FINANCIAL STATEMENTS

Contents

STATEMENT BY
BOARD OF MEMBERS

In our opinion, the financial statements set out on pages 53 to 78 are drawn up so as to present fairly, in all material respects, the state of affairs of the Group and of the Board as at 31 March 2010 and of the results and changes in equity of the Group and of the Board and the cash flows of the Group for the year ended on that date in accordance with the provisions of the National Parks Board Act, Chapter 198A and Statutory Board Financial Reporting Standards.

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

On behalf of the Board of Members

Mrs Christina Ong
Chairman

Ng Lang
Chief Executive Officer

28 July 2010

INDEPENDENT
AUDITORS' REPORT

Member of the Board
National Parks Board

Report on the financial statements

We have audited the financial statements of National Parks Board (the Board) and its subsidiary (the Group), which comprise the statements of financial position of the Group and the Board as at 31 March 2010, the statements of comprehensive income of the Group and the Board, statements of changes in equity of the Group and the Board, and statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 53 to 78.

Management's responsibility for the financial statements

The Board's management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the National Parks Board Act, Chapter 198A (the Act) and Statutory Board Financial Reporting Standards.

Management has acknowledged that its responsibility includes:

(a) designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;

(b) selecting and applying appropriate accounting policies; and

(c) making accounting estimates that are reasonable in the circumstances.

Auditors' 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 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:

(a) the consolidated financial statements of the Group, and the statements of financial position, statements of comprehensive income and statements of changes in equity of the Board are properly drawn up in accordance with the provisions of the Act and Statutory Board Financial Reporting Standards and on such basis present fairly, in all material respects, the state of affairs of the Group and of the Board as at 31 March 2010, and the results and changes in equity of the Group and of the Board and the cash flows of the Group for the year ended on that date; and

(b) the accounting and other records, including records of all assets of the Board whether purchased, donated or otherwise, required by the Act to be kept by the Board have been properly kept in accordance with the provisions of the Act.

Report on other legal and regulatory requirements

During the course of our audit, nothing came to our notice that caused us to believe that the receipts, expenditure and investment of monies and the acquisition and disposal of assets by the Board during the year have not been in accordance with the provisions of the Act.

KPMG LLP
Public Accountants and
Certified Public Accountants

Singapore
28 July 2010

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2010

	Note	Group 2010 $	Group 2009 $	Board 2010 $	Board 2009 $
Non-current assets					
Property, plant and equipment	4	147,162,865	150,462,579	147,162,865	150,462,579
Investment in subsidiary	5	–	–	2	2
Trade and other receivables	6	1,680,000	1,680,000	1,680,000	1,680,000
		148,842,865	152,142,579	148,842,867	152,142,581
Current assets					
Trade and other receivables	6	43,662,227	46,399,646	43,661,977	46,399,235
Prepayments		1,122,371	751,474	1,122,371	750,124
Cash and cash equivalents	7	140,082,814	54,506,331	139,978,894	54,397,834
		184,867,412	101,657,451	184,763,242	101,547,193
Total assets		333,710,277	253,800,030	333,606,109	253,689,774
Capital and other funds					
Capital account	8	4,528,275	4,528,275	4,528,275	4,528,275
Share capital	9	1,000	1,000	1,000	1,000
Accumulated surplus		46,507,241	30,678,098	46,386,581	30,575,062
Sinking fund	10	16,575,280	–	16,575,280	–
		67,611,796	35,207,373	67,491,136	35,104,337
Fund held in trust	11	7,027,030	4,994,855	7,027,030	4,994,855
Garden City Fund's net assets managed	11	(7,027,030)	(4,994,855)	(7,027,030)	(4,994,855)
		–	–	–	–
Total equity carried forward		67,611,796	35,207,373	67,491,136	35,104,337
Total equity brought forward		67,611,796	35,207,373	67,491,136	35,104,337
Non-current liabilities					
Deferred capital grants	12	147,154,072	150,401,116	147,154,072	150,401,116
Deferred revenue	13	3,478,611	1,881,947	3,478,611	1,881,947
Liability for defined benefits obligations	14	5,764,000	6,570,000	5,764,000	6,570,000
		156,396,683	158,853,063	156,396,683	158,853,063
Current liabilities					
Trade and other payables	15	92,742,891	49,656,456	92,759,383	49,649,236
Liability for defined benefits obligations	14	1,036,000	648,000	1,036,000	648,000
Government capital grants	16	710,102	776,937	710,102	776,937
Government operating grants	17	7,148,651	–	7,148,651	–
Other government grants	18	1,052,097	1,302,044	1,052,097	1,302,044
Deferred revenue	13	250,604	1,952,157	250,604	1,952,157
Contribution to Consolidated Fund	19	6,761,453	5,404,000	6,761,453	5,404,000
		109,701,798	59,739,594	109,718,290	59,732,374
Total liabilities		266,098,481	218,592,657	266,114,973	218,585,437
Total capital and other funds and liabilities		333,710,277	253,800,030	333,606,109	253,689,774

STATEMENTS OF
COMPREHENSIVE INCOME

Year ended 31 March 2010

	Note	Group 2010 $	Group 2009 $	Board 2010 $	Board 2009 $
Operating income					
Rental income		7,514,633	5,872,847	7,514,633	5,872,847
Admission charges		1,567,309	1,390,453	1,567,309	1,390,453
Fines and forfeitures		3,590,875	2,137,765	3,590,875	2,137,765
Agency fees		637,208	675,643	637,208	675,643
Interest income		113,041	223,324	113,041	223,224
Miscellaneous income	20	3,273,060	3,565,290	3,273,060	3,552,433
		16,696,126	13,865,322	16,696,126	13,852,365
Operating expenditure					
Staff costs	21	(57,250,890)	(50,450,881)	(57,250,890)	(50,406,535)
Maintenance and improvement of parks		(52,397,390)	(50,466,641)	(52,397,390)	(50,466,641)
General and administrative expenses		(24,264,652)	(31,389,908)	(24,282,276)	(31,524,333)
Depreciation of property, plant and equipment	4	(9,724,298)	(9,685,655)	(9,724,298)	(9,685,655)
		(143,637,230)	(141,993,085)	(143,654,854)	(142,083,164)
Deficit from operations	22	(126,941,104)	(128,127,763)	(126,958,728)	(128,230,799)
Government operating grants	17	150,899,578	146,725,698	150,899,578	146,725,698
Other grants:					
- government agencies	18	4,228,150	1,673,904	4,228,150	1,673,904
- non-government		702,600	132,865	702,600	132,865
Deferred capital grants amortised	12	10,901,652	9,720,554	10,901,652	9,720,554
Surplus before contribution to Consolidated Fund		39,790,876	30,125,258	39,773,252	30,022,222
Contribution to Consolidated Fund	19	(6,761,453)	(5,404,000)	(6,761,453)	(5,404,000)
Surplus for the year		33,029,423	24,721,258	33,011,799	24,618,222
Other comprehensive income					
Actuarial loss on defined benefit plan		(625,000)	–	(625,000)	–
Other comprehensive income for the year, net of income tax		(625,000)	–	(625,000)	–
Total comprehensive income for the year		32,404,423	24,721,258	32,386,799	24,618,222

