



Annual Report of the National Library Board 2017/2018  
S. 347 of 2018  
Presented to Parliament pursuant to section 41 of the Public  
Sector (Governance) Act 2018  
Ordered by Parliament to lie upon the Table:  
17 September 2018

A Year in Review



# Our Shared Stories



National Library Board  
Annual Report 2017/2018



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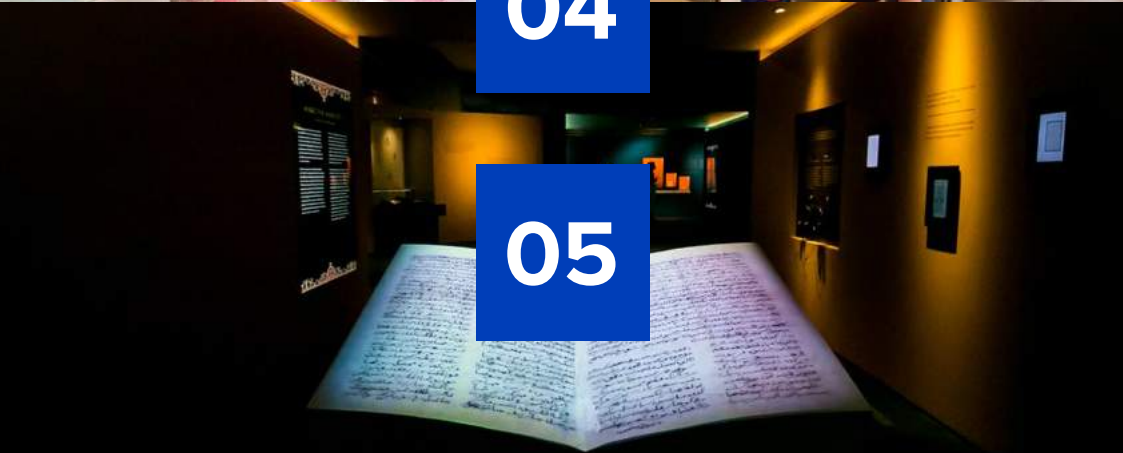
## Introduction



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## Corporate Governance

# 01



The National Library Board (NLB) nurtures readers for life, learning communities and a knowledgeable nation through our network of 26 public libraries, the National Library and the National Archives of Singapore. We also build awareness and promote greater discovery of Singapore's history and heritage through strategic partnerships and our rich collections.



02

# What have we achieved over the past year?

*Joint Message from Our Chairman & CEO*

*Key Statistics  
Key Highlights*





# Joint Message from Our Chairman & CEO

In this year's joint message, our Chairman, Mr Chan Heng Kee, and Chief Executive Officer, Mrs Elaine Ng, look back at 2017 and some of its most memorable events.

They also talk about how NLB is continuously innovating in a world where trends and needs are ever-changing.

## Our Story

### What was the biggest highlight for NLB in 2017?

**Heng Kee:** In 2017, we took another big step towards fulfilling our vision to create readers for life, learning communities and a knowledgeable nation.

**Elaine:** We had many key happenings, including the reopening of four libraries in Bukit Panjang, Tampines, Bedok and Yishun. These next-generation libraries have become social spaces for people of all ages to read, learn, and most importantly, to connect with one another.

**Heng Kee:** The role of libraries today goes beyond providing books. As Singapore gears up for the future economy, it is also important that we help people keep abreast of global trends and the developments in a fast-growing world.

**Elaine:** To connect people to emerging Asian economies, we launched the Eye on Asia resource centre. This will particularly benefit younger people who are interested in exploring opportunities in the region.

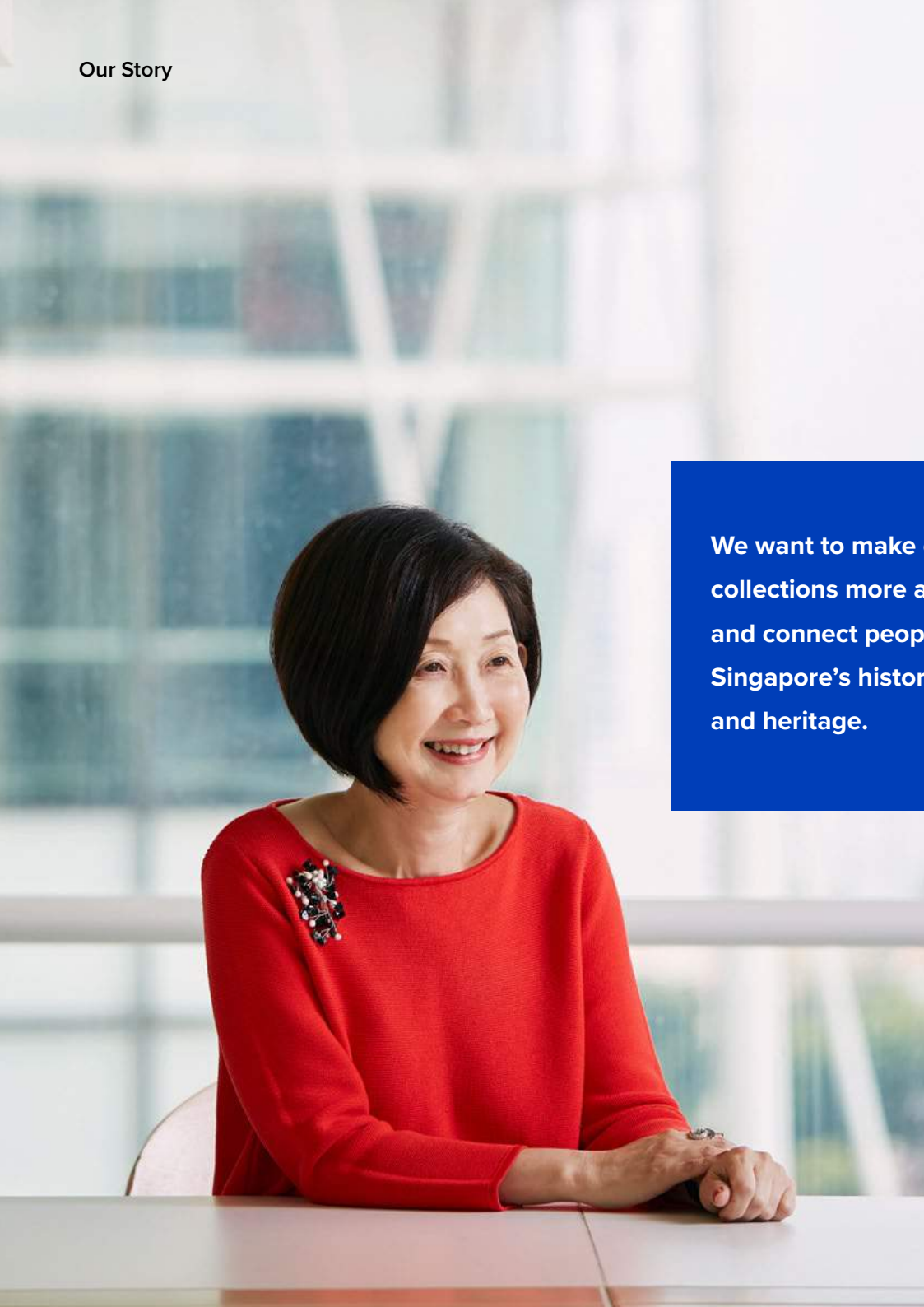
### Technology has opened up a new world of opportunities for many industries, and certainly the libraries. What has NLB been doing on this front?

**Heng Kee:** With technology and digital content, there is now a lot more that we can do to constantly engage people to read and learn. We have expanded our digital offerings so that people can connect with the library 24/7, and tap on our resources anytime, anywhere.

**Elaine:** Some of our key services include the enhanced NLB Mobile app and the Digital Business Library, which are targeted at adults. With these, our library members can access content on the go. They can read, learn and upskill themselves wherever they are and whenever it is convenient for them. These efforts to promote reading and learning are at the heart of what we do. Going into the second year of our National Reading Movement, it was really all about getting people to “Read More, Read Widely and Read Together”.



**The role of libraries today goes beyond providing books. As Singapore gears up for the future economy, it is also important that we help people keep abreast of global trends and the developments in a fast growing world.**



We want to make our collections more accessible and connect people to Singapore's history and heritage.

**NLB also played a key role in preserving and sharing Singapore's history and heritage.**

**Can you tell us more?**

**Elaine:** We shared history and heritage about our nation through collections like [Sounds of Yesteryear](#), which includes rare audio recordings. Other programmes like the [Tales of the Malay World](#) exhibition also featured rare manuscripts and early books in traditional Malay literature. We are working with the communities – the Malay, Chinese, Indian and Eurasian Community Oral History Committees, for example – to collect more of such precious historical memories.

**Heng Kee:** This is where we are also tapping on technology to make valuable resources and stories easily accessible to the public. A major undertaking was digitising our archival materials, including the Sounds of Yesteryear collection, and making them available on our [Archives Online](#) website. This brings the archives and its collections closer to the public.

**Elaine:** Another interesting project we have started is to recreate some of our exhibitions, such as [From the Stacks](#) and [Script & Stage](#), in digital format. With these virtual exhibitions, people can take a digital tour and view the displayed artefacts from their home. Through these efforts, we want to make our collections more accessible and connect people to Singapore's history and heritage.

# So, what's next for NLB?

**Elaine:** We have exciting initiatives coming up, especially as we mark the 50<sup>th</sup> anniversary of the National Archives of Singapore. We are also playing an active role in promoting lifelong learning, by working with partners to deliver more programmes in the libraries, and by providing a comprehensive collection of learning resources.

