

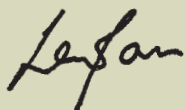
Financial Statements

Statement by the National Parks Board	62
Auditors' Report	63
Balance Sheets	64
Income and Expenditure Statements	65
Statements of Changes in Capital Account, Garden City Fund and Accumulated Surplus	66
Consolidated Cash Flow Statement	67
Notes to the Financial Statements	68

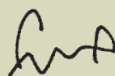
Statement by the National Parks Board

In our opinion, the financial statements of the National Parks Board (the “Board”) and consolidated financial statements of the Board and its subsidiary (the “Group”) set out on pages 64 to 84 are properly drawn up so as to give a true and fair view of the state of affairs of the Group and of the Board as at 31 March 2006, and of the results, changes in capital account, Garden City Fund and accumulated surplus of the Board and of the Group and cash flows of the Group for the financial year then ended.

On Behalf of the Board



Professor Leo Tan Wee Hin
Chairman



Ng Lang
Chief Executive Officer

Singapore
23 June 2006


Report on the Audit of the Financial Statements of the National Parks Board for the Year Ended 31 March 2006

The financial statements of the National Parks Board (the Board), set out on pages 64 to 84, have been audited under my direction and in accordance with the provisions of the National Parks Board Act (Cap. 198A, 1997 Revised Edition). These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on the audit.

The audit was conducted in accordance with the National Parks Board Act (Cap. 198A, 1997 Revised Edition) and Singapore Standards on Auditing. Those Standards require that the audit be planned and performed in order to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Board's management, as well as evaluating the overall financial statements presentation. I believe that the audit provides a reasonable basis for my opinion.

In my opinion,

- (a) the consolidated financial statements of the Group and the financial statements of the Board are properly drawn up in accordance with the provisions of the National Parks Board Act (Cap. 198A, 1997 Revised Edition) and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Board as at 31 March 2006, and the results and changes in capital account, Garden City Fund and accumulated surplus of the Group and of the Board, and the cash flows of the Group for the year ended on that date;
- (b) proper accounting and other records of the Board have been kept, including records of all assets of the Board whether purchased, donated or otherwise; and
- (c) receipts, expenditure and investment of moneys and the acquisition and disposal of assets by the Board during the financial year have been in accordance with the provisions of the National Parks Board Act (Cap. 198A, 1997 Revised Edition).



Chuang Kwong Yong
Auditor-General
Singapore
23 June 2006

Balance Sheets

as at 31 March 2006

	Note	GROUP		BOARD	
		2005/ 2006 \$	2004/ 2005 (restated) \$	2005/ 2006 \$	2004/ 2005 (restated) \$
CAPITAL ACCOUNT	6	4,528,275	4,528,275	4,528,275	4,528,275
ACCUMULATED SURPLUS	7	5,237,660	2,401,286	5,130,269	3,435,023
GARDEN CITY FUND	8	2,677,643	2,915,944	2,677,643	2,915,944
		12,443,578	9,845,505	12,336,187	10,879,242
REPRESENTED BY:					
CURRENT ASSETS:					
Cash and cash equivalents	9	39,124,891	25,476,540	39,083,517	25,458,484
Trade receivables	10	1,780,756	2,557,283	1,741,595	2,495,910
Other receivables, deposits and prepayments	11	4,053,862	4,137,533	4,052,512	4,234,380
		44,959,509	32,171,356	44,877,624	32,188,774
NON-CURRENT ASSETS:					
Loan to subsidiary	5	-	-	-	1,070,716
Investment in subsidiary	12	-	-	2	2
Other investment	13	311	311	-	-
Property, plant and equipment	14	160,412,375	145,781,348	160,372,583	145,746,146
		160,412,686	145,781,659	160,372,585	146,816,864
LESS: CURRENT LIABILITIES:					
Payables and accruals	15	25,235,353	20,701,369	25,220,758	20,720,255
Rental and other deposits		2,208,330	1,963,210	2,208,330	1,963,210
Government capital grants received in advance	16	236,621	121,498	236,621	121,498
Government operating grants received in advance	17	5,238,583	-	5,238,583	-
Deferred revenue	18	83,333	83,333	83,333	83,333
Contribution to Consolidated Fund	19	326,707	392,396	326,707	392,396
		33,328,927	23,261,806	33,314,332	23,280,692
LESS: NON-CURRENT LIABILITIES:					
Deferred revenue	18	2,131,946	2,215,279	2,131,946	2,215,279
Deferred capital grants	20	160,145,387	145,546,369	160,145,387	145,546,369
		162,277,333	147,761,648	162,277,333	147,761,648
NET ASSETS		9,765,935	6,929,561	9,658,544	7,963,298
NET ASSETS OF GARDEN CITY FUND	8	2,677,643	2,915,944	2,677,643	2,915,944
		12,443,578	9,845,505	12,336,187	10,879,242