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

STATEMENTS OF CHANGES IN EQUITY

Year ended 31 March 2010

	Note	Capital account $	Share capital $	Accumulated surplus $	Sinking fund $	Total $
Group						
At 1 April 2008		4,528,275	–	7,191,840	–	11,720,115
Total comprehensive income for the year						
Surplus for the year		–	–	24,721,258	–	24,721,258
Other comprehensive income		–	–	–	–	–
Total comprehensive income for the year		–	–	24,721,258	–	24,721,258
Transaction with owners, recorded directly in equity						
Issue of share	9	–	1,000	–	–	1,000
Dividend paid of $1,235 per share		–	–	(1,235,000)	–	(1,235,000)
Total transactions with owners		–	1,000	(1,235,000)	–	(1,234,000)
At 31 March 2009		4,528,275	1,000	30,678,098	–	35,207,373
At 1 April 2009		4,528,275	1,000	30,678,098	–	35,207,373
Total comprehensive income for the year						
Surplus for the year		–	–	33,029,423	–	33,029,423
Other comprehensive income						
Actuarial loss on defined benefit plan		–	–	(625,000)	–	(625,000)
Total comprehensive income for the year		–	–	32,404,423	–	32,404,423
Transfer from accumulated surplus to sinking fund	10	–	–	(16,575,280)	16,575,280	–
Transaction with owners, recorded directly in equity						
Total transactions with owners		–	–	–	–	–
At 31 March 2010		4,528,275	1,000	46,507,241	16,575,280	67,611,796
Board						
At 1 April 2008		4,528,275	–	7,191,840	–	11,720,115
Total comprehensive income for the year						
Surplus for the year		–	–	24,618,222	–	24,618,222
Other comprehensive income		–	–	–	–	–
Total comprehensive income for the year		–	–	24,618,222	–	24,618,222
Transaction with owners, recorded directly in equity						
Issue of share	9	–	1,000	–	–	1,000
Dividend paid of $1,235 per share		–	–	(1,235,000)	–	(1,235,000)
Total transactions with owners		–	1,000	(1,235,000)	–	(1,234,000)
At 31 March 2009		4,528,275	1,000	30,575,062	–	35,104,337
At 1 April 2009		4,528,275	1,000	30,575,062	–	35,104,337
Total comprehensive income for the year						
Surplus for the year		–	–	33,011,799	–	33,011,799
Other comprehensive income						
Actuarial loss on defined benefit plan		–	–	(625,000)	–	(625,000)
Total comprehensive income for the year		–	–	32,386,799	–	32,386,799
Transfer from accumulated surplus to sinking fund	10	–	–	(16,575,280)	16,575,280	–
Transaction with owners, recorded directly in equity						
Total transactions with owners		–	–	–	–	–
At 31 March 2010		4,528,275	1,000	46,386,581	16,575,280	67,491,136

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2010

	Note	2010 $	2009 $
Operating activities			
Deficit from operations		(126,941,104)	(128,127,763)
Adjustments for:			
Depreciation of property, plant and equipment		9,724,298	9,685,655
Gain on disposal of property, plant and equipment		(113,148)	(3,013)
Loss on disposal of investment		–	280
Property, plant and equipment written off		1,201,979	89,378
Amortisation of lease premium received in advance		(83,333)	(83,333)
Interest income		(113,041)	(390,818)
		(116,324,349)	(118,829,614)
Changes in working capital:			
Trade and other receivables		(615,071)	150,834
Payables and accruals		19,096,689	16,791,162
Liability for defined benefits obligations		(1,043,000)	350,000
Rental and other deposits		773,037	526,234
Rental received in advance		(1,680,000)	1,680,000
Cash used in operations		(99,792,694)	(99,331,384)
Contribution to Consolidated Fund paid		(5,404,000)	(271,156)
Cash flows from operating activities		(105,196,694)	(99,602,540)
Investing activities			
Proceeds from disposal of property, plant and equipment		141,193	7,857
Purchase of property, plant and equipment		(7,787,249)	(5,564,233)
Proceeds from sales of investment		–	31
Interest received		56,981	387,988
Amounts due from:			
- Ministry of National Development		13,381,710	(9,579,479)
- Garden City Fund		(203,109)	(10,926)
- Other Government agencies		884,356	(752,824)
Cash flows from investing activities		6,473,882	(15,511,586)
Financing activities			
Grants received		159,424,142	142,707,991
Issue of shares		–	1,000
Dividend paid		–	(1,235,000)
Amounts due to:			
- Ministry of National Development		24,874,616	(321,684)
- Garden City Fund		537	(2,195)
Cash flows from financing activities		184,299,295	141,150,112
Net increase in cash and cash equivalents		85,576,483	26,035,986
Cash and cash equivalents at beginning of the year		54,506,331	28,470,345
Cash and cash equivalents at end of the year	7	140,082,814	54,506,331

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

NOTES TO THE
FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Members on 28 July 2010.

1 Domicile and activities

National Parks Board (the Board) is a statutory board established under the National Parks Board Act (Chapter 198A) (the Act). The Act sets out the Board's functions, and provides that the Board may, for the purposes of this Act, carry on such activities as appear to the Board to be advantageous, necessary or convenient for it to carry on for or in connection with the discharge of its duties and functions under this Act and, in particular, may exercise any of the powers specified in the Second Schedule to the Act. The Board is under the purview of Ministry of National Development; and the Minister for National Development may, after consultation with the Board, give to the Board such directions, not inconsistent with the provisions of the Act, as he thinks fit, as to the exercise of the functions of the Board under the Act, and the Board shall give effect to all such directions. The Board is also required to implement policies and policy changes as determined by other Government ministries such as the Ministry of Finance from time to time.

The Board has its registered office at Singapore Botanic Gardens, 1 Cluny Road, Singapore 259569.

The principal activities of the Board are to develop, manage and promote the National Parks and Nature Reserves as valuable reserves for recreation, conservation, research and education and to develop, upgrade, manage and maintain the public parks, open spaces on behalf of the Government.

The principal activities of the subsidiary are described in note 5 to the financial statements.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with the provisions of the Act and Statutory Board Financial Reporting Standards (SB-FRS). SB-FRS include Statutory Board Financial Reporting Standards, Interpretations of SB-FRS and SB-FRS Guidance Notes as promulgated by the Accountant-General.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and financial liabilities which are stated at amortised cost.

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollars which is the Board's functional currency.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with SB-FRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, surplus or deficit. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in note 24.