**Heng Kee:** A big part of this involves us helping Singaporeans pick up new skills so that they can benefit from technology and get ready for the future economy. We want to tap on digital platforms to reach out to more people, and to provide different learning experiences with technology.

**Heng Kee and Elaine:** Our hope is for more people to join us in reading, learning, and to promote a lifelong love for knowledge. All of our successes in the past year would not have been possible without the contributions of our donors, sponsors, partners, volunteers, patrons and staff. We look forward to their continued support!



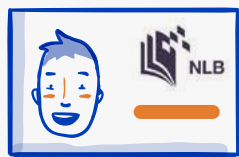
Friends of the Library and Archives volunteers



# Key Statistics

## 2017 in figures

### Patrons



Library membership for public libraries

**2.4** million



Library loans

**30.9** million

Refers to loans of physical books and eBooks borrowed at public libraries, NLB's websites and mobile app.

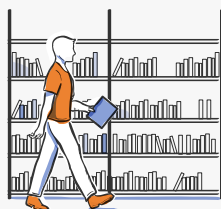


Customer Satisfaction Index

**4.40** out of 5

Derived from an annual survey conducted to gauge the customer satisfaction of NLB patrons, with a maximum score of 5.

### Visitorship



Library

**26** million



Former Ford Factory

**105,409**



Digital

**78.7** million

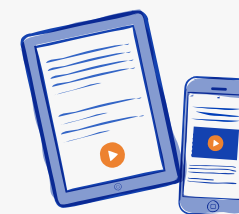
Refers to the number of downloads from NLB's websites, subscribed databases and eBooks.

### Collections



Books, magazines and audio-visual items

**7.5** million



eBooks

**0.7** million



Singapore materials deposited

**1.28** million

# Key Highlights

## Readers for Life

*Cultivating good reading habits for all age groups.*



### Enhanced NLB Mobile app

*We made it easier to read on the go.*

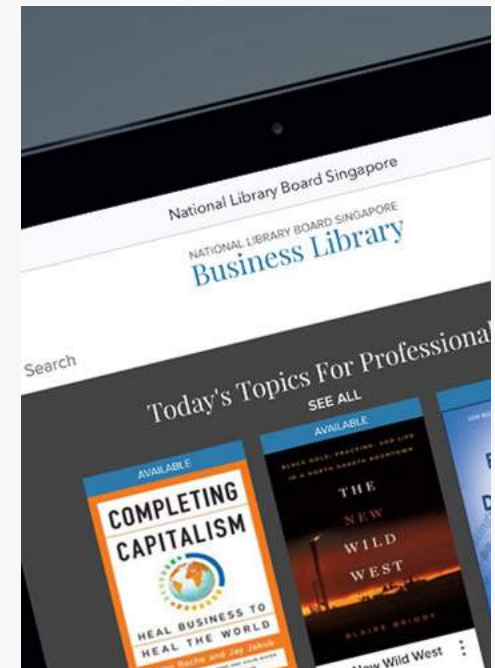
Our enhanced app was rolled out on 25 October 2017 with new features such as access to eMagazines and eNewsletters, and a better eBook search function. From November 2017, the virtual library card was also introduced to the app. This enables patrons to perform transactions – from retrieving items from reservation lockers, to borrowing books – without having to use their physical cards.



### Digital Business Library

*A one-stop portal for readers seeking self-improvement.*

Accessible via the Overdrive mobile app and website, the Digital Business Library is a one-stop portal with resources on career advancement, skills, technology, management and entrepreneurship, to support lifelong learning. For busy readers, summarised versions of books condense key points into 10-minute reads. Our NLB portal on Overdrive was also updated with a Kids' eReading Room offering eBooks for kids; a showcase of award-winning reads; and collections by partners such as SkillsFuture Singapore.



## Promoting lifelong learning

*Helping our seniors go digital.*

In October 2017, we piloted the Seniors Tech and Read (S.T.A.R.) programme at Bedok Public Library. It comprises Tech Assist, where we help seniors access our e-Resources, and Read Assist, where we support them in reading library materials. With 18 sessions conducted by 62 volunteers for 152 participants so far, we are planning to expand this to other libraries.

We also partnered SkillsFuture Singapore to run programmes at our libraries. SkillsFuture Advice workshops raise awareness on skills upgrading and career planning, while the two-day SkillsFuture for Digital Workplace programme teaches basic digital skills.



Digital clinics for seniors



AskST@NLB talk



POSB-NLB Kids' Lit Quiz™ 2017 National Finals



Myth Masters

## AskST@NLB and ZB Happy Read@NLB talks

*Working closely with our media partners to get more adults and seniors reading.*

Following the success of the AskST@NLB talks by The Straits Times' journalists, we have extended the collaboration for another five years from July 2017. We also partnered with Lianhe Zaobao to start the 早报悦读@NLB or ZB Happy Read@NLB talk series in August 2017, to promote reading in mother tongue languages. Both programmes are well-received with full-house sessions.

## POSB-NLB Kids' Lit Quiz™ 2017 National Finals

*Reading is fun.*

Teams of young readers battled it out in the national finals of the POSB-NLB Kids' Lit Quiz™ on 22 April 2017, with the winning team from St. Joseph's Institution Junior going on to the World Finals in Canada in June. It was the fourth local edition of the quiz, organised by NLB and supported by POSB and Marshall Cavendish. 22 of our libraries across the island also held Book Out! quizzes prior to the finals, where members of the public could test their literary knowledge.

## Promoting reading in mother tongue languages

*Helping children discover joy of reading in their mother tongue language.*

In August 2017, we launched the bilingual card game Myth Masters, which was based on the Chinese classics Journey to the West and Classic of Mountain and Sea. Some 2,000 young readers redeemed cards by borrowing mother tongue language books – generating 200,000 loans – and participated in reading activities. We also expanded our mother tongue language reading clubs since their pilot in 2015, reaching 4,800 children with the help of over 160 volunteers. As of March 2018, we have 21 reading clubs: eight in Chinese, five in Malay, and eight in Tamil.

# Learning Communities

*Creating opportunities for people to read and learn together.*



Bukit Panjang Public Library

## Four next-generation libraries reopened

*Our public libraries reopened in Bukit Panjang, Tampines, Bedok and Yishun.*

**Bukit Panjang Public Library** reopened on 1 July 2017 at almost double its previous size. In the Children Zone's new Stories Come Alive Room, tales leap off the page with the help of projections, lighting and sound effects, so that children can immerse themselves in the storytelling experience. Rising up in the Adults' Zone is the new Book Mountain, where the Adults' Non-Fiction collection is shelved along a gradual ramp, with cosy reading areas nestled amongst the books.

**Tampines Regional Library** reopened on 5 August 2017, spanning five floors with double the previous floor space. In the snazzy new #spaceout area, teens can hang out in the comfortable study lounge and check out trending topics on digital screens. There is also an exciting PIXEL Labs@NLB maker space – a collaboration with the Infocomm Media Development Authority – where patrons can use 3D printers and Arduino kits to create interactive gadgets.



Tampines Regional Library



Bedok Public Library

**Bedok Public Library** reopened at its new location in Heartbeat@Bedok on 28 October 2017, with a fresh green theme and new features such as cosy pods in the newspaper reading area. This library is the first to have a dedicated area and special programmes for seniors in our community. The Seniors' Corner's casual design is inspired by a living room, with services such as a large print collection, an electronic magnifier, and a keyboard with large letters for ease of typing. A dedicated Learning Zone also hosts Silver Infocomm Junction computer classes.

**Yishun Public Library** reopened on 3 February 2018 with a digital focus. The new library keeps up with readers' connected lifestyles with its digital shopfront that is accessible 24/7, and our first Digital Learning Zone. Our virtual bookshelves allow eBooks to be checked out simply by scanning a QR code, while dedicated Learning Pods give access to virtual resources such as TEDx talks. The space also invites those who prefer offline reading to settle down with a good book in cosy private nooks.



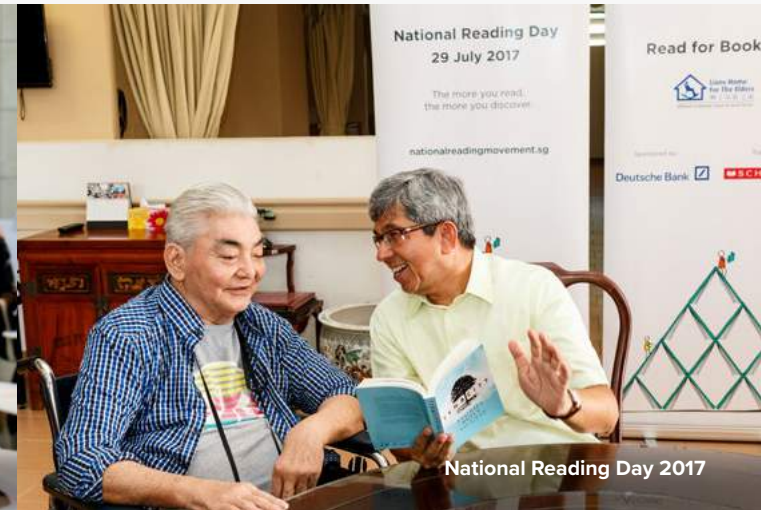
Yishun Public Library



Professor Robert Root-Bernstein at Four Conversations



Read! Fest 2017



National Reading Day 2017

## Four Conversations

*A gathering of thought leaders to share insights on being future-ready.*

On 3 and 4 June 2017, four thought leaders shared insights on how Singaporeans can be future-ready in today's rapidly changing world. Topics ranged from the importance of creativity, to the skills needed to stay ahead of a knowledge-based economy.