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

Income and Expenditure Statements

for the Financial Year Ended 31 March 2006

	Note	GROUP		BOARD	
		2005/ 2006 \$	2004/ 2005 (restated) \$	2005/ 2006 \$	2004/ 2005 (restated) \$
Revenue:					
Rental income		4,403,231	3,842,429	4,403,231	3,842,429
Admission charges		1,467,203	809,651	1,467,203	809,651
Fines and forfeitures		255,820	353,580	255,820	353,580
Agency fees		419,687	514,293	419,687	514,293
Interest income	21	529,614	193,626	529,504	193,626
Miscellaneous income	22	2,524,796	1,637,436	2,303,300	1,477,693
		<u>9,600,351</u>	<u>7,351,015</u>	<u>9,378,745</u>	<u>7,191,272</u>
Expenditure:					
Staff costs	23	(40,120,254)	(40,137,662)	(39,550,612)	(39,618,051)
Maintenance and improvement of parks		(41,910,122)	(30,969,902)	(41,910,122)	(30,969,902)
General and administrative expenses		(18,711,643)	(15,764,760)	(20,211,546)	(15,608,208)
Depreciation of property, plant and equipment	14	(7,982,683)	(8,961,641)	(7,971,944)	(8,953,760)
		<u>(108,724,702)</u>	<u>(95,833,965)</u>	<u>(109,644,224)</u>	<u>(95,149,921)</u>
Deficit before government grants	24	(99,124,351)	(88,482,950)	(100,265,479)	(87,958,649)
Government operating grants	17	93,641,760	80,299,966	93,641,760	80,299,966
Deferred capital grants amortised	20	8,742,777	9,620,665	8,742,777	9,620,665
Surplus before Consolidated Fund Contribution		3,260,186	1,437,681	2,119,058	1,961,982
Contribution to Consolidated Fund	19	(423,812)	(392,396)	(423,812)	(392,396)
Surplus for the year		<u>2,836,374</u>	<u>1,045,285</u>	<u>1,695,246</u>	<u>1,569,586</u>

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

Statements of Changes in Capital Account, Garden City Fund and Accumulated Surplus

for the Financial Year Ended 31 March 2006

	Note	Capital Account \$	Garden City Fund \$	Accumulated Surplus \$	Total \$
GROUP					
Balance at 31 March 2004		4,528,275	3,264,864	1,356,001	9,149,140
Surplus (Deficit) for the year as previously reported		-	(348,920)	1,433,701	1,084,781
Prior year adjustment	4	-	-	(388,416)	(388,416)
Balance at 31 March 2005 (restated)		4,528,275	2,915,944	2,401,286	9,845,505
Surplus (Deficit) for the year		-	(238,301)	2,836,374	2,598,073
Balance at 31 March 2006		4,528,275	2,677,643	5,237,660	12,443,578
BOARD					
Balance at 31 March 2004		4,528,275	3,264,864	1,865,437	9,658,576
Surplus (Deficit) for the year as previously reported		-	(348,920)	1,958,002	1,609,082
Prior year adjustment	4	-	-	(388,416)	(388,416)
Balance at 31 March 2005 (restated)		4,528,275	2,915,944	3,435,023	10,879,242
Surplus (Deficit) for the year		-	(238,301)	1,695,246	1,456,945
Balance at 31 March 2006		4,528,275	2,677,643	5,130,269	12,336,187

