Financial Statements

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Statement by Board of Members

In our opinion, the financial statements set out on pages FS1 to FS34 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 2009 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

15 July 2009

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 balance sheets of the Group and the Board as at 31 March 2009, the statements of income and expenditure of the Group and the Board, statements of changes in equity of the Group and the Board, and cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages FS1 to FS34.

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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 balance sheet, statement of income and expenditure and statement 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 2009, 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

KPMG LLP
Public Accountants and
Certified Public Accountants

Singapore
15 July 2009

Balance sheets
As at 31 March 2009

	Note	Group 2009 $	Group 2008 $	Board 2009 $	Board 2008 $
Non-current assets					
Property, plant and equipment	3	150,462,579	154,828,607	150,462,579	154,828,607
Investment in subsidiary	4	–	–	2	2
Loan to subsidiary	5	–	–	–	–
Other investments	6	–	311	–	–
Trade and other receivables	7	1,680,000	–	1,680,000	–
		152,142,579	154,828,918	152,142,581	154,828,609
Current assets					
Trade and other receivables	7	47,151,120	26,132,337	47,149,359	26,251,008
Cash and cash equivalents	8	54,506,331	28,470,345	54,397,834	28,372,954
		101,657,451	54,602,682	101,547,193	54,623,962
Total assets		253,800,030	209,431,600	253,689,774	209,452,571
Capital and other funds					
Capital account	9	4,528,275	4,528,275	4,528,275	4,528,275
Share capital	10	1,000	–	1,000	–
Accumulated surplus		30,678,098	7,191,840	30,575,062	7,191,840
		35,207,373	11,720,115	35,104,337	11,720,115
Fund held in trust	11	4,994,855	4,387,483	4,994,855	4,387,483
Garden City Fund's net assets managed	11	(4,994,855)	(4,387,483)	(4,994,855)	(4,387,483)
		–	–	–	–
Total capital and other funds		35,207,373	11,720,115	35,104,337	11,720,115
Non-current liabilities					
Deferred capital grants	12	150,401,116	154,707,822	150,401,116	154,707,822
Deferred revenue	13	1,881,947	1,965,280	1,881,947	1,965,280
Liability for defined benefits obligations	14	6,570,000	6,591,000	6,570,000	6,591,000
		158,853,063	163,264,102	158,853,063	163,264,102
Current liabilities					
Trade and other payables	15	49,656,456	30,982,939	49,649,236	31,003,910
Liability for defined benefits obligations	14	648,000	277,000	648,000	277,000
Government capital grants	16	776,937	957,670	776,937	957,670
Government operating grants	17	–	1,076,751	–	1,076,751
Other government grants	18	1,302,044	798,534	1,302,044	798,534
Deferred revenue	13	1,952,157	83,333	1,952,157	83,333
Contribution to Consolidated Fund	19	5,404,000	271,156	5,404,000	271,156
		59,739,594	34,447,383	59,732,374	34,468,354
Total liabilities		218,592,657	197,711,485	218,585,437	197,732,456
Total capital and other funds and liabilities		253,800,030	209,431,600	253,689,774	209,452,571

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

Statements of income and expenditure
Year ended 31 March 2009

	Note	Group 2009 $	Group 2008 $	Board 2009 $	Board 2008 $
Operating income					
Rental income		5,872,847	6,308,397	5,872,847	6,308,397
Admission charges		1,390,453	1,584,035	1,390,453	1,584,035
Fines and forfeitures		2,137,765	469,868	2,137,765	469,868
Agency fees		675,643	569,505	675,643	569,505
Interest income		223,324	607,120	223,224	666,688
Miscellaneous income	20	3,565,290	2,625,093	3,552,433	2,515,319
		13,865,322	12,164,018	13,852,365	12,113,812
Operating expenditure					
Staff costs	21	(50,450,881)	(54,481,663)	(50,406,535)	(54,396,437)
Maintenance and improvement of parks		(50,466,641)	(50,366,930)	(50,466,641)	(50,366,930)
General and administrative expenses		(31,389,908)	(23,570,667)	(31,524,333)	(23,605,688)
Depreciation of property, plant and equipment	3	(9,685,655)	(9,897,272)	(9,685,655)	(9,897,272)
		(141,993,085)	(138,316,532)	(142,083,164)	(138,266,327)
Deficit from operations	22	(128,127,763)	(126,152,514)	(128,230,799)	(126,152,515)
Government operating grants	17	146,725,698	115,740,127	146,725,698	115,740,127
Other grants:					
- government agencies	18	1,673,904	1,452,339	1,673,904	1,452,339
- non-government		132,865	132,300	132,865	132,300
Deferred capital grants amortised	12	9,720,554	10,334,170	9,720,554	10,334,170
Surplus before contribution to Consolidated Fund		30,125,258	1,506,422	30,022,222	1,506,421
Contribution to Consolidated Fund	19	(5,404,000)	(271,156)	(5,404,000)	(271,156)
Surplus for the year		24,721,258	1,235,266	24,618,222	1,235,265