2.5 Changes in accounting policies

Adoption of revised SB-FRS

Starting as of 1 April 2009 on adoption of new/revised SB-FRSs, the Group has changed its accounting policies in its presentation of financial statements.

The Group applies revised SB-FRS 1 Presentation of Financial Statements (2008), which became effective as of 1 January 2009. As a result, the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income.

Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on surplus or deficit.

Change in accounting policy

The Group revised the accounting policy relating to the capitalisation of property, plant and equipment. The revised policy requires any assets less than $2,000 to be recorded as low value assets and fully depreciated within the same period. Previously the threshold for capitalisation was set at $1,000.

The change in accounting policy did not have a significant effect on the opening balance of accumulated surplus and current year surplus of the Group.

3 Significant accounting policies

Except as explained in note 2.5, the accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities.

3.1 Basis of consolidation

Business combinations

Business combinations are accounted for under the purchase method. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

The excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is credited to the income and expenditure in the period of the acquisition.

Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Transactions eliminated on consolidation

Intra-group balances, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Accounting for subsidiary by the Board

Investment in subsidiary is stated in the Board's statement of financial positions at cost less accumulated impairment losses.

3.2 Financial instruments

Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial positions when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets: loans and receivables.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables (see note 6).

Cash and cash equivalents comprise cash and bank balances and deposits with financial institutions.

Non-derivative financial liabilities

The Group initially recognises financial liabilities on the trade date at which the Group becomes a party to thecontractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Group has the following non-derivative financial liabilities: trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

3.3 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Construction-in-progress comprises the capitalised costs of on-going capital projects.

Low value assets costing less than $2,000 individually are written off in the period of outlay.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other operating income in surplus or deficit.

Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Construction-in-progress is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

The estimated useful lives are as follows:

Building, structures, capital and other improvements	20 years
Office equipment, furniture and fittings	5 to 10 years
Laboratory and gardening equipment	7 years
Motor vehicles	8 to 10 years

The cost of the leasehold land is amortised over the remaining period of between 87 to 93 years from the date the terms and conditions for vesting the land were finalised.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.4 Impairment

Financial assets (including receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Group considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in surplus or deficit and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through surplus or deficit.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit, or CGU").

The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in surplus or deficit. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 amortisation, if no impairment loss had been recognised.

3.5 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in surplus or deficit in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on AA credit-rated bonds that have maturity dates approximately the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised assets is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group. An economic benefit is available to the Group if it is realisable during the life of the plan, or on settlement of the plan liabilities. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised in profit or loss on a straight line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in profit or loss.

The Group recognises all actuarial gains and losses arising from defined benefits plans in other comprehensive income.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.6 Income recognition

Rental income

Rental income receivable under operating leases is recognised in surplus or deficit on a straight-line basis over the term of the lease.

Admission charges

Admission charges are recognised upon the sale of admission tickets to visitors.

Fines and forfeitures

Fines and forfeitures are recognised on the issuance of the notice of offence to offenders.

Agency fees

Where it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be reliably measured, agency fees are recognised over the period in which the services are completed.

Interest income

Interest income is recognised as it accrues, using the effective interest method.

Miscellaneous income

Miscellaneous income comprising income derived from consultancy fees, sale of publications, souvenirs and orchid plantlets, course fees, and park usage and barbeque permit fees are recognised in the period in which they are earned. Liquidated damages are recognised as income when the right to claim such liquidated damages from contractors are established. Fines collected from contractors whose work resulted in damage to trees and plants are recognised upon issuance of the notice of offence.

3.7 Lease payments

Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

3.8 Grants

The value of land at the Singapore Botanic Gardens and the Fort Canning Park that vested in the Board when it was established in June 1990 was taken to the deferred capital grants account. The value of all other assets net of liabilities transferred from the former Parks and Recreation Department of Ministry of National Development (PRD) to the Board in June 1990 and July 1996 amounting to $4,528,275 was taken to the capital account.

Government grants for the purchase or construction of depreciable assets are first taken to the grants received in advance account when received and transferred to the deferred capital grants account as and when they are utilised. Contributions from other organisations for similar purpose and donations of depreciable assets are taken directly to the deferred capital grants account.

Deferred capital grants are recognised in the surplus or deficit over the periods necessary to match the depreciation of the assets purchased, constructed or donated except for the value of assets net of liabilities transferred from the former PRD when the Board was established in June 1990 and when PRD merged with the Board in July 1996. Upon the disposal of these assets, the balance of the related deferred capital grants is recognised in the surplus or deficit to match the net book value of the assets disposed off.

Government grants and grants from other organisations to meet current year's operating expenditure are recognised as income in the same year. Operating and capital grants are recognised only when there is reasonable assurance that the Board will comply with the conditions attaching to them and the grant will be received, and are accounted for on an accrual basis.

3.9 Garden City Fund

The assets and liabilities of Garden City Fund held in trust by the Board is presented as a line item under the capital and other funds section on the face of the statement of financial positions of the financial statements as prescribed by SB-FRS Guidance Note 1. Profit or loss relating to the Garden City Fund are accounted for directly in the fund. Details of income, expenditure, assets and liabilities of the fund are disclosed in the notes to the financial statements.

3.10 Contribution to Consolidated Fund

Contribution to consolidated fund is provided on an accrual basis.

3.11 Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in surplus or deficit except to the extent that it relates to a business combination, or items recognised directly in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investment in subsidiary to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.12 New standards and interpretations not yet adopted

New standards, amendments to standards and interpretations that are not yet effective for the year ended 31 March 2010 have not been applied in preparing these financial statements. None of these will have an effect on the financial statements of the Group, except for the followings:

- SB-FRS 103 (revised) *Business Combinations* introduces significant changes to the accounting for business combinations both at the acquisition date and post acquisition date, and requires greater use of fair values.
- SB-FRS 27 (revised) *Consolidated and Separate Financial Statements* requires accounting for changes in ownership interests by the Group in a subsidiary, while maintaining control, to be recognised as an equity transaction.
- SB-FRS 39 (Amendments) *Financial instruments: Recognition and Measurement – Eligible Hedged Items* clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in two particular situations: (i) the designation of a one-sided risk in a hedged item; and (ii) the designation of inflation in particular situations.
- *Improvement to SB-FRSs 2009* contains amendments to numerous accounting standards that result in accounting changes for presentation, recognition or measurement and disclosure purposes.
- SB-FRS 32(Amendments) *Financial Instruments: Disclosure and Presentation* includes rights issue as a financial liability and to be presented as non-derivative equity instruments.
- SB-FRS 101 (revised) *First-time Adoption of Statutory Board FRS (improved structure)* retains the substance of the previous version of FRS 101, but within a changed structure
- SB-FRS 101(Amendments) *First-time Adoption of Statutory Board FRS* introduces additional exemptions for first time adopters.
- SB-FRS 102 (Amendments) *Group Cash-settled Share-based Payment Transactions* clarifies its scope and the accounting for group cash-settled share-based payment transactions in the separate or individual financial statements of the entity receiving the goods or services when that entity has no obligation to settle the share-based payment transaction.