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

Consolidated Cash Flow Statement

for the Financial Year Ended 31 March 2006

	Note	2005/ 2006 \$	2004/ 2005 (restated) \$
Cash flows from operating activities:			
Deficit before government grants		(99,124,351)	(88,482,950)
Adjustments for:			
Depreciation of property, plant and equipment		7,982,683	8,961,641
Property, plant and equipment written off		262,744	629,595
Loss on disposal of property, plant and equipment		5,581	63,931
Provision/(Reversal) for impairment of trade receivables		47,836	(527,271)
Write back over-stated deferred capital grant		(86,050)	-
Amortisation of lease premium received in advance		(83,333)	(83,333)
Interest income		(529,614)	(193,626)
Deficit before working capital changes		(91,524,504)	(79,632,013)
Trade receivables		728,691	(1,677,320)
Other receivables, deposits and prepayments		2,012,098	(1,349,292)
Payables and accruals		4,533,985	1,957,807
Rental and other deposits		245,119	1,026,774
Cash used in operations		(84,004,611)	(79,674,044)
Contribution to Consolidated Fund paid		(489,501)	(262,251)
Net cash used in operating activities		(84,494,112)	(79,936,295)
Cash flows from investing activities:			
Proceeds on disposal of property, plant and equipment		561,139	32,501
Purchase of property, plant and equipment		(23,396,744)	(14,190,963)
Interest received		529,614	193,626
Acquisition of other investment		-	(311)
Net cash used in investing activities		(22,305,991)	(13,965,147)
Cash flows from financing activity:			
Government grants received		120,448,454	92,315,000
Net increase/(decrease) in cash and cash equivalents		13,648,351	(1,586,442)
Cash and cash equivalents at beginning of the year	9	25,476,540	27,062,982
Cash and cash equivalents at end of the year	9	39,124,891	25,476,540

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

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

1 General

The National Parks Board (the “Board”) is a statutory board established under the National Parks Board Act (Cap. 198A). The National Parks Board 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 registered office of the Board is at Singapore Botanic Gardens, 1 Cluny Road, Singapore 259569 and its principal place of business is in Singapore.

The principal activities of the Board are:

- a) to develop, manage and promote the National Parks and Nature Reserves as valuable reserves for recreation, conservation, research and education; and
- b) 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 12 to the financial statements.

The financial statements of the Board for the year ended 31 March 2006 were authorised for issue by the Members of the Board on 23 June 2006.

2 Significant Accounting Policies

a) Basis of Preparation

The financial statements have been prepared in accordance with the provision of the National Parks Board Act (Cap. 198A) and the Singapore Financial Reporting Standards (“FRS”). The financial statements are presented in Singapore dollars. The functional currency is the Singapore dollar as majority of the Board’s and the Group’s transactions are denominated in Singapore dollars.

The financial statements are prepared on the historical cost convention except for certain financial assets and liabilities which are stated at fair value.

In FY2005/2006, the Group has adopted all the new and revised FRS and interpretations of FRS (“INT FRS”) issued by the Council on Corporate Disclosure and Governance that are relevant to its operations. The adoption of these new/revised FRS and INT FRS did not result in significant changes to the Group’s accounting policies.

Certain new FRS and INT FRS have been issued for accounting periods beginning on or after 1 January 2006. The Group has assessed those FRS and INT FRS. The initial application of those FRS and INT FRS is not expected to have any material impact on the Group’s financial statements.

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

b) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Board and subsidiary of the Board made up to 31 March of each year.

c) Financial Assets

Financial assets include cash and cash equivalents, trade and other receivables. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

d) Financial Liabilities

Financial liabilities include trade and other payables which are initially measured at fair value, and subsequently measured at amortised cost using the effective interest method.

e) Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any impairment loss where the recoverable amount of the asset is estimated to be lower than its carrying amount.

Work-in-progress consists of land cost, related acquisition expenses and construction costs incurred during the period of construction.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

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 is not provided on work-in-progress. Fully depreciated assets still in use are retained in the financial statements. Fixed assets costing less than \$1,000 each are charged to the income and expenditure statement in the year of purchase.

All expenses incurred for general improvements to the parks are charged to the income and expenditure statement when incurred.

f) Other Investment

Other investment is classified as available-for-sale and stated at fair value, with any resultant gain or loss being recognised directly in the fair value reserve. When this investment is derecognised, the cumulative gain or loss previously recognised directly in the fair value reserve is recognised in the income and expenditure statement.

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

g) Impairment of Assets

At each balance sheet date, the Group reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exists or have decreased. The reversal is recognised in the income and expenditure statement. However, the increased carrying amount of an asset due to a reversal of an impairment is recognised to the extent that it does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment losses been recognised for the asset in prior years.

h) Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event where it is probable that it will result in an outflow of economic benefits that can be reasonably estimated.

i) Leases

Rentals payable under operating leases are charged to the income and expenditure statement on a straight-line basis over the term of the relevant lease.

j) Income Recognition

Rental income and agency fees are recognised on an accrual basis, over the lease and service period.

Admission charges are recognised upon the sale of admission tickets to visitors. Fines and forfeitures are recognised on the issuance of the notice of offence to offenders. Donations are accounted for on a cash basis.