Four Conversations: New Thinking For A World featured physiology expert Professor Robert Root-Bernstein of Michigan State University; A\*STAR's chief scientist Professor Sir David Lane; Dr Ismail Serageldin, founding director of the Bibliotheca Alexandrina; and The Straits Times' associate opinion editor Lydia Lim.

## Read! Fest 2017

*150 programmes were brought to readers island-wide during our annual reading festival.*

Our annual Read! Fest 2017 brought 150 programmes to readers island-wide from 9 June to 29 July 2017. With 88 local authors featured, our Flavours of Singapore spotlight series provided a literary buffet of panels, book launches and meet-the-author talks. We offered events in all four official languages. Our Print & Stage series showcased theatre and interactive storytelling, while workshops provided a range of hands-on experiences, from flash fiction and poetry, to food sketching and even making bunga rampai (Peranakan potpourri). Other events took readers Beyond the Page – on a literary tour of Keong Saik, for example.

## National Reading Day 2017

*A day for everyone to read more, read widely and read together.*

National Reading Day on 29 July 2017 brought together Singaporeans across the island in celebration of reading, with more than 60 reading activities held at our libraries and community spaces. It was also the culmination of our week-long Read for Books charity drive, where one book was donated for every 10 people who read for 15 minutes.

The event also featured the second edition of our Big Book Giveaway, where members of the public could bring home up to three preloved library books.



**Read@Work**

*Dr Yaacob Ibrahim met our Read@Work partners.*

Dr Yaacob met our partners to hear about their organisations' reading journeys. Held on 27 October 2017, the event started with sharing sessions on DBS/POSB and DP Architects' Read@Work experiences and their collaborations with us. This was followed by a presentation on our Digital Business Library. Dr Yaacob also viewed an exhibition on the Read@Work programme and mingled with our partners over breakfast.

**eReads @ Ulu Pandan**

*Mini digital library caters to the growing popularity of e-reading.*

We launched eReads @ Ulu Pandan, a mini digital library in Ulu Pandan Community Club, on 20 January 2018. The pilot project includes a Digital Library Kiosk featuring our full collection of over 150,000 eBook and audiobook titles. Readers can browse eBooks and borrow them on the spot with the NLB Mobile app. At the eNewspaper Station, patrons can read digital versions of local newspapers. eReads @ Ulu Pandan is just the beginning, and we hope to bring these digital libraries to malls, hospitals and schools.

**Taxi Shifu and Friends Reading Club**

*Our Chinese language reading club received a visit from our Senior Minister of State.*

Senior Minister of State Mr Chee Hong Tat dropped by to meet our book-loving taxi drivers on 20 January 2018, at the first Taxi Shifu and Friends Reading Club sharing session of the year. Mr Low Lip, author of The Singapore HDB Flats Story, which the reading club discussed, was also present. Established in 2005, the Chinese-language book club now has 70 members and conducts bi-monthly book discussions at Ang Mo Kio Public Library.



eReads @ Ulu Pandan



Taxi Shifu and Friends Reading Club



# Knowledgeable Nation

*Expanding knowledge and discovery.*



## Eye on Asia

*Bringing the region closer to readers and helping them discover it.*

Our new Eye on Asia resource centre comprises a dedicated online portal and a physical space on Level 7 of the Lee Kong Chian Reference Library, offering a broad selection of books and digital resources on emerging Asian economies. Through these curated resources and our monthly programmes, we hope to encourage everyone to be more aware of regional developments and explore opportunities in these countries. Eye on Asia is a collaboration with Enterprise Singapore, Business China and the International Trading Institute @ Singapore Management University.



## Giving voice to Singapore's history

*Getting more Singaporeans to lend their voices to the Singapore story.*

The National Archives of Singapore's Oral History Centre formed the Malay, Chinese, Indian and Eurasian Community Oral History Committees to work with communities and develop our oral history collection. The committees aim to preserve Singapore's collective memories to ensure it is comprehensive, multi-focal in scope, and representative of Singapore's society.



### Sounds of Yesteryear

*Tracks of Singapore's oldest songs were released.*

The sounds of our past now resound through cyberspace, thanks to the National Archives of Singapore's Sounds of Yesteryear initiative. Ranging from early Malay songs to performances by Singapore's oldest Chinese opera troupes, these 52 Singapore-related pre-war musical recordings were released weekly on the [Archives Online](#) website. Dating from 1903 to 1941, the recordings were selected from over 3,500 shellac and vinyl records preserved by the National Archives of Singapore.



### Tales of the Malay World

*We curated an immersive exhibition from the Malay literary world.*

From 18 August 2017 to 25 February 2018, we brought rare manuscripts from the Malay literary world to our library patrons in the Tales of the Malay World: Manuscripts and Early Books exhibition. This showcase was a partnership with the British Library (UK), Royal Asiatic Society of Great Britain and Ireland (UK), and Leiden University Library (Netherlands). This marked the exhibition's Southeast Asia debut with collections from these important holdings being brought together. More than 140 items were on display, charting the transition from handwritten manuscripts to early printed works in the 19th century. Free programmes such as curator's tours, lectures and film screenings complemented the exhibition.



## State of Motion 2018

*Sejarah-ku — third edition of Asian Film Archive's annual flagship series.*

State of Motion 2018: Sejarah-ku (My History) – the third edition of Asian Film Archive's annual flagship series – revisited the golden age of Malay cinema in the last decade of pre-independence Singapore. Held from 12 January to 11 February 2018, the series presented 10 seminal films produced mainly by the now-defunct Shaw Malay Film Productions Ltd, performances, talks, and an exhibition. Part of the Singapore Art Week 2018, the event also featured guided film location tours – including, for the first time, an offshore tour to Pulau Ubin – with artworks inspired by the films and their locations.



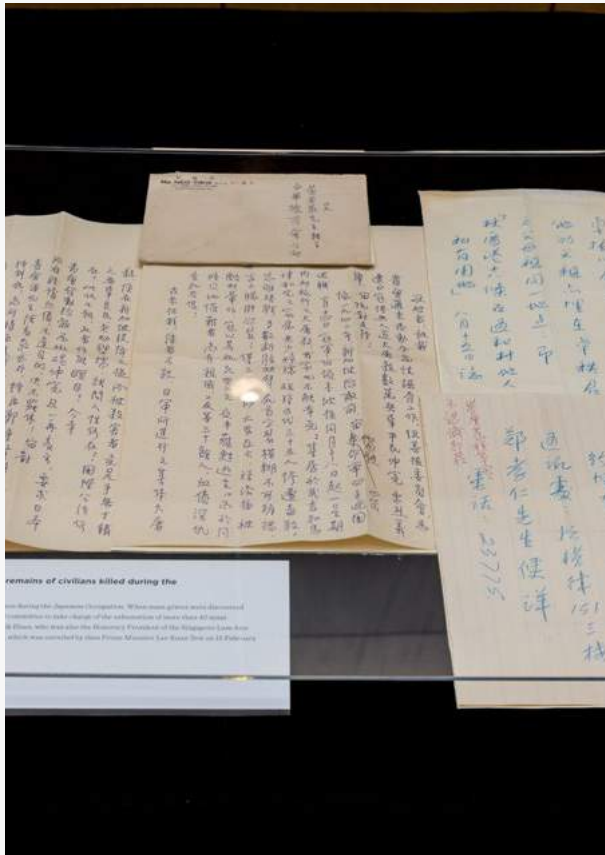
## Research publication on the Koh Seow Chuan collection

*Book uncovers the riches behind one of our donated collections.*

Three researchers delved into the riches of an important donor collection and wrote a new book, Singapore's Social & Business History Through Paper Ephemera in the Koh Seow Chuan Collection. Launched on 21 November 2017, the book uncovers stories from Singapore's migrant history through items such as business receipts, legal documents and remittance letters, from the history of family-owned medical hall Eu Yan Sang, to the business practices of Chettiar moneylenders from India.

The Koh Seow Chuan collection donated to us covers more than 9,000 legal and business documents, maps, hand-delivered letters, paintings, books and photographs from Asia, dating back to before the 1900s. Mr Koh Seow Chuan, a prominent architect, philatelist and heritage philanthropist, made his first donation to the National Library in 2007 and has added to the collection over the years.





### Donation by the Singapore Lam Ann Association

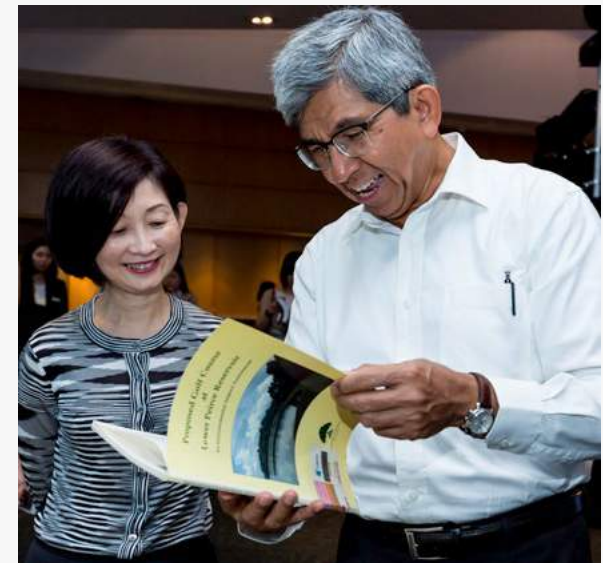
*The donated rare materials added to our rich collection on Singapore's history and heritage.*

We received a donation of rare primary documents from the Singapore Lam Ann Association on 2 March 2018. This included minutes of meetings from the founding committee, which were dated 1924-1935, and a set of seven rare account books on the construction of the Hong San See temple, one of the oldest temples in Singapore. The donation, made up of more than 100 items, will help Singaporeans understand the history of Chinese clan associations and the early building and construction sector in Singapore. It will also contribute to our goal of supporting research and encouraging a deeper understanding of Singapore's rich history and heritage. The materials will be made accessible to researchers and members of the public at the Lee Kong Chian Reference Library. A selection will also be digitised and made available for public access on our [BookSG](#) website.