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

Statements of changes in equity
Year ended 31 March 2009

	Note	Capital account $	Share capital $	Accumulated surplus $	Total $
Group					
At 1 April 2007		4,528,275	–	5,956,574	10,484,849
Surplus for the year/Total recognised income for the year		–	–	1,235,266	1,235,266
At 31 March 2008		4,528,275	–	7,191,840	11,720,115
At 1 April 2008		4,528,275	–	7,191,840	11,720,115
Issue of share	10	–	1,000	–	1,000
Dividend paid of $1,235 per share		–	–	(1,235,000)	(1,235,000)
Surplus for the year/Total recognised income for the year		–	–	24,721,258	24,721,258
At 31 March 2009		4,528,275	1,000	30,678,098	35,207,373
Board					
At 1 April 2007		4,528,275	–	5,956,575	10,484,850
Surplus for the year/Total recognised income for the year		–	–	1,235,265	1,235,265
At 31 March 2008		4,528,275	–	7,191,840	11,720,115
At 1 April 2008		4,528,275	–	7,191,840	11,720,115
Issue of share	10	–	1,000	–	1,000
Dividend paid of $1,235 per share		–	–	(1,235,000)	(1,235,000)
Surplus for the year/Total recognised income for the year		–	–	24,618,222	24,618,222
At 31 March 2009		4,528,275	1,000	30,575,062	35,104,337

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

Consolidated cash flow statement
Year ended 31 March 2009

	Note	2009 $	2008 $
Operating activities			
Deficit from operations		(128,127,763)	(126,152,514)
Adjustments for:			
Depreciation of property, plant and equipment		9,685,655	9,897,272
Loss on disposal of property, plant and equipment		86,365	50,290
Loss on disposal of investment		280	–
Property, plant and equipment written off		–	302,050
Amortisation of lease premium received in advance		(83,333)	(83,333)
Interest income		(390,818)	(607,120)
		(118,829,614)	(116,593,355)
Changes in working capital:			
Trade and other receivables		150,834	(892,611)
Payables and accruals		16,791,162	8,132,039
Liability for defined benefits obligations		350,000	2,302,699
Rental and other deposits		526,234	314,782
Rental received in advance		1,680,000	–
Cash used in operations		(99,331,384)	(106,736,446)
Contribution to Consolidated Fund paid		(271,156)	(206,576)
Cash flows from operating activities		(99,602,540)	(106,943,022)
Investing activities			
Proceeds from disposal of property, plant and equipment		7,857	137,763
Purchase of property, plant and equipment		(5,564,233)	(4,754,601)
Proceeds from sales of investment		31	–
Interest received		387,988	605,935
Amounts due from:			
- Ministry of National Development		(9,579,479)	(17,034,039)
- Garden City Fund		(10,926)	43,310
- Other Government agencies		(752,824)	–
Cash flows from investing activities		(15,511,586)	(21,001,632)
Financing activities			
Grants received		142,707,991	122,826,753
Issue of shares		1,000	–
Dividend paid		(1,235,000)	–
Amounts due to:			
- Ministry of National Development		(321,684)	239,046
- Garden City Fund		(2,195)	(54)
Cash flows from financing activities		141,150,112	123,065,745
Net increase/(decrease) in cash and cash equivalents		26,035,986	(4,878,909)
Cash and cash equivalents at beginning of the year		28,470,345	33,349,254
Cash and cash equivalents at end of the year	8	54,506,331	28,470,345

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 15 July 2009.