Miscellaneous income comprises income derived from consultancy fees, sale of publications, souvenirs and orchid plantlets, liquidated damages collected from contractors, course fees and fines collected from contractors whose work resulted in damage to trees and plants which are recognised on a cash basis or upon issuance of the notice of offence.

k) Government Grants

The value of land at the Singapore Botanic Gardens and the Fort Canning Park 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 ("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 income and expenditure statement over the periods necessary to match the depreciation of the assets purchased, constructed or donated except for the assets transferred as mentioned in Note 6. Upon the disposal of these assets, the balance of the related deferred capital grants is recognised in the income and expenditure statement to match the net book value of the assets disposed off.

Government grants to meet current year's operating expenses are recognised as income in the same year. Both operating and capital grants are accounted for on an accrual basis.

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

l) 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, 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.

The details of the Garden City Fund are disclosed in Note 8 of the financial statements.

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 (Cap. 134) and registered under the Charities Act (Cap. 37).

m) Retirement Benefit Costs

Payments to state-managed defined contribution retirement benefit plans are charged as an expense when incurred.

n) Employee Leave Entitlement

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

o) Contribution to Consolidated Fund

Contribution to Consolidated Fund is provided on an accrual basis. The contribution is based on the net surplus of the Board for the financial year at the prevailing corporate tax rate for the Year of Assessment.

p) Income Tax

The income taxes are accounted using the asset and liability method which requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of enacted tax laws. The effects of future changes in tax laws or rates are not anticipated. The measurement of deferred tax assets is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised.

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

3 Financial Risks and Management

a) Interest Rate Risk

Interest-bearing financial assets of the Group are mainly cash and cash equivalents 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.

b) Credit Risk

The Group places its cash and cash equivalents with credit-worthy institutions. The Group has adopted guidelines on extending credit terms to its debtors. The Group monitors continuously the credit reliability of its debtors and reviews their financial status to determine credit limits to be granted.

The maximum credit risk that the Group is exposed to is represented by the carrying amounts of its financial assets as stated in the balance sheets.

c) Foreign Exchange Risk

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

d) Liquidity Risk

The Group has minimal exposure to liquidity risk as the Board'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 is maintained at all times to meet its financial obligations.

e) Fair Values of Financial Assets and Financial Liabilities

The carrying amounts of financial assets and liabilities reported in the balance sheets approximate their fair values.

The management has not estimated the fair value of other investment (Note 13) as the available-for-sale financial asset is deemed to be not reliably measurable as the probabilities of the various estimates within the range cannot be reasonably assessed to estimate fair values. Consequently the investment is carried at cost less provision for impairment. Impairment losses recognised in income and expenditure for other investment are not reversed.

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

4 Prior Year Adjustment

There was an under accrual amounting to \$485,521 for performance bonus in the prior year. The impact of the adjustment in FY2004/2005 financial statements is as follows:

- a) The staff cost for FY2004/2005 is increased by \$485,521 and as such the surplus for the year is reduced by the same amount.
- b) The accruals is increased by \$485,521.
- c) The provision for contribution to Consolidated Fund is reduced by \$97,105.

5 Related Party Transactions

Related parties in these financial statements include the Board's supervisory ministry, Ministry of National Development, other Government ministries and statutory boards, and the Board's subsidiary.

The more significant transactions between the Board and its supervisory ministry, Ministry of National Development, other Government ministries and statutory boards are disclosed in other parts of the notes to the financial statements.

Subsidiary Company

Some of the Board's transactions and arrangements are with its subsidiary and the effect of these on the basis determined between the parties is reflected in these financial statements. The inter-company balances are unsecured, interest-free and without fixed repayment terms unless stated otherwise.

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

5 Related Party Transactions (continued)

Significant inter-company transactions, other than those disclosed elsewhere in the notes to the financial statements are as follows:

	BOARD	
	2005/ 2006	2004/ 2005
	\$	\$
Consultancy services income	-	(30,755)
Support services income	(19,164)	(19,164)
Interest income	(57,960)	(40,406)
Rental and related income	(23,027)	(20,074)
Consultancy fees expense	-	31,540

A provision for impairment is made on outstanding balances due from the subsidiary as at 31 March 2006, based on the current financial position of the subsidiary. The provision is made on the following:

	\$
Loan to subsidiary*	1,170,716
Receivables from subsidiary (trade)	20,290
Receivables from subsidiary (non-trade)	460,309
Provision for impairment	1,651,315

* Loan to subsidiary is unsecured, bears interest at 5% per annum and is repayable by April 2009.

6 Capital Account

This represents the value of assets net of liabilities transferred from the former Parks and Recreation Department ("PRD") when the Board was established in June 1990 and when PRD was merged with the Board in July 1996. It excludes the leasehold land which was acquired via a Government Capital Grant.

