	690	690
Subscription	240	781
Travelling and transport	10,809	5,540
	<u>59,249</u>	<u>51,781</u>
	(187,307)	(121,934)
Surplus for the year	<u><u>3,303</u></u>	<u><u>24,193</u></u>

(^) Operating leases \$64,575 (2014: \$48,144)

This statement does not form part of the financial statements. It is not necessary to file this statement with the Accounting & Corporate Regulatory Authority.