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 4 to the financial statements.

2 Summary of significant accounting policies

2.1 Basis of preparation

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.

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

The preparation of financial statements in conformity with SB-FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenditure. 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 judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in note 24.

There were no changes in accounting policies during the year.

The accounting policies used by the Group have been applied consistently to all periods presented in these financial statements.

2.2 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 statement in the period of the acquisition.

Subsidiaries

Subsidiaries are entities controlled by the Board. Control exists when the Board has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. 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 where necessary to align them with the policies adopted by the Board.

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 balance sheet at cost less accumulated impairment losses.

2.3 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and 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, and the cost of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of income and expenditure as incurred.

Depreciation is recognised in the statement of income and expenditure on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives are as follows:

Building, structures, capital and other improvements	20 years
Office equipment, furniture and fittings	5 to 10 yeas
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 construction-in-progress. Fully depreciated assets still in use are retained in the financial statements. Property, plant and equipment costing less than $1,000 each are charged to the statement of income and expenditure in the year of purchase.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

2.4 Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investment in equity securities, trade and other receivables, cash and cash equivalents, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at settlement date, i.e., the date that an asset is delivered to or by the Group. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and bank deposits.

Available-for-sale financial assets

The Group's investment in equity securities is classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than for impairment losses, are recognised directly in capital and other funds. When an investment is derecognised, the cumulative gain or loss in capital and other funds is transferred to the statement of income and expenditure.

Others

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

Impairment of financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

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 original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the statement of income and expenditure. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to the statement of income and expenditure.

Impairment losses in respect of financial assets measured at amortised cost are reversed if the subsequent increase in fair value can be related objectively to an event occurring after the impairment loss was recognised. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in capital and other funds.

2.5 Impairment – non-financial assets

The carrying amounts of the Group's non-financial assets 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.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the statement of income and expenditure unless it reverses a previous revaluation, credited to capital and other funds, in which case it is charged to capital and other funds.

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 or cash-generating unit.

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.

2.6 Employee benefits

Defined contribution plans

Contributions to defined contribution pension plans are recognised as an expenditure in the statement of income and expenditure as incurred.

Defined benefits plans

Obligations in respect of state-managed pension schemes are calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods, discounted to determine the present value. The discount rate is the yield at the balance sheet date on 5-year Singapore Government bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognised in the statement of income and expenditure in the period in which they arise.

Short-term benefits

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

A provision is recognised for the amount expected to be paid under short-term cash bonus 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.

2.7 Leases

When entity within the Group is a lessee of an operating lease

Where the Group has the use of assets under operating leases, payments made under the leases are recognised in the statement of income and expenditure on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of income and expenditure as an integral part of the total lease payment made. Contingent rentals are charged to the statement of income and expenditure in the accounting period in which they are incurred.

When entity within the Group is a lessor of an operating lease

Assets leased out under operating leases are included in property, plant and equipment and are stated at cost less accumulated depreciation and impairment losses. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term of the operating lease with the lessee.

2.8 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

2.9 Income recognition

Income comprises the fair value of the consideration received or receivable for the rendering of services, net of goods and services tax, rebates and discounts.

Rental income

Rental income receivable under operating leases is recognised in the statement of income and expenditure 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.

2.10 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 statement of income and expenditure 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 statement of income and expenditure 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.

2.11 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 balance sheet of the financial statements as prescribed by SB-FRS Guidance Note 1. Income and expenditure 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.

2.12 Contribution to Consolidated Fund

Contribution to consolidated fund is provided on an accrual basis.

2.13 Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of income and expenditure except to the extent that it relates to items recognised directly in capital and other funds, in which case it is recognised in capital and other funds.