7 Accumulated Surplus

The accumulated surplus represents the surplus that has not been utilised, committed or approved for future capital expenditure except for capital commitments disclosed in Note 27.

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

8 Garden City Fund

The following represents the Garden City Non-Endowment Fund. There has been no contribution to the Garden City Endowment Fund since establishment.

	2005/ 2006 \$	2004/ 2005 \$
Donations received	2,279,567	1,569,626
Sales of publications/souvenirs	79,547	37,708
Interest income	47,048	16,779
	<u>2,406,162</u>	<u>1,624,113</u>
Less: Printing and stationery	95,911	96,813
Maintenance	8,157	80,481
Horticultural works	2,843	15,515
Publicity	45,113	8,415
Outreach activities	234,906	2,047
Photographic materials	952	3,754
Administrative expenses	1,140	3,249
Professional fees	5,220	42,960
Depreciation	3,113	692
Rental expenses	9,201	4,190
Training and courses	30,793	19,760
Enhancements of parks/facilities	2,005,292	1,683,448
Library operating expenses	93,647	-
Others	108,175	11,709
	<u>2,644,463</u>	<u>1,973,033</u>
Deficit	(238,301)	(348,920)
Balance at the beginning of the year	2,915,944	3,264,864
Balance at the end of the year	<u>2,677,643</u>	<u>2,915,944</u>
Represented by:		
Current assets:		
Cash and cash equivalents	2,701,357	3,017,554
Trade receivables	14,718	75,418
Other receivables	4,709	7,808
	<u>2,720,784</u>	<u>3,100,780</u>
Non-current asset:		
Plant and equipment	27,570	8,170
Less: Current liabilities:		
Trade payables	11,038	166,863
Other payables	59,673	26,143
	<u>70,711</u>	<u>193,006</u>
Net assets	<u>2,677,643</u>	<u>2,915,944</u>

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

9 Cash and Cash Equivalents

Cash and cash equivalents in the cash flow statement consist of the following:

	GROUP		BOARD	
	2005/ 2006 \$	2004/ 2005 \$	2005/ 2006 \$	2004/ 2005 \$
Cash and bank balances	10,670,182	15,183,104	10,628,808	15,165,048
Fixed deposits with financial institutions	28,454,709	10,293,436	28,454,709	10,293,436
	<u>39,124,891</u>	<u>25,476,540</u>	<u>39,083,517</u>	<u>25,458,484</u>

The effective interest rates of fixed deposits are between 0.175% to 3% (2004/2005: 0.175% to 1.65%). The maturity of the fixed deposits range from 7 days to 12 months (2004/2005: 7 days to 12 months).

10 Trade Receivables

	GROUP		BOARD	
	2005/ 2006 \$	2004/ 2005 \$	2005/ 2006 \$	2004/ 2005 \$
Outside parties	1,828,592	2,563,344	1,755,578	2,496,087
Provision for impairment	(47,836)	(6,061)	(13,983)	(6,061)
	<u>1,780,756</u>	<u>2,557,283</u>	<u>1,741,595</u>	<u>2,490,026</u>
Subsidiary (Note 5)	-	-	20,290	5,884
Provision for impairment (Note 5)	-	-	(20,290)	-
	<u>1,780,756</u>	<u>2,557,283</u>	<u>1,741,595</u>	<u>2,495,910</u>

11 Other Receivables, Deposits and Prepayments

	GROUP		BOARD	
	2005/ 2006 \$	2004/ 2005 \$	2005/ 2006 \$	2004/ 2005 \$
Receivables from the Ministry of National Development	2,160,692	2,371,405	2,160,692	2,371,405
Prepayments	939,246	789,139	937,896	787,729
Other receivables	582,763	607,088	582,763	603,829
Deposits	371,161	369,901	371,161	368,901
Subsidiary (Note 5)	-	-	460,309	102,516
Provision for impairment (Note 5)	-	-	(460,309)	-
	<u>4,053,862</u>	<u>4,137,533</u>	<u>4,052,512</u>	<u>4,234,380</u>

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

12 Investment in Subsidiary

	BOARD	
	2005/ 2006 \$	2004/ 2005 \$
Unquoted equity shares, at cost	2	2

The subsidiary of the Board is set out below:

Name of company	Principal activities/ Country of incorporation	Effective equity interest held by Board		Cost of investment	
		2005/ 2006 %	2004/ 2005 %	2005/ 2006 \$	2004/ 2005 \$
Singapore Garden City Pte Ltd	Landscape planning, advisory services and business consulting services/ Singapore	100	100	2	2

The subsidiary is audited by another firm of auditors, RSM Chio Lim.