The initial application of these amendments, which become mandatory for the Group's 2011 consolidated financial statements, is not expected to have a significant impact on the consolidated financial statements.

4 Property, plant and equipment

Group	Leasehold land	Building, structures, capital and other improvements	Office equipment, furniture and fittings	Laboratory and gardening equipment	Motor vehicles	Construction-in-progress	Total
	$	$	$	$	$	$	$
Cost							
At 1 April 2008	60,935,129	144,954,388	27,913,171	1,162,908	2,882,994	–	237,848,590
Additions	–	–	1,309,136	18,440	54,003	4,182,654	5,564,233
Transfers	–	1,182,563	–	–	–	(1,182,563)	–
Transfer to direct development projects	–	–	–	–	–	(150,384)	(150,384)
Disposals/ Write-off	–	–	(1,222,385)	(129,851)	(486,382)	–	(1,838,618)
At 31 March 2009	60,935,129	146,136,951	27,999,922	1,051,497	2,450,615	2,849,707	241,423,821
Additions	–	937,739	896,573	48,894	–	5,904,043	7,787,249
Transfers	–	1,012,317	7,501,551	–	–	(8,513,868)	–
Transfer to direct development projects	–	–	–	–	–	(132,641)	(132,641)
Disposals/ Write-off	–	–	(3,441,610)	(255,483)	(662,816)	–	(4,359,909)
At 31 March 2010	60,935,129	148,087,007	32,956,436	844,908	1,787,799	107,241	244,718,520
Accumulated depreciation and impairment losses							
At 1 April 2008	7,777,389	50,151,995	22,646,757	768,090	1,675,752	–	83,019,983
Depreciation charge for the year	656,236	7,288,860	1,400,807	85,922	253,830	–	9,685,655
Disposals/ Write-off	–	–	(1,132,843)	(129,196)	(482,357)	–	(1,744,396)
At 31 March 2009	8,433,625	57,440,855	22,914,721	724,816	1,447,225	–	90,961,242
Depreciation charge for the year	705,954	7,340,926	1,387,927	70,836	218,655	–	9,724,298
Disposals/ Write-off	–	–	(2,279,054)	(214,949)	(635,882)	–	(3,129,885)
At 31 March 2010	9,139,579	64,781,781	22,023,594	580,703	1,029,998	–	97,555,655
Carrying amount							
At 1 April 2008	53,157,740	94,802,393	5,266,414	394,818	1,207,242	–	154,828,607
At 31 March 2009	52,501,504	88,696,096	5,085,201	326,681	1,003,390	2,849,707	150,462,579
At 31 March 2010	51,795,550	83,305,226	10,932,842	264,205	757,801	107,241	147,162,865

Board	Leasehold land	Building, structures, capital and other improvements	Office equipment, furniture and fittings	Laboratory and gardening equipment	Motor vehicles	Construction-in-progress	Total
	$	$	$	$	$	$	$
Cost							
At 1 April 2008	60,935,129	144,954,388	27,885,133	1,162,908	2,882,994	–	237,820,552
Additions	–	–	1,309,136	18,440	54,003	4,182,654	5,564,233
Transfers	–	1,182,563	–	–	–	(1,182,563)	–
Transfer to direct development projects	–	–	–	–	–	(150,384)	(150,384)
Disposals/ Write-off	–	–	(1,222,385)	(129,851)	(486,382)	–	(1,838,618)
At 31 March 2009	60,935,129	146,136,951	27,971,884	1,051,497	2,450,615	2,849,707	241,395,783
Additions	–	937,739	896,573	48,894	–	5,904,043	7,787,249
Transfers	–	1,012,317	7,501,551	–	–	(8,513,868)	–
Transfer to direct development projects	–	–	–	–	–	(132,641)	(132,641)
Disposals/ Write-off	–	–	(3,413,572)	(255,483)	(662,816)	–	(4,331,871)
At 31 March 2010	60,935,129	148,087,007	32,956,436	844,908	1,787,799	107,241	244,718,520
Accumulated depreciation and impairment losses							
At 1 April 2008	7,777,389	50,151,995	22,618,719	768,090	1,675,752	–	82,991,945
Depreciation charge for the year	656,236	7,288,860	1,400,807	85,922	253,830	–	9,685,655
Disposals/ Write-off	–	–	(1,132,843)	(129,196)	(482,357)	–	(1,744,396)
At 31 March 2009	8,433,625	57,440,855	22,886,683	724,816	1,447,225	–	90,933,204
Depreciation charge for the year	705,954	7,340,926	1,387,927	70,836	218,655	–	9,724,298
Disposals/ Write-off	–	–	(2,251,016)	(214,949)	(635,882)	–	(3,101,847)
At 31 March 2010	9,139,579	64,781,781	22,023,594	580,703	1,029,998	–	97,555,655
Carrying amount							
At 1 April 2008	53,157,740	94,802,393	5,266,414	394,818	1,207,242	–	154,828,607
At 31 March 2009	52,501,504	88,696,096	5,085,201	326,681	1,003,390	2,849,707	150,462,579
At 31 March 2010	51,795,550	83,305,226	10,932,842	264,205	757,801	107,241	147,162,865

Assets under construction transferred to direct development projects relate to capital expenditure incurred on behalf of the Ministry of National Development to be funded by direct development grants receivable from the Ministry of National Development.

5 Investment in subsidiary

	Board 2010	Board 2009
	$	$
Unquoted equity investment, at cost	2	2

Details of the subsidiary are as follows:

Name of subsidiary	Principal activities	Place of incorporation and business	Equity interest held 2010	Equity interest held 2009
			%	%
Singapore Garden City Pte. Ltd.	Landscape planning, advisory services and business consulting services	Singapore	100	100

6 Trade and other receivables

	Group		Board	
	2010	2009	2010	2009
	$	$	$	$
Non-current assets				
Trade receivables	3,980,000	3,980,000	3,980,000	3,980,000
Allowance for impairment loss	(2,300,000)	(2,300,000)	(2,300,000)	(2,300,000)
Net trade receivable	1,680,000	1,680,000	1,680,000	1,680,000
Current assets				
Trade receivables	3,245,364	3,621,238	3,245,364	3,621,077
Allowance for impairment loss	(2,352)	(2,352)	(2,352)	(2,352)
Net trade receivables	3,243,012	3,618,886	3,243,012	3,618,725
Receivables from Ministry of National Development (non-trade)	39,199,834	41,565,078	39,199,834	41,565,078
Receivables from other Government agencies (non-trade)	8,514	884,356	8,514	884,356
Amount due from Garden City Fund (non-trade)	250,215	47,106	250,215	47,106
Interest receivable	61,126	4,742	61,126	4,742
Other receivables	130,999	181,858	130,999	181,858
Deposits	768,527	97,620	768,277	97,370
	43,662,227	46,399,646	43,661,977	46,399,235
Total loans and receivables	45,342,227	48,079,646	45,341,977	48,079,235