Current tax is the expected tax payable on the taxable income 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 using the balance sheet method, providing for 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, and differences relating to investment in subsidiary to the extent that they probably 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 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 2007	60,935,129	134,608,362	29,674,572	1,093,703	3,842,071	8,900,218	239,054,055
Additions	–	–	1,352,926	104,713	23,300	3,273,662	4,754,601
Transfers	–	10,346,026	(2,628,357)	–	–	(7,717,669)	–
Transfer to direct development projects	–	–	–	–	–	(4,154,161)	(4,154,161)
Disposals/Write-off	–	–	(485,970)	(35,508)	(982,377)	(302,050)	(1,805,905)
At 31 March 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
Accumulated depreciation and impairment losses							
At 1 April 2007	7,121,153	42,774,878	21,675,603	709,063	2,157,816	–	74,438,513
Depreciation charge for the year	656,236	7,377,117	1,441,290	93,081	329,548	–	9,897,272
Disposals/Write-off	–	–	(470,136)	(34,054)	(811,612)	–	(1,315,802)
At 31 March 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
Carrying amount							
At 1 April 2007	53,813,976	91,833,484	7,998,969	384,640	1,684,255	8,900,218	164,615,542
At 31 March 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

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 2007	60,935,129	134,608,362	29,646,534	1,093,703	3,842,071	8,900,218	239,026,017
Additions	–	–	1,352,926	104,713	23,300	3,273,662	4,754,601
Transfers	–	10,346,026	(2,628,357)	–	–	(7,717,669)	–
Transfer to direct development projects	–	–	–	–	–	(4,154,161)	(4,154,161)
Disposals/Write-off	–	–	(485,970)	(35,508)	(982,377)	(302,050)	(1,805,905)
At 31 March 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
Accumulated depreciation and impairment losses							
At 1 April 2007	7,121,153	42,774,878	21,647,565	709,063	2,157,816	–	74,410,475
Depreciation charge for the year	656,236	7,377,117	1,441,290	93,081	329,548	–	9,897,272
Disposals/Write-off	–	–	(470,136)	(34,054)	(811,612)	–	(1,315,802)
At 31 March 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
Carrying amount							
At 1 April 2007	53,813,976	91,833,484	7,998,969	384,640	1,684,255	8,900,218	164,615,542
At 31 March 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

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.

4 Investment in subsidiary

	Board 2009 $	Board 2008 $
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 2009 %	Equity interest held 2008 %
Singapore Garden City Pte. Ltd.	Landscape planning, advisory services and business consulting services	Singapore	100	100

5 Loan to subsidiary

	Board 2009 $	Board 2008 $
Loan to subsidiary	–	1,200,000
Allowance for impairment loss	–	(1,200,000)
	–	–

During the year, the Board of Members approved to waive all amounts including loan and interest due from the subsidiary.

6 Other investments

	Group 2009 $	Group 2008 $
Unquoted equity shares available-for-sale, at cost	–	311

Unquoted equity shares are carried at cost as their fair values cannot be reliably measured since the probabilities of the various estimates within the range cannot be reasonably assessed.

The investee company was liquidated during the year.

7 Trade and other receivables

	Group 2009 $	Group 2008 $	Board 2009 $	Board 2008 $
Non-current assets				
Trade receivables	3,980,000	2,300,000	3,980,000	2,300,000
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	–
Current assets				
Trade receivables	3,621,238	2,843,193	3,621,077	2,805,595
Allowance for impairment loss	(2,352)	(38,005)	(2,352)	(4,152)
Net trade receivables	3,618,886	2,805,188	3,618,725	2,801,443
Receivables from Ministry of National Development (non-trade)	41,565,078	21,416,559	41,565,078	21,416,559
Receivables from other Government agencies (non-trade)	884,356	65,754	884,356	65,754
Amount due from Garden City Fund (non-trade)	47,106	36,180	47,106	36,180
Interest receivable	4,742	1,996	4,742	1,996
Other receivables	181,858	86,174	181,858	86,174
Deposits	97,620	82,576	97,370	82,327
Prepayments	751,474	1,637,910	750,124	1,637,910
	47,151,120	26,132,337	47,149,359	26,128,343
Amount due from subsidiary (non-trade)	–	–	–	714,379
Allowance for impairment loss	–	–	–	(591,714)
	–	–	–	122,665
	47,151,120	26,132,337	47,149,359	26,251,008
Total trade and other receivables	48,831,120	26,132,337	48,829,359	26,251,008

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Nominal interest rate %	Year of maturity	2009 Face value $'000	2009 Carrying amount $'000	2008 Face value $'000	2008 Carrying amount $'000
Group and Board						
Trade receivables	2	2013	3,980,000	3,980,000	2,300,000	2,300,000