13 Other Investment

	GROUP	
	2005/ 2006 \$	2004/ 2005 \$
Unquoted equity shares, at cost	311	311

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

14 Property, Plant and Equipment

	Leasehold land \$	Building/ structures, capital and other improvements \$	Office equipment, furniture and fittings \$	Laboratory and gardening equipment \$	Motor vehicles \$	Work-in- progress \$	Total \$
GROUP							
Cost:							
At 1 April 2005	60,935,129	88,037,991	25,846,438	873,140	6,272,573	26,879,609	208,844,880
Additions	-	129,027	2,074,160	289,427	738,102	20,212,458	23,443,174
Transfers	-	7,415,892	1,794	-	-	(7,417,686)	-
Write-off*	-	-	-	-	-	(262,744)	(262,744)
Disposals	-	-	(803,767)	(119,052)	(2,698,702)	-	(3,621,521)
At 31 March 2006	60,935,129	95,582,910	27,118,625	1,043,515	4,311,973	39,411,637	228,403,789
Accumulated depreciation:							
At 1 April 2005	5,808,681	31,897,082	20,528,896	702,833	4,126,040	-	63,063,532
Charge for the year	656,236	4,610,471	2,194,122	60,921	460,933	-	7,982,683
Disposals	-	-	(657,134)	(116,087)	(2,281,580)	-	(3,054,801)
At 31 March 2006	6,464,917	36,507,553	22,065,884	647,667	2,305,393	-	67,991,414
Net book value							
At 31 March 2006	54,470,212	59,075,357	5,052,741	395,848	2,006,580	39,411,637	160,412,375
Cost:							
At 1 April 2004	60,935,129	84,689,861	24,969,624	870,411	6,291,443	16,950,696	194,707,164
Additions	-	15	891,850	15,229	363,721	14,431,152	15,701,967
Transfers	-	3,348,115	524,529	-	-	(3,872,644)	-
Write-off*	-	-	-	-	-	(629,595)	(629,595)
Disposals	-	-	(539,565)	(12,500)	(382,591)	-	(934,656)
At 31 March 2005	60,935,129	88,037,991	25,846,438	873,140	6,272,573	26,879,609	208,844,880
Accumulated depreciation:							
At 1 April 2004	5,151,444	27,552,777	17,661,388	647,223	3,927,283	-	54,940,115
Charge for the year	657,237	4,344,305	3,380,339	67,960	511,800	-	8,961,641
Disposals	-	-	(512,831)	(12,350)	(313,043)	-	(838,224)
At 31 March 2005	5,808,681	31,897,082	20,528,896	702,833	4,126,040	-	63,063,532
Net book value							
At 31 March 2005	55,126,448	56,140,909	5,317,542	170,307	2,146,533	26,879,609	145,781,348

* This comprises rental expense for temporary buildings, temporary car park and other incidental costs which were funded by government capital grant for a development project in the Singapore Botanic Gardens.

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

	Leasehold land \$	Building/ structures, capital and other improvements \$	Office equipment, furniture and fittings \$	Laboratory and gardening equipment \$	Motor vehicles \$	Work-in- progress \$	Total \$
BOARD							
Cost:							
At 1 April 2005	60,935,129	88,037,991	25,780,468	873,140	6,272,573	26,879,609	208,778,910
Additions	-	129,027	2,058,831	289,427	738,102	20,212,458	23,427,845
Transfers	-	7,415,892	1,794	-	-	(7,417,686)	-
Write-off*	-	-	-	-	-	(262,744)	(262,744)
Disposals	-	-	(803,767)	(119,052)	(2,698,702)	-	(3,621,521)
At 31 March 2006	60,935,129	95,582,910	27,037,326	1,043,515	4,311,973	39,411,637	228,322,490
Accumulated depreciation:							
At 1 April 2005	5,808,681	31,897,082	20,498,128	702,833	4,126,040	-	63,032,764
Charge for the year	656,236	4,610,471	2,183,383	60,921	460,933	-	7,971,944
Disposals	-	-	(657,134)	(116,087)	(2,281,580)	-	(3,054,801)
At 31 March 2006	6,464,917	36,507,553	22,024,377	647,667	2,305,393	-	67,949,907
Net book value							
At 31 March 2006	54,470,212	59,075,357	5,012,949	395,848	2,006,580	39,411,637	160,372,583
Cost:							
At 1 April 2004	60,935,129	84,689,861	24,910,914	870,411	6,291,443	16,950,696	194,648,454
Additions	-	15	884,590	15,229	363,721	14,431,152	15,694,707
Transfers	-	3,348,115	524,529	-	-	(3,872,644)	-
Write-off*	-	-	-	-	-	(629,595)	(629,595)
Disposals	-	-	(539,565)	(12,500)	(382,591)	-	(934,656)
At 31 March 2005	60,935,129	88,037,991	25,780,468	873,140	6,272,573	26,879,609	208,778,910
Accumulated depreciation:							
At 1 April 2004	5,151,444	27,552,777	17,638,501	647,223	3,927,283	-	54,917,228
Charge for the year	657,237	4,344,305	3,372,458	67,960	511,800	-	8,953,760
Disposals	-	-	(512,831)	(12,350)	(313,043)	-	(838,224)
At 31 March 2005	5,808,681	31,897,082	20,498,128	702,833	4,126,040	-	63,032,764
Net book value							
At 31 March 2005	55,126,448	56,140,909	5,282,340	170,307	2,146,533	26,879,609	145,746,146