Terms and debt repayment schedule

Terms and conditions of outstanding non-current trade receivables are as follows:

			2010		2009	
	Nominal interest rate	Year of maturity	Face value	Carrying amount	Face value	Carrying amount
	%		$'000	$'000	$'000	$'000
Group and Board						
Trade receivables	2	2023	3,980,000	3,980,000	3,980,000	3,980,000

Concentration of credit risk relating to trade receivables is limited due to the Group's many customers. These customers comprise entities which are owned by the Singapore Government and customers which are mainly engaged in leisure and tourism industry. The Group's historical experience in the collection of trade receivable falls within the recorded allowances. Due to these factors, management believes that no credit risk beyond amounts provided for collection losses is inherent in the Group's trade receivables.

The maximum exposure to credit risk for trade receivables at the reporting date (by type of customer) is:

	2010	2009
	$	$
Group		
Service fees receivable from Government agencies	1,634,678	2,361,400
Rental receivable from tenants	2,094,275	2,056,118
Others	1,194,059	881,368
	4,923,012	5,298,886
Board		
Service fees receivable from Government agencies	1,634,678	2,361,239
Rental receivable from tenants	2,094,275	2,056,118
Others	1,194,059	881,368
	4,923,012	5,298,725

Except for amounts owing from a tenant totalling $4,191,636 (2009: $4,170,318), there is no other significant concentration of credit risk relating to trade receivables. The Group's historical experience in the collection of trade receivables falls within the recorded allowances and management believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade receivables.

Receivables from Ministry of National Development comprise operating grant receivable, funding of capital charge and depreciation and direct development grants receivable by the Board. These amounts are unsecured and interest-free, and are repayable on demand.

Non-trade amounts due from other Government agencies, Garden City Fund and the subsidiary are unsecured and interest-free, and are repayable on demand.

Impairment losses

The ageing of trade receivables at the reporting date is:

	Gross 2010 $	Impairment losses 2009 $	Gross 2010 $	Impairment losses 2009 $
Group				
Not past due	2,630,130	–	3,144,291	47,752
Past due 0 – 30 days	241,560	–	12,316	10,044
Past due 31 – 120 days	41,935	–	192,554	132,536
More than 120 days	4,311,739	2,302,352	4,252,077	2,112,020
	7,225,364	2,302,352	7,601,238	2,302,352
Board				
Not past due	2,630,130	–	3,144,130	47,752
Past due 0 – 30 days	241,560	–	12,316	10,044
Past due 31 – 120 days	41,935	–	192,554	132,536
More than 120 days	4,311,739	2,302,352	4,252,077	2,112,020
	7,225,364	2,302,352	7,601,077	2,302,352

The change in impairment loss in respect of trade receivables during the year is as follows:

	Group		Board	
	2010 $	2009 $	2010 $	2009 $
At 1 April	2,302,352	2,338,005	2,302,352	2,304,152
Impairment loss recognised	–	1,494	–	1,494
Impairment loss utilised	–	(37,147)	–	(3,294)
At 31 March	2,302,352	2,302,352	2,302,352	2,302,352

7 Cash and cash equivalents

	Group		Board	
	2010 $	2009 $	2010 $	2009 $
Cash at Accountant-General and bank	111,893,786	21,348,870	111,789,866	21,240,373
Deposits with banks	28,189,028	33,157,461	28,189,028	33,157,461
	140,082,814	54,506,331	139,978,894	54,397,834

The weighted average effective interest rates per annum relating to deposits with banks, at the balance sheet date for the Group and Board are 0.12% (2009: 0.35%) per annum. Interest rates reprice at intervals of 7 days to 1 year.

8 Capital account

Capital account represents the value of assets net of liabilities transferred from the former PRD of Ministry of National Development when the Board was established in June 1990 and when PRD merged with the Board in July 1996. It excludes the leasehold land which was acquired via Government capital grants.

9 Share capital

	2010 $	2009 $
Fully paid ordinary shares, with no par value:		
At 1 April	1,000	–
Issue of ordinary shares	–	1,000
At 31 March	1,000	1,000

The Board issued 1,000 ordinary shares on 23 February 2009. The shares have been fully paid for and is held by the Ministry of Finance, a body corporate incorporated by the Minister for Finance (Incorporation) Act (Chapter 183, 1985 Revised Edition).

The holders of ordinary shares are entitled to receive dividends as declared from time to time, in accordance with Finance Circular Minute No. M26/2008. The shares do not carry any voting rights.

Capital management

The Group and Board define "capital" to include capital account, share capital and accumulated surplus. The Board's policy is to maintain a strong capital base to safeguard the ability to meet the long-term development needs of the Board. The Board of members monitors the "Surplus before contribution to Consolidated Fund" on a regular basis. The Board monitors the major capital expenditure which is strategic in nature and may draw on accumulated surplus.

There were no changes in the capital management approach during the year.

The Group and Board are not subject to externally imposed capital requirements.

10 Sinking Fund

The sinking fund is designated to fund the replacement and capital improvement of property, plant and equipment. As at 31 March 2010, the sinking fund is represented by the receivables from Ministry of National Development.

11 Garden City Fund

The Board established the Garden City Fund on 1 July 2002 to enhance the enjoyment of the garden city in areas where there is no government funding. The Garden City Fund is managed, administered and controlled by the Garden City Fund Management Committee (the Committee), although the Board has the authority to remove any member from the Committee, and provide directions and guidelines on the conduct of meetings and other matters relating to the proceedings of the Committee.

The Garden City Fund comprises the Garden City Endowment Fund (GCEF) and the Garden City Non-Endowment Fund (GCNEF). The GCNEF comprises all monies transferred from the specific funds of the Board upon the formation of the Garden City Fund on 1 July 2002 and all other contributions to the GCNEF.

The GCNEF and the income from the GCEF will be used to further the objectives of the Garden City Fund.

Upon dissolution of the Garden City Fund, the remaining monies in the fund shall be donated to charitable organisations which have been designated as Institutions of a Public Character under the Income Tax Act (Chapter 134) and registered under the Charities Act (Chapter 37).

The following financial information represents GCNEF. There has been no contribution to the GCEF since establishment.