### Chapters on Asia

*Singapore's history captured in nine essays by Lee Kong Chian Research Fellows.*

From the works of local Tamil writers to the lives of cabaret "lancing" girls, lesser-known aspects of our history were explored in nine separate essays by the recipients of our Lee Kong Chian Research Fellowship for 2014 to 2016. Written with the help of resources from our collections, these research papers were collated into the third volume of our Chapters on Asia series, and launched on 27 February 2018.





# Our Board and Management



# Board Members



**Mr Chan Heng Kee**

*Board Chairman and  
Chair of Establishment Committee*

*Permanent Secretary,  
Ministry of Health*



**Mr John Koh**

*Chair of National Library  
Advisory Committee*

*Independent Director,  
NSL Limited*



**Mr Derrick Goh**

*Chair of Audit and Risk Committee*

*Managing Director &  
Head of Group Audit,  
DBS Bank Ltd*



**Mdm Zuraidah Binte Abdullah**

*Domain Commander (Air),  
Integrated Checkpoints Command (Air),  
Immigration & Checkpoints Authority*



**Ms Neo Gim Huay**

*Managing Director,  
Enterprise Development Group,  
Temasek International Pte Ltd*



**Dr Lee Shiang Long**

*Chair of Innovation & Technology  
Advisory Committee*

*President,  
Singapore Technologies Kinetics Ltd*



**Mr Michael Koh**

*Chair of Public Library  
Advisory Committee*

*Fellow,  
Centre for Liveable Cities,  
Ministry of National Development*



**Ms Sia Aik Kor**

*Deputy Chief Counsel  
(Transactions & Administration),  
Civil Division, Attorney-General's Chambers*



**Assoc Prof Albert Lau**

*Associate Professor,  
Department of History,  
National University of Singapore*



**Dr Shashi Jayakumar**

*Chair of National Archives  
Advisory Committee*

*Head,  
Centre of Excellence for National Security,  
S Rajaratnam School of  
International Studies*



**Mr Chan Cheow Hoe**

*Deputy Chief Executive and  
Government Chief Information Officer,  
Government Technology Agency (GovTech)*



**Mr Sajjad Akhtar**

*Chair of Finance Committee*

*Managing Partner,  
PKF-CAP LLP*

*Chairman,  
Board of PKF International*

*Chairman,  
Asia Pacific PKF-CAP LLP*



**Mr Ling Tok Hong**

*Partner,  
PricewaterhouseCoopers Singapore*



**Mr Khor Un-Hun**

*Director,  
The Loft Hotel Company Pte Ltd*



**Dr Eugene Tan**

*Director,  
National Gallery Singapore*



**Dr Elmie Nekmat**

*Assistant Professor,  
Communications and New Media,  
National University of Singapore*



**Ms Lim Wan Yong**

*Deputy Secretary (Planning),  
Ministry of National Development*

# Senior Management Committee



**Mrs Elaine Ng**  
*Chief Executive Officer*



**Ms Tay Ai Cheng**  
*Deputy Chief Executive*  
*Chief Librarian*



**Mr William Tan**  
*Assistant Chief Executive,*  
*Corporate*  
  
*Director,*  
*Finance & Administration*



**Ms Catherine Lau**  
*Assistant Chief Executive,*  
*Public Library Services*



**Mr Eric Chin**  
*General Counsel,*  
*Executive Office*



**Ms Sabitri Devi**  
*Director,*  
*Communications, Relations &*  
*Development*



**Mr Patrick Yee**  
*Director,*  
*People Management & Development*



**Ms Wendy Ang**  
*Director,*  
*National Archives of Singapore*



**Ms Wai Yin Pryke**  
*Director,*  
*National Library*





**Mr Lee Kee Siang**  
*Director,  
Resource Discovery & Management*



**Mr Siow Shong Seng**  
*Chief Information Officer*



**Mr Ramachandran Narayanan**  
*Deputy Chief Information Officer*



**Mr Chua Kim Pau**  
*Director,  
Properties & Facilities Management*



**Mr Kevin Cheah**  
*Director,  
Strategic Planning & Research*



**Ms Valerie Cheng**  
*Director,  
Content & Services*



**Mr Stanley Tan**  
*Director,  
Library Planning & Development*



**Mr Ian Yap**  
*Acting Director,  
Public Library Operations*

04

No story is complete without the support of our donors, sponsors and partners.



# Donors

*who enriched our collections & archives*

## National Library's Rare Collection

### Individuals

Mr Benjamin Ang Kay Tiong  
Family of the late D.W. Devaraja  
Mr John Koh  
Dr Kenneth Lim Yang Teck  
Mrs Lee Li-Ming  
Mrs Lee Kip Lin  
Mr Lim Shao Bin  
Family of Liu Kang  
Anonymous Donor

### Organisation/Group

Singapore Lam Ann Association  
The Stage Club

## National Library's Singapore & Southeast Asia Collections

### Individuals

Ms Amanda Ngiam  
Mr Basiron Bin Bonoh  
Dr Chua Soo Pong  
Mr Finn Andersen  
Mr and Mrs George Hicks

Mr Ian Robert Lander  
Mr Jan Van der Putten  
Mrs Jean Marshall  
Mr Kua Bak Lim  
Mr Kwa Chong Guan  
Mr Lau Kin Hang  
Family of the late Dr Liaw Yock Fang  
Mr Nadiputra (Almahdi Al-Haj Ibrahim)  
Mr Ng Khee Choong  
Mr Ng Kim Eng  
Mr P Krishnan  
Mdm Patimah Jaludin  
Datin Patricia Lim  
Mr Pay Wan Teck  
Mr Richard Hale  
Dr S P Thinnappan  
Mr Shi Ying  
Mrs Shirley Soliano and Mrs Kathleen Francisco  
Family of Siti Aisyah  
Mr Sonny Lim  
Mr Tan Swie Hian  
Mr Teoh Ong Tuck  
Mr Wee Chwee Heng  
Mr & Mrs William and Judith Bollinger  
Mr Yeo Oi Sang

### Organisation/Group

Association of Singapore Marine Industries

Lembaga Biasiswa Kenangan Maulud  
Mar Thoma Syrian Church in Singapore  
Ministry of Education Heritage Centre  
National Trades Union Congress  
Nature Society (Singapore)  
Peirce Secondary School  
PSA Corporation Ltd  
Sembawang Marine Ltd  
Singapore Futsing Association  
Singapore Institute of Architects  
Singapore Kadayannallur Muslim League  
Singapore Kong Chow Wui Koon  
Singapore Maritime Foundation  
Singapore Shipping Association  
The Singapore Buddhist Lodge  
WILD RICE Ltd

## Archival Collections

### Individuals

Mr Andrew Lee  
Ms Angela Silagy  
Mr Christopher Ong  
Ms Dolly Cheung  
Ms Dorothy Chan  
Mrs Elizabeth Gregory  
Mr Gary Chow

Mr Goh Thiam Chuan  
Ms Hedy Tripp  
Mr Ian Johnson  
Mr Jimmy F. Pyeatt  
Mr Joseph George Wallace  
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Mr Laurence W. Tunnacliffe  
Mr Lim Chin Leong  
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Mr Singaporewalla Moiz Fazlehusein  
Ms Suzanna Aziz  
Ms Sylvia Lim  
Mr Tan Yong Joo  
Mr Wong Kim Thoo  
Mr Wong Liang Keen  
Mr Yoong Fah Kong

### Organisation/Group

Singapore Thong Chai Medical Institution

## Acknowledgement

# Sponsors

*of libraries & archives*

## library@chinatown

CP1 Pte Ltd  
Kwan Im Thong Hood Cho Temple

## “My Tree House”, The World’s First Green Library for Kids

City Developments Limited

## Chinese Children’s Collection in Tampines Regional Library

Chou Sing Chu Foundation

## Mobile Libraries

Kwan Im Thong Hood Cho Temple

## POSB – NLB Kids’ Lit Quiz™

POSB

# Partners

*who brought our books to the less privileged at home & abroad*

## Charity Book Donation

360 Education Pte Ltd  
Acacia Home  
Alzheimer’s Disease Association – New Horizon Centre  
Ang Mo Kio Family Service Centre (AMKFSC)  
Community Services Ltd  
AP Ventures (Bhutan)  
Association For Persons With Special Needs (APSN) Delta Senior School  
Association Of Muslim Professionals - MERCU Learning  
Baguio City Library – Philippines  
Brahm Centre  
Calvary Community Care  
CampusImpact  
Canosaville Community and Children Services  
Circle of Friends Limited  
Clarity Singapore Ltd  
Disabled People’s Association  
EFATA Christian School – Batam, Indonesia  
Embassy of the Arab Republic of Egypt in Singapore (Egypt)  
Global Shapers Community – Laos  
Hearty Care Centre  
HOPE Worldwide (Singapore)  
Hougang Sheng Hong Student Care Centre