* This comprises rental expense for temporary buildings, temporary car park and other incidental costs which were funded by government capital grant for a development project in the Singapore Botanic Gardens.

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

15 Payables and Accruals

	GROUP		BOARD	
	2005/ 2006	2004/ 2005 (restated)	2005/ 2006	2004/ 2005 (restated)
	\$	\$	\$	\$
Trade payables	11,661,681	7,391,513	11,659,860	7,391,513
Accrued operating expenses	9,832,365	10,159,723	9,827,722	10,145,001
Amount owing to Garden City Fund	6,166	74,599	6,166	74,599
Payable to the Ministry of National Development	1,272,365	770,361	1,272,365	770,361
Accrual for unutilised leave	1,576,862	1,448,816	1,570,158	1,448,816
GST payable	397,587	620,101	396,160	620,101
Other payables	488,327	236,256	488,327	269,864
	25,235,353	20,701,369	25,220,758	20,720,255

16 Government Capital Grants Received in Advance

	GROUP and BOARD	
	2005/ 2006	2004/ 2005
	\$	\$
Balance at 1 April	121,498	802,289
Grants received	18,399,154	10,751,500
Grants receivable	1,924,938	1,680,846
Less: Transfer to Deferred Capital Grants (Note 20)	(20,212,458)	(12,931,152)
Less: Refunded to Ministry of National Development	-	(150,238)
Add/Less: Others	3,489	(31,747)
Balance at 31 March	236,621	121,498

17 Government Operating Grants Received in Advance

	GROUP and BOARD	
	2005/ 2006	2004/ 2005
	\$	\$
Balance at 1 April	-	-
Grant received	102,049,300	81,563,500
	102,049,300	81,563,500
Less: Amount transferred to Deferred Capital Grants during the year (note 20)	(3,168,957)	(1,263,534)
Amount taken to Income and Expenditure Statement	(93,641,760)	(80,299,966)
	5,238,583	-

Total operating grants received less transferred to Deferred Capital Grants since establishment are \$780,499,785 (2004/2005: \$681,619,442).

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

18 Deferred Revenue

	GROUP and BOARD	
	2005/ 2006	2004/ 2005
	\$	\$
Lease premium received in advance*	2,215,279	2,298,612
Current portion	83,333	83,333
Non-current portion	2,131,946	2,215,279

* This represents the unamortised balance of a lease premium received in advance from a tenant.

19 Contribution to Consolidated Fund

With effect from 1 April 2003, the Board is required to make a contribution to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act (Cap. 319A). This year's contribution is based on the net surplus for the financial year at the prevailing corporate tax rate for Year of Assessment 2006 of 20% (2004/2005: 20%).

20 Deferred Capital Grants

	GROUP and BOARD	
	2005/ 2006	2004/ 2005
	\$	\$
Balance at 1 April	145,546,369	139,472,348
Add: Capital grants utilised during the year (Note 16)	20,212,458	12,931,152
Transferred from Garden City Fund	46,430	1,500,000
Amount transferred from government operating grants utilised during the year (Note 17)	3,168,957	1,263,534
	168,974,214	155,167,034
Less: Deferred capital grants amortised	(8,742,777)	(9,620,665)
Write back of deferred capital grants over-stated	(86,050)	-
Balance at 31 March (including grants-in-kind less amortisation)	160,145,387	145,546,369
Total capital grants received (excluding grants-in-kind transfer from Garden City Fund) and utilised since establishment	175,106,546	151,725,131

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

21 Interest Income

This relates to interest income from non-related parties.