	Group and Board 2010 $	Group and Board 2009 $
Donations received	4,192,271	2,288,339
Sales of publications/souvenirs	63,011	159,277
Interest income	11,003	19,021
	4,266,285	2,466,637
Printing and stationery	208,809	147,204
Maintenance	19,835	40,026
Horticultural works	136,495	355,848
Publicity and outreach activities	775,281	632,914
Professional fees	239,964	449
Depreciation of plant and equipment	14,454	9,682
Rental expenses	106,054	27,943
Training and courses	190,563	6,078
Enhancements of parks/facilities	477,337	345,157
Signboards	12,569	107,787
Library operating expenses	44,774	153,393
Exchange loss	1,834	20,971
Others	6,141	11,813
	2,234,110	1,859,265
Surplus for the year	2,032,175	607,372
Accumulated fund at beginning of the year	4,994,855	4,387,483
Accumulated fund at end of the year	7,027,030	4,994,855
Represented by:		
Non-current asset		
Plant and equipment	80,438	59,643
Current assets		
Trade receivables	5,562	10,575
Other receivables	2,986	6,342
Cash and cash equivalents	7,249,074	5,050,218
	7,257,622	5,067,135
Current liabilities		
Trade payables	57,793	84,817
Other payables	253,237	47,106
	311,030	131,923
Net assets	7,027,030	4,994,855

12 Deferred capital grants

	Note	Group and Board 2010 $	Group and Board 2009 $
At 1 April		150,401,116	154,707,822
Capital grants utilised during the year	16	933,659	1,648,649
Amounts transferred from Government operating grants utilised during the year	17	6,814,737	3,803,073
Amounts transferred from other Government grants utilised during the year	18	38,853	112,510
		158,188,365	160,272,054
Deferred capital grants amortised during the year		(10,901,652)	(9,720,554)
Amount utilised transferred to direct development grants	4	(132,641)	(150,384)
At 31 March (including grants-in-kind less amortisation)		147,154,072	150,401,116
Total capital grants received (excluding grants-in-kind transferred from Garden City Fund) and utilised since establishment		206,941,517	199,154,268

13 Deferred revenue

	Group and Board 2010 $	Group and Board 2009 $
Lease premium received in advance	1,881,944	1,965,280
Deferred rental income	1,847,271	1,868,824
	3,729,215	3,834,104
Within 12 months	250,604	1,952,157
After 12 months	3,478,611	1,881,947
	3,729,215	3,834,104

The lease premium received in advance represents the unamortised balances of lease premium received in advance from a tenant.

14 Liability for defined benefits obligations

	Group 2010 $	Group 2009 $	Board 2010 $	Board 2009 $
Payable:				
– Within one year	1,036,000	648,000	1,036,000	648,000
– After one year	5,764,000	6,570,000	5,764,000	6,570,000
	6,800,000	7,218,000	6,800,000	7,218,000

Liability for defined benefits obligations

Certain employees of the Board are entitled to select one of the following state-managed pension schemes upon retirement:

(i) Annual pension payments;
(ii) Reduced pension together with gratuity payment upon retirement; or
(iii) Lump sum gratuity payment upon retirement.

The Group and the Singapore Government jointly finance the payment of gratuity, pension or allowance to pensionable officers at their retirement. The split of pension costs is determined based on the accumulated pensionable emoluments earned by the pensionable employee while he was in the government services as compared with his service with the Group up to his retirement.

Accrual for defined benefits obligations is made assuming that scheme (iii) will be selected by these employees upon retirement based on the Board's historical experience, and represents the present value of unfunded obligations.

Movements in liability for defined benefits obligations are as follows:

	Group and Board 2010 $	Group and Board 2009 $
At 1 April	7,218,000	6,868,000
Accrual for the year	34,467	1,203,353
Actuarial loss	625,000	–
Benefits paid	(1,077,467)	(853,353)
At 31 March	6,800,000	7,218,000

Amounts recognised in the statement of comprehensive income are as follows:

	Group and Board	
	2010	2009
	$	$
Current service costs	410,000	1,007,353
Past service costs	(571,533)	–
Interest on obligations	196,000	196,000
	34,467	1,203,353

Actuarial loss recognised directly in other comprehensive income.

	Group and Board	
	2010	2009
	$	$
Cumulative amount at 1 April	–	–
Recognised during the year	625,000	–
Cumulative amount at 31 March	625,000	–

Principal assumptions at the balance sheet date are as follows:

	Group and Board	
	2010	2009
Discount rate	1.3%	3.0%
Future salary increases	3.0%	3.0%

Assumptions regarding future mortality are based on published statistics and mortality tables.

For the split of defined benefit obligations between the Singapore Government and the Group, the assumption that the active pensionable officers have a historical average annual salary increase of 3% since joining the Government Service has been made.

15 Trade and other payables

	Group		Board	
	2010	2009 (Restated)	2010	2009 (Restated)
	$	$	$	$
Trade payables	11,879,736	15,683,681	11,876,732	15,678,481
GST payable	1,610,058	1,334,343	1,610,058	1,334,343
Other payables	6,503,256	1,107,491	6,503,256	1,105,471
Accrued operating expenses	40,513,358	23,442,900	40,513,358	23,442,900
Payables to Ministry of National Development (non-trade)	1,901,671	1,888,040	1,901,671	1,888,040
Grants received in advance (non-trade)	24,860,985	–	24,860,985	–
Amount due to Garden City Fund (non-trade)	537	–	537	–
Amount due to subsidiary (non-trade)	–	–	19,496	–
Rental and other deposits	3,251,933	2,478,896	3,251,933	2,478,896
Rental received in advance	–	1,680,000	–	1,680,000
Accrual for unutilised leave	2,221,357	2,041,105	2,221,357	2,041,105
	92,742,891	49,656,456	92,759,383	49,649,236

Payables to Ministry of National Development comprise primarily state revenue collections received on behalf of the Ministry. The amounts are unsecured and interest-free, and are repayable on demand.

Non-trade amounts due to Garden City Fund and subsidiary were unsecured and interest-free.

Grants received in advance comprise primarily direct development grant received in advance from Ministry of National Development and other government agency for the Gardens by the Bay.

The following are the expected contractual undiscounted cash inflows/(outflows) of the financial liabilities, including interest payments and excluding the impact of netting agreements:

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	Carrying amount	Contractual cash flows	Cash flows Within 1 year	Cash flows Within 1 to 5 years	Cash flows More than 5 years
	$	$	$	$	$
Group					
2010					
Non-derivative financial liabilities					
Trade payables	11,879,736	(11,879,736)	(11,879,736)	–	–
GST payable	1,610,058	(1,610,058)	(1,610,058)	–	–
Other payables	6,503,256	(6,503,256)	(6,503,256)	–	–
Accrued operating expenses	40,513,358	(40,513,358)	(40,513,358)	–	–
Payables to Ministry of National Development (non-trade)	1,901,671	(1,901,671)	(1,901,671)	–	–
Amount due to Garden City Fund (non-trade)	537	(537)	(537)	–	–
Rental and other deposits	3,251,933	(3,251,933)	(3,251,933)	–	–
	65,660,549	(65,660,549)	(65,660,549)	–	–
2009					
Non-derivative financial liabilities					
Trade payables	15,683,681	(15,683,681)	(15,683,681)	–	–
GST payable	1,334,343	(1,334,343)	(1,334,343)	–	–
Other payables	1,107,491	(1,107,491)	(1,107,491)	–	–
Accrued operating expenses	23,442,900	(23,442,900)	(23,442,900)	–	–
Payables to Ministry of National Development (non-trade)	1,888,040	(1,888,040)	(1,888,040)	–	–
Rental and other deposits	2,478,896	(2,478,896)	(2,478,896)	–	–
	45,935,351	(45,935,351)	(45,935,351)	–	–
Board					
2010					
Non-derivative financial liabilities					
Trade payables	11,876,732	(11,876,732)	(11,876,732)	–	–
GST payable	1,610,058	(1,610,058)	(1,610,058)	–	–
Other payables	6,503,256	(6,503,256)	(6,503,256)	–	–
Accrued operating expenses	40,513,358	(40,513,358)	(40,513,358)	–	–
Payables to Ministry of National Development (non-trade)	1,901,671	(1,901,671)	(1,901,671)	–	–
Amount due to Garden City Fund (non-trade)	537	(537)	(537)	–	–
Amount due to subsidiary (non-trade)	19,496	(19,496)	(19,496)	–	–
Rental and other deposits	3,251,933	(3,251,933)	(3,251,933)	–	–
	65,677,041	(65,677,041)	(65,677,041)	–	–
2009					
Non-derivative financial liabilities					
Trade payables	15,678,481	(15,678,481)	(15,678,481)	–	–
GST payable	1,334,343	(1,334,343)	(1,334,343)	–	–
Other payables	1,105,471	(1,105,471)	(1,105,471)	–	–
Accrued operating expenses	23,442,900	(23,442,900)	(23,442,900)	–	–
Payables to Ministry of National Development (non-trade)	1,888,040	(1,888,040)	(1,888,040)	–	–
Rental and other deposits	2,478,896	(2,478,896)	(2,478,896)		
	45,928,131	(45,928,131)	(45,928,131)	–	–

16 Government capital grants

	Note	Group and Board 2010 $	Group and Board 2009 $
At 1 April		776,937	957,670
Grants received		866,500	1,468,000
Amounts utilised and transferred to deferred capital grants	12	(933,659)	(1,648,649)
Net bank interest earned on capital grants received		324	(84)
At 31 March		710,102	776,937

17 Government operating grants

	Note	Group and Board 2010 $	Group and Board 2009 $
At 1 April		–	1,076,751
Grants received		153,846,500	138,882,980
Grants receivable		11,016,466	10,569,040
Amounts transferred to deferred capital grants	12	(6,814,737)	(3,803,073)
Amounts taken to statement of comprehensive income		(150,899,578)	(146,725,698)
		7,148,651	–

Total operating grants received less transferred to deferred capital grants since establishment are $1,281,615,447 (2009: $1,134,583,684).

18 Other Government grants

	Note	Group and Board 2010 $	Group and Board 2009 $
At 1 April		1,302,044	798,534
Grants received		4,008,542	2,158,392
Grants receivable		8,514	131,532
Amounts transferred to deferred capital grants	12	(38,853)	(112,510)
Amounts taken to statement of comprehensive income		(4,228,150)	(1,673,904)
At 31 March		1,052,097	1,302,044

Other Government grants comprise grants received from other Government agencies.

19 Contribution to Consolidated Fund

With effect from 1 April 2003, the Board is required to make contribution to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act, Chapter 319A. Contribution for the financial year is determined based on 17% (2009: 18%) of the net surplus for the financial year.

20 Miscellaneous income

	Group 2010 $	Group 2009 $	Board 2010 $	Board 2009 $
Liquidated damages	53,810	119,121	53,810	119,121
Course fees	1,078,895	900,190	1,078,895	900,190
Barbeque permit fees	492,950	485,540	492,950	485,540
Park usage fees	372,777	473,993	372,777	473,993
Consultancy fees	21,419	55,717	21,419	–
Tour fees	100,959	109,592	100,959	109,592
Events income	170,201	975,225	170,201	975,225
Others	982,049	445,912	982,049	488,772
	3,273,060	3,565,290	3,273,060	3,552,433

21 Staff costs

	Group		Board	
	2010	2009	2010	2009
	$	$	$	$
Wages and salaries	50,495,115	43,469,994	50,495,115	43,431,294
Contributions to defined contribution plans	5,813,080	4,952,971	5,813,080	4,947,325
Pension costs	34,467	1,203,353	34,467	1,203,353
Other staff benefits	908,228	824,563	908,228	824,563
	57,250,890	50,450,881	57,250,890	50,406,535

There are currently 12 (2009: 14) employees of the Board who are under pension schemes other than the Central Provident Fund. The pension amount to be paid to each employee upon retirement under this scheme is dependent on, among other factors, the number of years of service and the last drawn salary. The pension costs are shared between the Board and the Accountant-General's Department in accordance with the Fourth Schedule of the Act.

22 Deficit from operations

The following items have been included in arriving at deficit from operations:

	Group		Board	
	2010	2009	2010	2009
	$	$	$	$
Property, plant and equipment written off	1,201,979*	89,378	1,201,979*	89,378
Gain on disposal of property, plant and equipment	(113,148)	(3,013)	(113,148)	(3,013)
Allowance for impairment losses made/(written back):				
- Trade receivables	–	1,870,318	–	1,870,318
Bad debts written off				
- Trade receivables	2,258	–	2,258	–
Bad debts written off				
- Amount due from subsidiary	–	–	–	167,927

* The property, plant and equipment written-off of $1,201,979 includes an amount of $1,075,442 arising from the change in the capitalisation limit of property, plant and equipment from $1,000 to $2,000 during the year.

23 Income tax expense

The Board is exempted from income tax under Section 13(1)(e) of the Income Tax Act, Chapter 134, and is required to make contributions to the Government Consolidated Fund (GCF) in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act, Chapter 319A, as mentioned in note 19 to the financial statements.

No tax provision is made by the subsidiary as it is in a tax loss position and has unutilised tax losses and temporary differences from capital allowances available for set-off against future taxable income.

Reconciliation of effective tax rate

	Group	
	2010	2009
	$	$
Surplus for the year	33,029,423	24,721,258
Tax calculated using Singapore tax rate of 17% (2009: 18%)	5,615,002	4,202,614
Different rate of contribution to GCF	–	247,212
Income not subject to tax	(5,628,443)	(4,436,727)
Utilisation of previously unrecognised deferred tax asset	–	(13,099)
Deferred tax assets not recognised	13,441	–
	–	–

The following temporary differences have not been recognised:

	Group	
	2010	2009
	$	$
Unutilised tax losses	1,721,371	1,642,378
Excess of tax written down value of plant and equipment	1,288	1,217
	1,722,659	1,643,595

The unutilised tax losses and temporary differences from capital allowances do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because of the uncertainty over which future taxable profit will be available against which the subsidiary can utilise the benefits.