Institute of Mental Health  
Jamiyah Kindergarten  
JOY Connection Student Care Centre  
Kits4Kids Special School  
Kuensel Corporation Ltd - Bhutan  
Life Community Services Society (Student Care) – Hougang  
Life Community Services Society (Student Care) – Park View Primary School  
Life Community Services Society (Student Care) – Pasir Ris  
Life Community Services Society (Student Care) – Yishun  
Ling Kwang Home for Senior Citizens  
Madrasah Alsagoff Al-Arabiah  
MCYC Community Services Society  
Ministry of Foreign Affairs – Batam Missiom  
Ministry of Home Affairs - CT Outreach  
Ministry of Social & Family Development – Juvenile Homes  
Morning Star Community Services Ltd  
Muhammadiyah Welfare Home  
MY World Preschool Ltd  
Nanyang Technological University Material Science & Engineering Community Involvement Project (NTU MSE CIP)  
Nanyang Technological University Perbayu Overseas Expedition  
National University of Singapore Students’ Community Service Club (NUSSCSC)  
National University of Singapore Science Club – Project Angel XXI  
New Life Stories Limited  
NTUC Afterschool Care – Alexandra Primary School  
NTUC Afterschool Care – Farrer Park Primary School  
NTUC Afterschool Care – Maha Bodhi School  
NTUC Afterschool Care – Queenstown Primary School  
PAVE Child Protection Specialist Centre – Safe Space

Persatuan Pemuda Pemudi Singapore (PPIS) Child Development Centre – Pasir Ris 2  
Persatuan Pemuda Pemudi Singapore (PPIS) Student Care Centre  
Presbyterian Community Services  
Prison Fellowship Singapore Limited  
Rainbow Centre – Margaret Drive  
SCDF Detention Barracks  
Singapore Prison Services (Cluster B)  
St. Andrew’s Autism Centre  
St. Luke Eldercare Ltd – Chong Pang Centre  
Sunlove Bukit Merah Student Care Centre  
Taabar (India)  
Tanoto Foundation  
The Learning Grid Pte Ltd  
The Salvation Army Bukit Batok East Childcare Centre  
The Singapore Cheshire Home  
Thong Kheng Student Care Centre  
Wheels for Hope - Philippines  
Yayasan Mendaki

## Project Deliver Me

Asian Women’s Welfare Association  
Disabled People’s Association  
Handicaps Welfare Association  
Muscular Dystrophy Association (Singapore)  
Singapore Association of the Visually Handicapped  
The Singapore Cheshire Home  
Society of the Physically Disabled

## Acknowledgement

### Community-Owned Libraries and Reading Spaces

Admiralty Medical Centre  
Alexandra Health Centre 1 at Yishun  
Alexandra Health Centre 2 at Yishun  
Alexandra Health Centre 3 at Yishun  
Asian Women's Welfare Association (AWWA)  
Readycare Centre  
Bukit Batok Community Club  
Bukit Merah Community Centre  
Basic Student Care, Sengkang  
Changi Airport Group  
Changi Simei Community Club  
Enabling Village  
Covenant Evangelical Church  
Hope Centre  
NTUC Health Active Ageing Hub (Kampung Admiralty)  
Leng Kee Community Club  
Nanyang Community Club  
Naval Base Primary School  
NTUC Health SilverACE Senior Activity Centre at Bukit Merah  
NTUC Health SilverACE Senior Activity Centre at Lengkok Bahru  
NTUC Health SilverACE Senior Activity Centre at Redhill  
NTUC Health SilverACE Senior Activity Centre at Telok Blangah  
NTUC Health SilverCOVE Senior Wellness Centre at Marsiling  
NUH Child Development Unit  
OUE Downtown Gallery  
Pearl's Hill Care Home  
Punggol West Citizens' Consultative Committee  
Raffles Student Care Learning Centre LLP

Sengkang West Zone K Residents' Committee  
Singapore Indian Development Association  
Singapore Boys Home  
Singapore Hokkien Huay Kuan Cultural Academy  
Singapore Prisons  
St Andrew Senior Care Centre  
St Andrew's Community Hospital  
Taman Jurong Community Club  
Thye Hua Kwan Senior Services Centre at Taman Jurong  
Thye Hua Kwan Social Service Hub at Bukit Batok East  
Toa Payoh East Zone 5 Residents' Committee  
Toa Payoh East Zone 6 Residents' Committee  
Ulu Pandan Community Club  
UOL Property Investments Pte Ltd  
Well Centre

### National Reading Movement

Deutsche Bank  
Scholastic Education International (Singapore) Pte Ltd

*We look forward to your continued support!*

# Corporate Governance

The National Library Board (NLB) is established under the National Library Board Act (Chapter 197) and is governed by the statutory functions and constitution set out in the NLB Act. A Board comprising the Chairman and 16 non-executive members from sectors such as academia, the finance and social sectors, and public institutions, guides NLB in the performance of its functions to the public. With their diverse backgrounds and experience, members of the Board are well placed to provide NLB with strategic leadership as well as to put in place effective controls to meet the highest standards of governance. There is also one observer from the Ministry of Communications and Information.

The Board reviews and oversees NLB's plans, performance and policies; ensures accountability in its operations; and develops mechanisms for gathering and responding to stakeholders' feedback. Board members helm seven committees. These are: the Audit and Risk Committee, the Establishment Committee, the Finance Committee, the National Library Advisory Committee, the Public Library Advisory Committee, the Innovation & Technology Advisory Committee and the National Archives Advisory Committee.

An Internal Audit Unit further strengthens NLB's corporate governance. Reporting directly to the Chairman of the Audit Committee and administratively to the Chief Executive Officer, the Internal Audit Unit reviews the adequacy and effectiveness of NLB's internal control system. This includes evaluating policies, procedures and systems to assess the integrity of financial and operating information, compliance with laws and regulations, and economical and efficient use of resources.

All NLB staff also uphold public trust by complying with a Code of Ethics and Conduct. NLB staff are empowered to report potential ethical breaches confidentially to the Board's Establishment Committee.

As a charity, NLB adheres to the recommended guidelines set out in the Code of Governance for Charities and Institutions of Public Character proposed

## Corporate Governance

by the Charity Council (the Code). NLB openly discloses its corporate governance practices covering board governance, conflict of interest policy and other relevant governance practices and controls on an annual basis. Any deviations from the Code are also explained as part of this annual submission. NLB continually seeks to improve governance to maintain the trust and confidence of our stakeholders.

The members of the Board are paid allowances based on a tiered structure, which takes into consideration the different workload and responsibilities held by the various members. Eight of our Board members receive an annual allowance of between \$10,000 and \$25,000, while nine members receive an annual allowance of less than \$10,000. The annual remuneration of our four highest paid executives is between \$300,000 and \$500,000. This comprises their salary, bonus, benefits and employers' CPF contribution.

NLB manages its reserves proactively to ensure funding sustainability for operating expenditure as well as long term commitments. The quantum of minimum and maximum cash reserve, taking into account working capital needs and long-term commitments, is reviewed and approved annually by the Finance Committee of the Board. Our Board regularly reviews our financial results and position via quarterly management reports. The cash reserve as at the balance sheet date was below one year's annual expenditure.



**National Library Board**

100 Victoria Street #14-01, Singapore 188064  
[www.nlb.gov.sg](http://www.nlb.gov.sg)

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National Library Board Singapore  
ISSN 2424-9394





# National Library Board Annual Report 2017/2018



**NATIONAL LIBRARY BOARD  
AND ITS SUBSIDIARIES**  
for the financial year ended  
31 March 2018

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## National Library Board and its subsidiaries

### Statement by Board Members

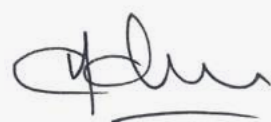
For the financial year ended 31 March 2018

In our opinion,

- (a) the accompanying financial statements of the National Library Board (the “Board”) and its subsidiaries (the “Group”) are properly drawn up in accordance with the provisions of the National Library Board Act (Chapter 197) (the “Act”), Singapore Charities Act (Chapter 37) and other relevant regulations (the “Charities Act and Regulations”) and Singapore Statutory Board Financial Reporting Standards (“SB-FRS”) so as to present fairly, in all material respects, the financial position of the Group and of the Board as at 31 March 2018 and the financial performance and changes in equity of the Group and the Board and cash flows of the Group for the financial year then ended on that date;
- (b) the 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 Act; and
- (c) proper accounting and other records have been kept including records of all assets of the Board whether purchased, donated or otherwise.

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

On behalf of the Board,



Chan Heng Kee  
Chairman



Elaine Ng  
Chief Executive Officer

19 JUN 2018

# Independent auditor's report For the financial year ended 31 March 2018

## Independent auditor's report to the members of the board of National Library Board

### Report on the audit of the financial statements

#### **Opinion**

We have audited the financial statements of National Library Board (the "Board") and its subsidiaries (collectively, the "Group"), which comprise the statement of financial position of the Group and the Board as at 31 March 2018, statements of comprehensive income, statements of changes in equity of the Group and the Board and the consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the statement of financial position, statement of comprehensive income and the statement of changes in equity of the Board are properly drawn up in accordance with the provisions of the National Library Board Act, Chapter 197 (the "Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to give a true and fair view of the financial position of the Group and the Board as at 31 March 2018 and of the financial performance and changes in equity of the Group and the Board and cash flows of the Group for the year ended on that date.

#### **Basis for opinion**

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other matter**

The financial statements of the Board and the Group for the financial year ended 31 March 2017, were audited by another auditor who expressed an unqualified opinion on those statements on 21 June 2017.