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, goods and retail 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:

	2009 $	2008 $
Group		
Service fees receivable from Government agencies	2,361,400	2,089,188
Rental receivable from tenants	2,056,118	318,416
Others	881,368	397,584
	5,298,886	2,805,188
Board		
Service fees receivable from Government agencies	2,361,239	2,089,188
Rental receivable from tenants	2,056,118	352,269
Others	881,368	359,986
	5,298,725	2,801,443

Except for amounts owing from a tenant totalling $4,170,318 (2008: $2,348,230), 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 primarily 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 2009 $	Impairment losses 2009 $	Gross 2008 $	Impairment losses 2008 $
Group				
Not past due	3,144,451	47,752	371,418	–
Past due 0 – 30 days	12,316	10,044	71,683	–
Past due 31 – 120 days	192,554	132,536	482,141	–
More than 120 days	4,252,077	2,112,020	4,217,951	2,338,005
	7,601,398	2,302,352	5,143,193	2,338,005

	Gross 2009 $	Impairment losses 2009 $	Gross 2008 $	Impairment losses 2008 $
Board				
Not Past due	3,144,290	47,752	371,418	–
Past due 0 – 30 days	12,316	10,044	71,683	–
Past due 31 – 120 days	192,554	132,536	482,141	–
More than 120 days	4,252,077	2,112,020	4,180,353	2,304,152
	7,601,237	2,302,352	5,105,595	2,304,152

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

	Group		Board	
	2009 $	2008 $	2009 $	2008 $
At 1 April	2,338,005	42,605	2,304,152	8,752
Impairment loss recognised	1,494	2,300,000	1,494	2,300,000
Impairment loss utilised	(37,147)	(4,600)	(3,294)	(4,600)
At 31 March	2,302,352	2,338,005	2,302,352	2,304,152

During the year, the Board of Members approved to waive the amount due from subsidiary. Accordingly, amount due from subsidiary was fully written off.

8 Cash and cash equivalents

	Group		Board	
	2009 $	2008 $	2009 $	2008 $
Cash at bank and in hand	21,348,870	7,422,159	21,240,373	7,324,768
Deposits with banks	33,157,461	21,048,186	33,157,461	21,048,186
	54,506,331	28,470,345	54,397,834	28,372,954

The weighted average effective interest rates per annum relating to deposits with banks, at the balance sheet date for the Group and Board are 0.35% (2008: 1.39%) per annum. Interest rates reprice at intervals of 7 days to 1 year.

9 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.

10 Share capital

	2009 $	2008 $
Fully paid ordinary shares, with no par value:		
At 1 April	–	–
Issue of ordinary shares	1,000	–
At 31 March	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.

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	
	2009	2008
	$	$
Donations received	2,288,339	2,318,714
Sales of publications/souvenirs	159,277	148,936
Interest income	19,021	52,671
	2,466,637	2,520,321
Printing and stationery	147,204	141,972
Maintenance	40,026	11,960
Horticultural works	355,848	123,666
Publicity and outreach activities	632,914	131,347
Professional fees	449	5,646
Depreciation of plant and equipment	9,682	8,376
Rental expenses	27,943	9,644
Training and courses	6,078	86,110
Enhancements of parks/facilities	345,157	237,018
Signboards	107,787	215,271
Library operating expenses	153,393	169,415
Exchange loss	20,971	–
Others	11,813	3,005
	1,859,265	1,143,430
Surplus for the year	607,372	1,376,891
Accumulated fund at beginning of the year	4,387,483	3,010,592
Accumulated fund at end of the year	4,994,855	4,387,483
Represented by:		
Non-current asset		
Plant and equipment	59,643	36,976
Current assets		
Trade receivables	10,575	12,272
Other receivables	6,342	10,614
Cash and cash equivalents	5,050,218	4,394,951
	5,067,135	4,417,837
Current liabilities		
Trade payables	84,817	21,756
Other payables	47,106	45,574
	131,923	67,330
Net assets	4,994,855	4,387,483