24 Accounting estimates and judgments

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments 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.

Key source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

Depreciation of and impairment loss on property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives, after taking into account the estimated residual value. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation expense to be recorded during any reporting period. The useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. Depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

Impairment losses would be made for property, plant and equipment whenever there is objective evidence that the assets are impaired. The required level of impairment losses to be made is estimated by reference to the estimated value in use or price quotations from independent third parties.

Impairment loss on trade receivables

The Group evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment loss as a result of the inability of the debtors to make required payments. The Group bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the debtors and historical write-off experience. If the financial conditions of the debtors were to deteriorate, actual write-offs would be higher than estimated.

Valuation of defined benefits obligations

The Group and the Singapore Government jointly finance the payment of gratuity, pension or allowance to pensionable officers at their retirement. The split of pension costs is determined based on the accumulated pensionable emoluments earned by the pensionable employee while he was in the government services as compared with his service with the Group up to his retirement.

The valuation of the defined benefits obligations is determined using the projected unit credit method. The most recent full actuarial valuation of the defined benefits obligations was carried out as at 1 April 2010 and this has been updated on an approximate basis to 31 March 2013.

The assumptions which have the most significant effect on the results of the valuation are those relating to discount rate, future salary increase rate, pre-retirement mortality and historical average annual salary increase rate. The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions, which due to the timescale covered, may not necessary borne out in practice. The present value of the liabilities is derived from cash flows projections over long periods and is inherently uncertain.

25 Financial risk management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk Management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

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

The Group has a credit policy in place which established credit limits for customers and monitors their balances on an ongoing basis. Cash and fixed deposits are placed with banks and financial institutions which are regulated.

At the balance sheet date, except for receivables due from Ministry of National Development, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial positions.

Liquidity risk

The Group has minimal exposure to liquidity risk as the Group's operations are funded by Government grants. The Group has ensured that sufficient liquidity through highly liquid assets in the form of cash and short term deposits are maintained at all times to meet its financial obligations.

Interest rate risk

Interest-earning financial assets of the Group are mainly deposits with banks which are all short term. Any future variations in interest rates will not have a material impact on the results of the Group. The Group does not have any interest-bearing financial liabilities.

The carrying amounts and effective interest rates of deposits with banks by maturity are as follows:

		Fixed interest rate maturing			
	Effective interest rate	within 1 year	in 1 to 5 years	after 5 years	Total
	%	$	$	$	$
Group					
2010					
Deposits with banks	0.12	28,189,028	–	–	28,189,028
2009					
Deposits with banks	0.35	33,157,461	–	–	33,157,461
Board					
2010					
Deposits with banks	0.12	28,189,028	–	–	28,189,028
2009					
Deposits with banks	0.35	33,157,461	–	–	33,157,461

Foreign currency risk

The Group has minimal exposure to foreign exchange risk as majority of its transactions are denominated in the Singapore dollars, which is also the functional currency of the Board and its subsidiary.

Estimating the fair values

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group.

Other financial assets and liabilities

The notional amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) approximate their fair values because of the short period to maturity.

Non-current trade receivable

The carrying value of trade receivable with a maturity of more than one year approximates its fair value. Fair value is calculated based on discounted expected future principal and interest cash flows.

The interest rates used to discount estimated cash flows, where applicable, are as follow:

	2010	2009
Receivables	2.9%	3.0%

26 Operating leases

	Group and Board	
	2010	2009
	$	$
Non-cancellable operating lease commitments:		
- within 1 year	1,250,899	244,440
- after 1 year but within 5 years	5,768,740	–
- more than 5 years	263,181	–
	7,282,820	244,440

The Group leases the Alliance for Corporate Excellence (ACE) system from Ministry of Finance under operating leases. The leases run for a period of 7 years from 30 September 2009, with an option to extend for 2 years.

As at the balance sheet date, the Group and the Board have the following non-cancellable operating lease receivables:

	Group and Board	
	2010	2009
	$	$
Within 1 year	4,689,957	5,554,738
After 1 year but within 5 years	12,394,821	12,561,870
After 5 years	50,640,000	53,520,000
	67,724,778	71,636,608

The above amounts exclude operating lease premium received in advance of $1,881,944 (2009: $1,965,280) (refer to note 13 to the financial statements).

27 Capital commitments

As at the reporting date, the Group and the Board have the following commitments:

	Group and Board	
	2010	2009
	$	$
Contracted but not provided for	225,003,009	455,871,633
Less: Direct development expenditure to be reimbursed by Ministry of National Development/other government agencies	(224,566,009)	(455,414,170)
	437,000	457,463
Authorised but not contracted for	975,667,874	791,738,645
Less: Direct development expenditure to be reimbursed by Ministry of National Development/other government agencies	(963,715,777)	(788,940,511)
Less: Direct development expenditure to be funded through the Board's accumulated surplus	(10,000,000)	–
	1,952,097	2,798,134
	2,389,097	3,255,597

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28 Contingent liabilities

At the reporting date, there were the following contingent liabilities relating to various claims that have been made against the Group and the Board in respect of third parties damages. These claims have been referred to the insurers for their assessments.

	Group and Board	
	2010	2009
	$	$
Claims not provided for	737,403	808,243

29 Related parties

Key management personnel compensation

Key management personnel of the Group and the Board are those persons having the responsibility for planning, directing and controlling the activities of the Group and of the Board. These key management personnel comprise members of the Board and Executive Management Team of the Group and of the Board.

Key management personnel compensation comprises:

	Group		Board	
	2010	2009	2010	2009
	$	$	$	$
Short-term employee benefits	1,010,343	1,022,983	1,010,343	1,022,983

Other related party transactions

For the purposes of these financial statements, related parties include the Board's supervisory ministry, Ministry of National Development, Garden City Fund and the Board's subsidiary.

Except as disclosed elsewhere in the financial statements, transactions with related parties (excluding other state-controlled entities) carried out on terms agreed between the parties are as follows:

	Group and Board	
	2010	2009
	$	$
Garden City Fund		
Purchase of publications/souvenirs	13,706	14,969

30 Comparative information

Certain changes have been made to the comparatives in the financial statements to more appropriately reflect the nature of trade and other payables and to be consistent with the current year's presentation. The significant changes are as follows:

	Group		Board	
	2010	2009	2010	2009
	As restated	As previously stated	As restated	As previously stated
	$	$	$	$
Trade and other payables				
Trade payables	15,683,681	16,780,712	15,678,481	16,775,512
Payables to Ministry of National Development (non-trade)	1,888,040	791,009	1,888,040	791,009
	17,571,721	17,571,721	17,566,521	17,566,521