#### **Other information**

Management is responsible for other information. The other information comprises the Statement by Board Members set out on page 1.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

# Independent auditor's report For the financial year ended 31 March 2018

## Independent auditor's report to the members of the board of National Library Board

### Report on the audit of the financial statements (cont'd)

#### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation of financial statements to give a true and fair view in accordance with the provisions of the Act, the Charities Act and Regulations and SB-FRS, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

A statutory board is constituted based on its Act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is intention to wind up the Group or for the Group to cease operations.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

# Independent auditor's report For the financial year ended 31 March 2018

## Independent auditor's report to the members of the board of National Library Board

### Report on the audit of the financial statements (cont'd)

#### **Auditor's responsibilities for the audit of the financial statements (cont'd)**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the management and those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Report on other legal and regulatory requirements

#### **Opinion**

In our opinion:

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Board during the financial year are, in all material respects, in accordance with the provisions of the Act.
- (b) proper accounting and other records have been kept, including records of all assets of the Board and of the subsidiaries incorporated in Singapore of which we are the auditors, whether purchased, donated or otherwise.

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

- (a) the Library Fund has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) the Library Fund has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

#### **Basis for opinion**

We concluded our audit in accordance with SSAs. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Compliance Audit section of our report. We are independent of the Board in accordance with the ACRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

# Independent auditor's report For the financial year ended 31 March 2018

## Independent auditor's report to the members of the board of National Library Board

### Report on other legal and regulatory requirements (cont'd)

#### **Responsibilities of management for compliance with legal and regulatory requirements**

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act. This responsibility includes implementing accounting and internal controls as management determines are necessary to enable compliance with the provisions of the Act.

#### **Auditor's responsibilities for compliance audit**

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act.

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Because of the inherent limitations in any accounting and internal control system, non-compliances may nevertheless occur and not be detected.

*Ernst & Young LLP*

Ernst & Young LLP  
Public Accountants and  
Chartered Accountants  
Singapore

**19 JUN 2018**

Consolidated statement of financial position  
As at 31 March 2018

	Note	Group	
		2017/2018 \$	2016/2017 \$
<b>Equity</b>			
Capital account	4	585,688,570	436,616,263
Heritage reserves	6	17,349,090	11,950,430
Accumulated surplus			
- General funds		18,878,339	35,555,119
- Restricted funds	7	65,397,634	65,255,904
<b>Total equity</b>		<b>687,313,633</b>	<b>549,377,716</b>
<b>Non-current assets</b>			
Property, plant and equipment	9	352,852,714	331,892,611
Heritage assets	6	17,349,090	16,549,549
		<b>370,201,804</b>	<b>348,442,160</b>
<b>Current assets</b>			
Financial assets at fair value through profit or loss	11	455,751,902	354,941,837
Trade and other receivables	12	11,647,968	13,117,473
Derivative financial instruments	14	57,115	525,729
Development grants receivables	18	227,537	107,665
Cash and cash equivalents	15	143,021,993	109,573,412
		<b>610,706,515</b>	<b>478,266,116</b>
<b>Total assets</b>		<b>980,908,319</b>	<b>826,708,276</b>
<b>Current liabilities</b>			
Trade and other payables	16	92,437,761	67,447,364
Current income tax liabilities		-	-
Provision for retirement benefits	17	200,496	734,583
Deferred capital grants	19	14,022,641	13,001,348
		<b>106,660,898</b>	<b>81,183,295</b>
<b>Non-current liabilities</b>			
Provision for retirement benefits	17	5,488,769	5,013,073
Deferred capital grants	19	181,445,019	191,134,192
		<b>186,933,788</b>	<b>196,147,265</b>
<b>Total liabilities</b>		<b>293,594,686</b>	<b>277,330,560</b>
<b>Net assets</b>		<b>687,313,633</b>	<b>549,377,716</b>
<b>Net assets of trust funds</b>	8	<b>1,975</b>	<b>4,490</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statement of financial position  
As at 31 March 2018

	Note	Board	
		2017/2018 \$	2016/2017 \$
<b>Equity</b>			
Capital account	4	585,688,570	436,616,263
Heritage reserves	6	17,349,090	11,950,430
Accumulated surplus			
- General funds		15,312,980	31,372,849
- Restricted funds	7	65,397,634	65,255,904
<b>Total equity</b>		<b>683,748,274</b>	<b>545,195,446</b>
<b>Non-current assets</b>			
Property, plant and equipment	9	352,611,044	331,586,649
Heritage assets	6	17,349,090	16,549,549
Investments in subsidiaries	10	506	506
		<b>369,960,640</b>	<b>348,136,704</b>
<b>Current assets</b>			
Financial assets at fair value through profit or loss	11	454,977,527	354,169,337
Trade and other receivables	12	11,257,994	12,959,337
Derivative financial instruments	14	57,115	525,729
Development grants receivables	18	227,537	107,665
Cash and cash equivalents	15	140,515,987	106,601,860
		<b>607,036,160</b>	<b>474,363,928</b>
<b>Total assets</b>		<b>976,996,800</b>	<b>822,500,632</b>
<b>Current liabilities</b>			
Trade and other payables	16	92,091,601	67,421,990
Provision for retirement benefits	17	200,496	734,583
Deferred capital grants	19	14,022,641	13,001,348
		<b>106,314,738</b>	<b>81,157,921</b>
<b>Non-current liabilities</b>			
Provision for retirement benefits	17	5,488,769	5,013,073
Deferred capital grants	19	181,445,019	191,134,192
		<b>186,933,788</b>	<b>196,147,265</b>
<b>Total liabilities</b>		<b>293,248,526</b>	<b>277,305,186</b>
<b>Net assets</b>		<b>683,748,274</b>	<b>545,195,446</b>
<b>Net assets of trust funds</b>	8	<b>1,975</b>	<b>4,490</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated statement of comprehensive income  
For the financial year ended 31 March 2018

Group	Note	General funds		Restricted funds		Total	
		2017/2018 \$	2016/2017 \$	2017/2018 \$	2016/2017 \$	2017/2018 \$	2016/2017 \$
<b>Income</b>							
Consultancy and other services		4,817,847	5,720,474	-	-	4,817,847	5,720,474
Professional library services		2,930,038	3,670,742	-	-	2,930,038	3,670,742
Rental income		6,343,233	7,030,947	-	-	6,343,233	7,030,947
Book fines and lost book charges		2,889,037	3,168,458	-	-	2,889,037	3,168,458
Interest income		1,304,910	1,093,184	97,980	414,673	1,402,890	1,507,857
Library services and programmes		1,151,856	1,613,499	-	-	1,151,856	1,613,499
Membership fees		785,355	812,657	-	-	785,355	812,657
Investment income	22	13,016,944	10,755,805	1,617,875	145,448	14,634,819	10,901,253
Other income		1,391,205	3,437,865	-	-	1,391,205	3,437,865
Donations <sup>1</sup>		1,283,238	336,921	649,604	685,201	1,932,842	1,022,122
		35,913,663	37,640,552	2,365,459	1,245,322	38,279,122	38,885,874
<b>Expenditure</b>							
Manpower and staff welfare	20	(104,141,992)	(103,426,426)	(14,212)	(21,343)	(104,156,204)	(103,447,769)
Depreciation of property, plant and equipment	9	(37,840,628)	(25,572,890)	(657,323)	(687,630)	(38,497,951)	(26,260,520)
Books, periodicals, films and serials		(27,941,160)	(27,181,074)	(170,450)	(266,618)	(28,111,610)	(27,447,692)
General and administrative expenses		(55,754,285)	(47,125,261)	(605,803)	(1,563,632)	(56,360,088)	(48,688,893)
Maintenance and other property expenses		(23,541,951)	(21,361,551)	(118,755)	(155,734)	(23,660,706)	(21,517,285)
Rental expenses		(25,629,304)	(20,826,188)	(178,846)	(164,117)	(25,808,150)	(20,990,305)
Agency and other professional fees		(16,618,204)	(15,750,147)	(407,282)	(365,024)	(17,025,486)	(16,115,171)
Other expenses		(14,963,262)	(9,094,107)	(71,058)	(75,631)	(15,034,320)	(9,169,738)
Allowance made for doubtful book fines and lost book charges	13	(481,096)	(577,805)	-	-	(481,096)	(577,805)
		(306,911,882)	(270,915,449)	(2,223,729)	(3,299,729)	(309,135,611)	(274,215,178)
<b>(Deficit)/surplus before grants</b>		(270,998,219)	(233,274,897)	141,730	(2,054,407)	(270,856,489)	(235,329,304)
<b>Grants</b>							
Operating grants	21	246,441,261	218,020,877	-	-	246,441,261	218,020,877
Development grants	18	-	6,851	-	-	-	6,851
Deferred capital grants amortised	19	14,768,838	18,250,171	-	-	14,768,838	18,250,171
		261,210,099	236,277,899	-	-	261,210,099	236,277,899
<b>(Deficit)/surplus for the financial year before tax</b>		(9,788,120)	3,003,002	141,730	(2,054,407)	(9,646,390)	948,595
Income tax expense	23	-	-	-	-	-	-
<b>Net (deficit)/surplus for the financial year</b>		(9,788,120)	3,003,002	141,730	(2,054,407)	(9,646,390)	948,595
<b>Other comprehensive income</b>							
Remeasurement gain on defined benefit pension plans						-	437,017
<b>Total other comprehensive income for the financial year</b>						-	437,017
<b>Total comprehensive income for the financial year</b>						(9,646,390)	1,385,612

<sup>1</sup> Donations received of \$643,575 (2016/2017: \$652,953) relate to tax-deductible donations.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**Statement of comprehensive income**  
For the financial year ended 31 March 2018