12 Deferred capital grants

	Note	Group and Board 2009 $	2008 $
At 1 April		154,707,822	164,441,552
Capital grants utilised during the year	16	1,648,649	2,245,694
Amounts transferred from Government operating grants utilised during the year	17	3,803,073	2,300,622
Amounts transferred from other Government grants utilised during the year	18	112,510	208,285
		160,272,054	169,196,153
Deferred capital grants amortised during the year		(9,720,554)	(10,334,170)
Amount utilised transferred to direct development grants	3	(150,384)	(4,154,161)
At 31 March (including grants-in-kind less amortisation)		150,401,116	154,707,822
Total capital grants received (excluding grants-in-kind transferred from Garden City Fund) and utilised since establishment		199,154,268	193,590,036

13 Deferred revenue

	Group and Board 2009 $	2008 $
Lease premium received in advance	1,965,280	2,048,613
Deferred rental income	1,868,824	–
	3,834,104	2,048,613
Within 12 months	1,952,157	83,333
After 12 months	1,881,947	1,965,280
	3,834,104	2,048,613

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 2009 $	Group 2008 $	Board 2009 $	Board 2008 $
Payable:				
- Within one year	648,000	277,000	648,000	277,000
- After one year	6,570,000	6,591,000	6,570,000	6,591,000
	7,218,000	6,868,000	7,218,000	6,868,000

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	
	2009	2008
	$	$
At 1 April	6,868,000	4,565,301
Accrual for the year	1,203,353	3,045,758
Benefits paid	(853,353)	(743,059)
At 31 March	7,218,000	6,868,000

Amounts recognised in the statement of income and expenditure are as follows:

	Group and Board	
	2009	2008
	$	$
Current service costs	1,007,353	454,000
Past service costs	–	2,405,758
Interest on obligations	196,000	186,000
	1,203,353	3,045,758

Principal assumptions at the balance sheet date are as follows:

	Group and Board	
	2009	2008
Discount rate	3.0%	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 2009 $	Group 2008 $	Board 2009 $	Board 2008 $
Trade payables	16,780,712	10,309,913	16,775,512	10,309,913
GST payable	1,334,343	1,370,440	1,334,343	1,369,341
Other payables	1,107,491	1,016,292	1,105,471	1,016,292
Accrued operating expenses	23,442,900	13,330,532	23,442,900	13,325,246
Payables to Ministry of National Development (non-trade)	791,009	1,112,693	791,009	1,112,693
Amount due to Garden City Fund (non-trade)	–	2,195	–	2,195
Amount due to subsidiary (non-trade)	–	–	–	27,356
Rental and other deposits	2,478,896	1,952,662	2,478,896	1,952,662
Rental received in advance	1,680,000	–	1,680,000	–
Accrual for unutilised leave	2,041,105	1,888,212	2,041,105	1,888,212
	49,656,456	30,982,939	49,649,236	31,003,910

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, and were fully repaid during the year.

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

	Carrying amount $	Cash flows: Contractual cash flows $	Within 1 year $	Within 1 to 5 years $	More than 5 years $
Group					
2009					
Non-derivative financial liabilities					
Trade payables	16,780,712	(16,780,712)	(16,780,712)	–	–
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)	791,009	(791,009)	(791,009)	–	–
	43,456,455	(43,456,455)	(43,456,455)	–	–

	Carrying amount $	Cash flows: Contractual cash flows $	Within 1 year $	Within 1 to 5 years $	More than 5 years $
Group					
2008					
Non-derivative financial liabilities					
Trade payables	10,309,913	(10,309,913)	(10,309,913)	–	–
GST payable	1,370,440	(1,370,440)	(1,370,440)	–	–
Other payables	1,016,292	(1,016,292)	(1,016,292)	–	–
Accrued operating expenses	13,330,532	(13,330,532)	(13,330,532)	–	–
Payables to Ministry of National Development (non-trade)	1,112,693	(1,112,693)	(1,112,693)	–	–
Amount due to Garden City Fund (non-trade)	2,195	(2,195)	(2,195)	–	–
	27,142,065	(27,142,065)	(27,142,065)	–	–
Board					
2009					
Non-derivative financial liabilities					
Trade payables	16,775,512	(16,775,512)	(16,775,512)	–	–
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)	791,009	(791,009)	(791,009)	–	–
	43,449,235	(43,449,235)	(43,449,235)	–	–
2008					
Non-derivative financial liabilities					
Trade payables	10,309,913	(10,309,913)	(10,309,913)	–	–
GST payable	1,369,341	(1,369,341)	(1,369,341)	–	–
Other payables	1,016,292	(1,016,292)	(1,016,292)	–	–
Accrued operating expenses	13,325,246	(13,325,246)	(13,325,246)	–	–
Payables to Ministry of National Development (non-trade)	1,112,693	(1,112,693)	(1,112,693)	–	–
Amount due to Garden City Fund (non-trade)	2,195	(2,195)	(2,195)	–	–
Amount due to subsidiary (non-trade)	27,356	(27,356)	(27,356)	–	–
	27,163,036	(27,163,036)	(27,163,036)	–	–