22 Miscellaneous Income

	GROUP		BOARD	
	2005/ 2006	2004/ 2005	2005/ 2006	2004/ 2005
	\$	\$	\$	\$
Liquidated damages	599,778	639,954	599,778	639,954
Course fees	474,817	268,614	474,817	268,614
Barbecue permit fees	310,640	14,072	310,640	14,072
Consultancy fees	288,807	208,758	-	-
Earthfill charges	155,702	97,852	155,702	97,852
Tour Fees	83,971	62,198	83,971	62,198
Others	611,081	345,988	678,392	395,003
	2,524,796	1,637,436	2,303,300	1,477,693

23 Staff Costs

	GROUP		BOARD	
	2005/ 2006	2004/ 2005	2005/ 2006	2004/ 2005
	\$	(restated) \$	\$	(restated) \$
Wages and salaries	34,387,570	34,998,539	33,867,244	34,527,357
Employers' contribution to CPF	3,807,196	3,811,203	3,766,087	3,762,774
Other staff benefits	1,054,573	687,428	1,046,366	687,428
Pension costs	870,915	640,492	870,915	640,492
	40,120,254	40,137,662	39,550,612	39,618,051

a) Staff costs include the following key management remuneration:

	GROUP		BOARD	
	2005/ 2006	2004/ 2005	2005/ 2006	2004/ 2005
	\$	\$	\$	\$
Salaries and other short-term employee benefits	1,199,644	1,006,543	984,093	818,264
Post employment benefits	222,654	181,949	222,654	181,949

b) There are currently 22 (2004/2005: 24) employees of the Board who are under pension schemes other than CPF. 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.

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

24 Deficit for the Year

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, this item includes the following charges (credit):

	GROUP		BOARD	
	2005/ 2006 \$	2004/ 2005 \$	2005/ 2006 \$	2004/ 2005 \$
Transport and travelling expenses	884,689	821,827	884,689	821,827
Research expenses	654,927	218,171	654,927	218,171
Property tax	306,410	285,254	306,410	285,254
Audit fees	82,600	77,200	80,000	75,000
Board honorarium and expenses	34,166	40,232	34,166	40,232
Property, plant and equipment written off (Note 14)	262,744	629,595	262,744	629,595
Loss on disposal of property, plant and equipment	5,581	63,931	5,581	63,931
Entertainment expenses	8,132	9,284	7,448	4,068
Bad debts written off	87,033	-	84,175	-

25 Income Tax Expense

The Board is required to make a contribution to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act (Cap. 319A) as mentioned in Note 19.

The subsidiary is in a tax loss position and has tax loss carryforwards and temporary differences from capital allowances available for offsetting against future taxable income as follows:

	2005/ 2006 \$	2004/ 2005 \$
Tax loss carryforwards		
Amount at beginning of the year	1,033,737	506,120
Amount in the current year	510,187	527,617
Amount at end of the year	1,543,924	1,033,737
Deferred tax benefit on above not recorded	308,784	206,747
Temporary differences from capital allowances		
Amount at beginning of the year	7,880	3,315
Amount in the current year	17,632	4,565
Amount at end of the year	25,512	7,880
Deferred tax benefit on above not recorded	5,102	1,576

Notes to the Financial Statements

for the Financial Year Ended 31 March 2006

25 Income Tax Expense (continued)

The realisation of the future income tax benefits from tax loss carryforwards and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined. Where provision for deferred tax arising from temporary differences has been offset against the above tax loss carryforwards, such provision for deferred tax will be required to be set up when the tax loss is utilised in the future.

26 Contingent Liabilities

At the balance sheet date, the significant contingent liabilities are as follows:

Various claims 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 assessment.

	GROUP and BOARD	
	2005/ 2006	2004/ 2005
	\$	\$
Claims not provided for in the financial statements	519,000	381,000

27 Capital Expenditure Commitments

The Group and the Board has the following commitments for capital expenditure as at 31 March 2006:

	GROUP and BOARD	
	2005/ 2006	2004/ 2005
	\$	\$
Amount approved and contracted for	45,193,611	44,822,169
Amount approved but not contracted for	106,924,978	153,159,599

28 Operating Lease Commitments

At the balance sheet date, commitments in respect of non-cancellable operating leases for rental of premises were as follows:

	GROUP and BOARD	
	2005/ 2006	2004/ 2005
	\$	\$
Within one year	1,020,696	1,339,352
In the second to fifth year inclusive	198,000	359,930
	<u>1,218,696</u>	<u>1,699,282</u>