Board	Note	General funds		Restricted funds		Total	
		2017/2018 \$	2016/2017 \$	2017/2018 \$	2016/2017 \$	2017/2018 \$	2016/2017 \$
<b>Income</b>							
Consultancy and other services		4,789,641	4,970,354	-	-	4,789,641	4,970,354
Professional library services		1,698,117	2,726,154	-	-	1,698,117	2,726,154
Rental income		6,433,298	7,128,380	-	-	6,433,298	7,128,380
Book fines and lost book charges		2,889,037	3,168,458	-	-	2,889,037	3,168,458
Interest income		1,261,423	1,049,300	97,980	414,673	1,359,403	1,463,973
Library services and programmes		1,151,856	1,613,499	-	-	1,151,856	1,613,499
Membership fees		785,355	812,657	-	-	785,355	812,657
Investment income	22	13,015,069	10,749,685	1,617,875	145,448	14,632,944	10,895,133
Other income		1,011,368	2,990,038	-	-	1,011,368	2,990,038
Donations <sup>2</sup>		1,281,838	332,575	649,604	685,201	1,931,442	1,017,776
		34,317,002	35,541,100	2,365,459	1,245,322	36,682,461	36,786,422
<b>Expenditure</b>							
Manpower and staff welfare	20	(102,824,440)	(102,074,488)	(14,212)	(21,343)	(102,838,652)	(102,095,831)
Depreciation of property, plant and equipment	9	(37,747,136)	(25,523,961)	(657,323)	(687,630)	(38,404,459)	(26,211,591)
Books, periodicals and serials		(26,521,932)	(26,343,779)	(170,450)	(266,618)	(26,692,382)	(26,610,397)
General and administrative expenses		(55,198,779)	(46,657,713)	(605,803)	(1,563,632)	(55,804,582)	(48,221,345)
Maintenance and other property expenses		(23,523,116)	(21,331,256)	(118,755)	(155,734)	(23,641,871)	(21,486,990)
Rental expenses		(25,629,303)	(20,826,187)	(178,846)	(164,117)	(25,808,149)	(20,990,304)
Agency and other professional fees		(16,513,090)	(15,504,127)	(407,282)	(365,024)	(16,920,372)	(15,869,151)
Other expenses		(16,259,418)	(11,157,429)	(71,058)	(75,631)	(16,330,476)	(11,233,060)
Allowance made for doubtful book fines and lost book charges	13	(481,096)	(577,805)	-	-	(481,096)	(577,805)
		(304,698,310)	(269,996,745)	(2,223,729)	(3,299,729)	(306,922,039)	(273,296,474)
<b>(Deficit)/surplus before grants</b>		(270,381,308)	(234,455,645)	141,730	(2,054,407)	(270,239,578)	(236,510,052)
<b>Grants</b>							
Operating grants	21	246,441,261	218,020,877	-	-	246,441,261	218,020,877
Development grants	18	-	6,851	-	-	-	6,851
Deferred capital grants amortised	19	14,768,838	18,250,171	-	-	14,768,838	18,250,171
		261,210,099	236,277,899	-	-	261,210,099	236,277,899
<b>(Deficit)/surplus for the financial year before tax</b>		(9,171,209)	1,822,254	141,730	(2,054,407)	(9,029,479)	(232,153)
Income tax expense	23	-	-	-	-	-	-
<b>Net (deficit)/surplus for the financial year</b>		(9,171,209)	1,822,254	141,730	(2,054,407)	(9,029,479)	(232,153)
<b>Other comprehensive income</b>							
Remeasurement gain on defined benefit pension plans						-	437,017
<b>Total other comprehensive income for the financial year</b>						-	437,017
<b>Total comprehensive income for the financial year</b>						(9,029,479)	204,864

<sup>2</sup>Donations received of \$642,275 (2016/2017: \$648,607) relate to tax-deductible donations for The Library Fund.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



	Note	Capital account			Accumulated surplus		Total
		Establishment	Equity financing	Heritage	General	Restricted	
		account	account	reserves	funds	funds	
		\$	\$	\$	\$	\$	\$
<b>Group</b>							
At 1 April 2016		10,334,137	365,352,140	11,297,967	32,767,563	67,310,311	487,062,118
Net surplus/(deficit) for the financial year		-	-	-	3,003,002	(2,054,407)	948,595
Remeasurement gain on defined benefit pension plans	17	-	-	-	437,017	-	437,017
<b>Total comprehensive income for the financial year</b>		-	-	-	3,440,019	(2,054,407)	1,385,612
Issuance of shares	5	-	60,929,986	-	-	-	60,929,986
Transfer to heritage reserves	6	-	-	652,463	(652,463)	-	-
At 31 March 2017		10,334,137	426,282,126	11,950,430	35,555,119	65,255,904	549,377,716
At 1 April 2017		10,334,137	426,282,126	11,950,430	35,555,119	65,255,904	549,377,716
Net (deficit)/surplus for the financial year		-	-	-	(9,788,120)	141,730	(9,646,390)
Dividend paid		-	-	-	(1,490,000)	-	(1,490,000)
<b>Total comprehensive income for the financial year</b>		-	-	-	(11,278,120)	141,730	(11,136,390)
Issuance of shares	5	-	149,072,307	-	-	-	149,072,307
Transfer to heritage reserves	6	-	-	5,398,660	(5,398,660)	-	-
At 31 March 2018		10,334,137	575,354,433	17,349,090	18,878,339	65,397,634	687,313,633

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statement of changes in equity  
For the financial year ended 31 March 2018

	Note	Capital account			Accumulated surplus		Total \$
		Establishment account \$	Equity financing account \$	Heritage reserves \$	General funds \$	Restricted funds \$ (Note 7)	
<b>Board</b>							
At 1 April 2016		10,334,137	365,352,140	11,297,967	29,766,041	67,310,311	484,060,596
Net surplus/(deficit) for the financial year		-	-	-	1,822,254	(2,054,407)	(232,153)
Remeasurement gain on defined benefit pension plans	17	-	-	-	437,017	-	437,017
<b>Total comprehensive income for the financial year</b>		-	-	-	2,259,271	(2,054,407)	204,864
Issuance of shares	5	-	60,929,986	-	-	-	60,929,986
Transfer to heritage reserves	6	-	-	652,463	(652,463)	-	-
At 31 March 2017		10,334,137	426,282,126	11,950,430	31,372,849	65,255,904	545,195,446
At 1 April 2017		10,334,137	426,282,126	11,950,430	31,372,849	65,255,904	545,195,446
Net (deficit)/surplus for the financial year		-	-	-	(9,171,209)	141,730	(9,029,479)
Dividend paid		-	-	-	(1,490,000)	-	(1,490,000)
<b>Total comprehensive income for the financial year</b>		-	-	-	(10,661,209)	141,730	(10,519,479)
Issuance of shares	5	-	149,072,307	-	-	-	149,072,307
Transfer to heritage reserves	6	-	-	5,398,660	(5,398,660)	-	-
At 31 March 2018		10,334,137	575,354,433	17,349,090	15,312,980	65,397,634	683,748,274

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated statement of cash flows  
For the financial year ended 31 March 2018

	Note	Group	
		2017/2018 \$	2016/2017 \$
<b>Cash flows from operating activities</b>			
Deficit before grants and before tax		(270,856,489)	(235,329,304)
Adjustments for:			
Depreciation of property, plant and equipment	9	38,497,951	26,260,520
Interest income from fixed deposits with bank		(1,420,595)	(1,507,857)
Investment income - net	22	(14,634,819)	(10,901,253)
Fund management fees		196,312	100,679
Retirement benefits	20	131,286	165,000
Gain on disposal of property, plant and equipment		(5,011)	(11,248)
Property, plant and equipment written off		105,765	5,204
Donation-in-kind received		(1,267,137)	(266,032)
Allowance for doubtful debts	13	481,096	577,805
<b>Deficit before changes in working capital</b>		<b>(248,771,641)</b>	<b>(220,906,486)</b>
<b>Changes in working capital:</b>			
Trade and other receivables		(747,857)	(3,858,658)
Trade and other payables		24,533,407	6,149,425
Derivative financial instruments		468,614	(525,729)
<b>Cash used in operating activities</b>		<b>(224,517,477)</b>	<b>(219,141,448)</b>
Retirement benefits paid		(189,677)	(905,455)
<b>Net cash flows used in operating activities</b>		<b>(224,707,154)</b>	<b>(220,046,903)</b>
<b>Cash flows from investing activities</b>			
Funds placed with fund managers		(88,000,000)	(153,000,000)
Proceeds from disposal of investments		-	17,283
Purchases of property, plant and equipment		(58,101,829)	(61,627,443)
Purchases of heritage assets		(537,404)	(717,033)
Proceeds from disposal of property, plant and equipment		5,011	11,248
Interest income received		1,723,594	2,691,852
<b>Net cash flows used in investing activities</b>		<b>(144,910,628)</b>	<b>(212,624,093)</b>
<b>Cash flows from financing activities</b>			
Government grants received		255,936,061	260,884,579
Dividend paid		(1,490,000)	-
Proceeds from equity financing		149,072,307	60,929,986
<b>Net cash flows from financing activities</b>		<b>403,518,368</b>	<b>321,814,565</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>33,900,586</b>	<b>(110,856,431)</b>
Cash and cash equivalents at beginning of the financial year		108,197,617	219,054,048
<b>Cash and cash equivalents at end of the financial year</b>	15	<b>142,098,203</b>	<b>108,197,617</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Notes to the financial statements  
For the financial year ended 31 March 2018

1. General information

National Library Board (the "Board") was established on 1 September 1995 under the National Library Board Act (Chapter 197). The address of its registered office and principal place of operations is at 100 Victoria Street, #14-01, Singapore 188064.

The Board is subjected to the control of its supervisory ministry, Ministry of Communications and Information ("MCI"). The Board is required to follow the policies and instructions issued from time to time by MCI and other government ministries and departments such as the Ministry of Finance ("MOF"). With effect from 1 November 2012, the National Archives of Singapore ("NAS") was transferred from National Heritage Board to National Library Board.