16 Government capital grants

	Note	Group and Board 2009 $	2008 $
At 1 April		957,670	1,036,736
Grants received		1,468,000	2,174,327
Amounts utilised and transferred to deferred capital grants	12	(1,648,649)	(2,245,694)
Decrease in accrued interest on capital grants received		(84)	(7,699)
At 31 March		776,937	957,670

17 Government operating grants

	Note	Group and Board 2009 $	2008 $
At 1 April		1,076,751	–
Grants received		138,882,980	119,117,500
Grants receivable		10,569,040	–
Amounts transferred to deferred capital grants	12	(3,803,073)	(2,300,622)
Amounts taken to statement of income and expenditure		(146,725,698)	(115,740,127)
		–	1,076,751

Total operating grants received less transferred to deferred capital grants since establishment are $1,134,583,684 (2008: $999,503,777).

18 Other Government grants

	Note	Group and Board 2009 $	2008 $
At 1 April		798,534	990,778
Grants received		2,158,392	1,402,626
Grants receivable		131,532	65,754
Amounts transferred to deferred capital grants	12	(112,510)	(208,285)
Amounts taken to statement of income and expenditure		(1,673,904)	(1,452,339)
At 31 March		1,302,044	798,534

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 18% (2008: 18%) of the net surplus for the financial year.

20 Miscellaneous income

	Group		Board	
	2009	2008	2009	2008
	$	$	$	$
Liquidated damages	119,121	103,742	119,121	103,742
Course fees	900,190	551,692	900,190	551,692
Barbeque permit fees	485,540	393,425	485,540	393,425
Park usage fees	473,993	353,640	473,993	353,640
Consultancy fees	55,717	104,029	–	–
Tour fees	109,592	86,258	109,592	86,258
Events income	975,225	382,303	975,225	382,303
Others	445,912	650,004	488,772	644,259
	3,565,290	2,625,093	3,552,433	2,515,319

21 Staff costs

	Group		Board	
	2009	2008	2009	2008
	$	$	$	$
Wages and salaries	43,469,994	45,106,526	43,431,294	45,030,489
Contributions to defined contribution plans	4,952,971	5,116,829	4,947,325	5,108,076
Pension costs	1,203,353	3,045,758	1,174,773	3,045,758
Other staff benefits	824,563	1,212,550	853,143	1,212,114
	50,450,881	54,481,663	50,406,535	54,396,437

There are currently 14 (2008: 18) 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	
	2009	2008	2009	2008
	$	$	$	$
Property, plant and equipment written off	89,378	302,050	89,378	302,050
Loss on disposal of property, plant and equipment	(3,013)	50,290	(3,013)	50,290
Allowance for impairment losses made/(written back):				
- Trade receivables	1,870,318	2,300,000	1,870,318	2,300,000
- Amount due from subsidiary	–	–	–	72,158
Bad debts written off				
- Amount due from subsidiary	–	–	167,927	–

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	
	2009	2008
	$	$
Surplus for the year	24,721,258	1,235,266
Tax calculated using Singapore tax rate of 17% (2008: 18%)	4,202,614	222,348
Different rate of contribution to GCF	247,212	–
Income not subject to tax	(4,436,727)	(235,336)
Utilisation of previously unrecognised deferred tax asset	(13,099)	–
Deferred tax assets not recognised	–	12,988
	–	–

The following temporary differences have not been recognised:

	Group	
	2009	2008
	$	$
Unutilised tax losses	1,642,378	1,719,360
Excess of tax written down value of plant and equipment	1,217	1,290
	1,643,595	1,720,650

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 judgements

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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 2007 and this has been updated on an approximate basis to 31 March 2008.

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 Commitments

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

	Group and Board	
	2009	2008
	$	$
Contracted but not provided for	455,871,633	194,202,012
Less: Direct development expenditure to be reimbursed by Ministry of National Development	(455,414,170)	(194,094,372)
	457,463	107,640
Authorised but not contracted for	791,738,645	911,015,812
Less: Direct development expenditure to be reimbursed by Ministry of National Development	(788,940,511)	(907,889,855)
	2,798,134	3,125,957
	3,255,597	3,233,597

	Group and Board	
	2009	2008
	$	$
Non-cancellable operating lease commitments:		
- within 1 year	244,440	244,440
- after 1 year but within 5 years	–	244,440
	244,440	488,880

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

	Group and Board	
	2009	2008
	$	$
Within 1 year	5,554,738	5,578,586
After 1 year but within 5 years	12,561,870	14,517,022
After 5 years	53,520,000	56,400,000
	71,636,608	76,495,608

The above amounts exclude operating lease premium received in advance of $1,881,947 (2008: $1,965,280) (refer to note 13 to the financial statements).

26 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	
	2009	2008	2009	2008
	$	$	$	$
Short-term employee benefits	1,022,983	1,095,160	1,022,983	1,073,353
Post employment benefits	–	406,000	–	406,000
	1,022,983	1,501,160	1,022,983	1,479,353

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	
	2009	2008
	$	$
Garden City Fund		
Purchase of publications/souvenirs	14,969	6,802

	Board	
	2009	2008
	$	$
Garden City Fund		
Purchase of publications/souvenirs	14,969	6,802
Subsidiary		
Support services income	–	7,560
Interest income	–	60,164

27 Financial risk management

The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

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 balance sheet.

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 and the Board 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 and the Board. The Group and the Board does not have any interest-bearing financial liabilities.

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

	Effective interest rate %	Fixed interest rate maturing within 1 year $	in 1 to 5 years $	after 5 years $	Total $
Group					
2009					
Deposits with banks	0.35	33,157,461	–	–	33,157,461
2008					
Deposits with banks	1.39	21,048,186	–	–	21,048,186
Board					
2009					
Deposits with banks	0.35	33,157,461	–	–	33,157,461
2008					
Deposits with banks	1.39	21,048,186	–	–	21,048,186

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.

Investments in equity securities

The fair value of available-for-sale financial assets cannot be reliably measured in view that they do not have a quoted market price in an active market, the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed.

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.

28 Contingent liabilities

At the balance sheet 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	
	2009	2008
	$	$
Claims not provided for	808,243	575,867

29 New accounting standards and interpretations not yet adopted

The Group has not applied the following accounting standards (including their consequential amendments) and interpretations that have been issued as of the balance sheet date but are not yet effective:

- SB-FRS 1 (revised 2008) — *Presentation of Financial Statements*
- SB-FRS 23 (revised 2007) — *Borrowing Costs*
- Amendments to SB-FRS 32 and SB-FRS 1 — *Amendments to* SB-FRS 32 *Financial Instruments: Presentation* and SB-FRS 1 *Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation*
- Amendments to SB-FRS 39 — Amendments to FRS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items*

▪ Amendments to SB-FRS 101 and SB-FRS 27	Amendments to SB-FRS 101 *First-time Adoption of FRSs* and SB-FRS 27 *Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
▪ Amendments to SB-FRS 102	*Share-based Payment – Vesting Conditions and Cancellations*
▪ SB-FRS 108	*Operating Segments*
▪ Various FRSs	Improvements to SB-FRSs 2008
▪ INT SB-FRS 113	*Customer Loyalty Programmes*
▪ INT SB-FRS 116	*Hedges of a Net Investment in a Foreign Operation*
▪ INT SB-FRS 117	*Distributions of Non-cash Assets to Owners*

The Board is evaluating the initial application of the above standards and interpretations for the impact on the Board's financial statements. The Board has not considered the impact of accounting standards issued after the balance sheet date.