The Board is also registered as a charity (Unique Entity No: T08GB0037J) under the Charities Act (Chapter 37) since 16 September 2002.

The principal activities of the Board are:

- (a) to establish and maintain libraries, and provide library information services;
- (b) to promote reading and encourage learning through the use of libraries and their services;
- (c) to provide a repository for library materials published in Singapore;
- (d) to acquire and maintain a comprehensive collection of library materials relating to Singapore and its people;
- (e) to establish standards for the training of library personnel in Singapore;
- (f) to provide advisory and consultancy services concerning libraries and library information services;
- (g) to compile and maintain a national union catalogue and a national bibliography;
- (h) to advise the Government on national needs and policies in respect of matters relating to publicly-funded libraries and library information services in Singapore;
- (i) to provide a permanent repository of records of national or historical significance and to facilitate access to those records;
- (j) to conduct records management programmes for the Government; and
- (k) to record, preserve and disseminate the history of Singapore through oral history methodology or other means.

There have been no significant changes in the nature of these activities during the financial year.

The consolidated financial statements relate to the Group. The principal activities of the subsidiaries are described in Note 10 to the financial statements.

## 2. Summary of significant accounting policies

### 2.1 Basis of accounting

The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the National Library Board Act, Chapter 197 (the “Act”), Singapore Statutory Board Financial Reporting Standards (“SB-FRS”), including Interpretation of SB-FRS (“INT SB-FRS”) and SB-FRS Guidance Notes.

### 2.2 Adoption of new and revised standards

On 1 April 2017, the Group adopted all the new and revised SB-FRSs and INT SB-FRS and SB-FRS Guidance Notes that are effective from that date and are relevant to its operations. The adoption of these new and revised SB-FRSs, INT SB-FRSs and SB-FRS Guidance Notes does not result in changes to the Group’s accounting policies and has no material effect on the results or position of the Group and the Board.

Description	Effective for annual periods beginning on or after
SB-FRS 109 Financial Instruments	1 January 2018
SB-FRS 115 Revenue from Contracts with Customers	1 January 2018
SB-FRS 1001 Accounting and Disclosure for Non-Exchange Revenue	1 January 2018
SB-FRS 116 Leases	1 January 2019

Management has considered and is of the view that the adoption of the SB-FRSs, INT SB-FRSs and Amendments to SB-FRSs that were issued as at the date of authorisation of these financial statements but not effective until future periods will have no material impact on the financial statements of the Group and the Board in the period of their initial adoption except for SB-FRS 116. The nature of the impending changes in accounting policy on adoption of SB-FRS 116 is described below.

#### SB-FRS 116 Leases

SB-FRS 116 requires lessees to recognise most leases on balance sheets to reflect the rights to use the leased assets and the associated obligations for the lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemption for lessees – leases of ‘low value’ assets and short-term leases. The new standard is effective for annual periods beginning on or after 1 January 2019.

The Group is currently assessing the impact of the new standard and plans to adopt the new standard on the required effective date.

## 2. Summary of significant accounting policies (cont’d)

### 2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Board and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Board. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

### 2.4 Foreign currency

The financial statements are presented in Singapore Dollars (“SGD”), which is also the Board’s functional currency. Each entity in the Group determines its very own functional currency and items included in the financial statements of each entity are measured using that functional currency.

#### *Transactions and balances*

Transactions in foreign currencies are measured in the respective functional currencies of the Board and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

### 2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of property, plant and equipment if such obligation is incurred as a consequence of acquiring the asset or use of the assets. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Structural and development costs allocated under co-location projects for certain libraries are included under “shared building cost, building improvements and renovation”.

## 2. Summary of significant accounting policies (cont'd)

### 2.5 Property, plant and equipment (cont'd)

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

	Useful lives
Leasehold premises	30 to 60 years
Motor vehicles	5 years
Shared building costs, building improvements and renovation	5 years or lease period whichever is shorter
Furniture and fittings	5 years
Office equipment	5 years
Computer hardware and software	4 years

Works-of-art are not depreciated and are carried at cost, less any recognised impairment loss.

Projects-in-progress are not depreciated as these assets are not yet available for use.

Leased assets are depreciated over the shorter of the lease term or their useful lives unless it is reasonably certain that the Group will obtain ownership by end of the lease term.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful lives and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is de-recognised.

### 2.6 Heritage assets

Heritage assets relate to rare books and other rare materials. Heritage assets purchased by the Group are measured at cost less impairment losses, if any. Heritage assets received by the Group as donations are recognised at the valuation determined by external valuers or the Group's panel of valuers consisting of professional staff at the time of receipt of the assets.

Subsequent expenditure relating to heritage assets that has been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The heritage assets are held in perpetuity with an indefinite economic lifespan and are not depreciated.

## 2. Summary of significant accounting policies (cont'd)

### 2.6 Heritage assets (cont'd)

#### *Heritage reserves*

Funds from government grants and cash donations used to procure heritage assets are recognised as income in accordance with Note 2.14 and Note 2.17(h) to the financial statements. When grants and cash donations are utilised to fund the acquisition of heritage assets, an amount equivalent to the cost of the heritage asset is transferred from the general funds or restricted funds to the heritage reserve.

Donations of heritage assets are recognised as revenue in accordance with Note 2.17(h) to the financial statements.

In the current year, the reserve in general funds supporting donated heritage assets has been reclassified to heritage reserves, in view that these relate to heritage assets. Accordingly, the cumulative amount of \$4,959,583 was transferred from general funds to heritage reserves in FY2017/2018.

### 2.7 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

### 2.8 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Board's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

## 2. Summary of significant accounting policies (cont'd)

### 2.9 Financial instruments

#### (a) Financial assets

##### *Initial recognition and measurement*

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value. In the case of financial assets not recognised at fair value through profit or loss, directly attributable transaction costs are added.

##### *Subsequent measurement*

##### Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are de-recognised or impaired, and through the amortisation process.

##### Financial assets at fair value through profit or loss

Financial assets designated as fair value through profit or loss at inception are those marketable securities and unit trusts that are managed by fund managers and their performances are evaluated on a fair value basis, in accordance with a documented investment strategy of the Group.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets is recognised in profit or loss.

Assets in this category are presented as current assets if they are either held for trading or are expected to be realised within 12 months after the balance sheet date.

##### *De-recognition*

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

## 2. Summary of significant accounting policies (cont'd)

### 2.9 Financial instruments (cont'd)

#### (b) Financial liabilities

##### *Initial recognition and measurement*

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognised initially at fair value. In the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs are added.

##### *Subsequent measurement*

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

##### *De-recognition*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

### 2.10 Impairment of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

##### *Financial assets carried at amortised cost*

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

## 2. Summary of significant accounting policies (cont'd)

### 2.10 Impairment of financial assets (cont'd)

#### *Financial assets carried at amortised cost (cont'd)*

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, the carrying amount of the impaired financial asset is either reduced directly or written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

### 2.11 Derivative financial instruments

The Group is exposed primarily to the financial risk of foreign exchange fluctuations on debt and equity securities and cash and cash equivalents placed with fund managers. The Group enters into currency forwards and swaps through fund managers to manage the risk.

A derivative financial instrument, for which no hedge accounting is applied, is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. Changes in its fair value are recognised in profit and loss.

### 2.12 Cash and cash equivalents

Under the Accountant-General Circular No.4/2009 dated 2 November 2009, the Board is required to participate in the Centralised Liquidity Management Framework ("CLM"). Under the CLM, all bank accounts maintained with selected banks will be linked up with the bank accounts of Accountant-General's Department ("AGD") such that available excess cash can be automatically aggregated for central management on a daily basis. The Board will continue to own/act as trustees for their funds and operate its bank accounts, including giving instructions for payment and revenue collection. These balances are included in cash and cash equivalents.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand and at bank, cash managed by AGD and short-term deposits with financial institutions that are readily convertible to cash and which are subject to an insignificant risk of changes in value.

## 2. Summary of significant accounting policies (cont'd)

### 2.13 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### *Provision for restoration costs*

The Group recognises the estimated liability on dismantlement, removal or restoration of items of property, plant and equipment arising from the acquisition or use of assets. This provision is calculated based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value of money.

Changes in the estimated timing or amount of the expenditure for asset dismantlement, removal and restoration costs are adjusted against the cost of the related property, plant and equipment, unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the changes in the liability is recognised in profit or loss immediately.

### 2.14 Government grants

Government grants and contributions from other organisations are recognised initially at their fair values when there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants received by the Group to meet the current year's operating expenses are recognised by the Group as income in the year these operating expenses are incurred. Other government grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Government grants and contributions from other organisations utilised for the purchase/construction of depreciable assets are initially recorded as "deferred capital grants" on the statement of financial position of the Group. Deferred capital grants are then recognised in profit or loss over the periods necessary to match the depreciation of the assets with the related grants.

On disposal of the property, plant and equipment, the balance of the related deferred capital grants is recognised in profit or loss to match the net book value of the property, plant and equipment disposed or written off.

## 2. Summary of significant accounting policies (cont'd)

### 2.15 Employee benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

#### (a) *Defined contribution plans*

Payments to the Central Provident Fund scheme in Singapore, a defined contribution plan, are recognised as an expense in the period in which the related service is performed.

#### (b) *Defined benefit plan*

The Group operates unfunded defined benefit schemes for certain employees under the provisions of the Pensions Act (Chapter 225).

Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the balance sheet in respect of a defined benefit pension plan is the present value of the defined benefit obligation at the reporting date together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated once every two years by independent professional actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using yield of 10-year government bonds and have tenures approximating to that of the related post-employment benefit obligations.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period when they arise.

Past service costs are recognised immediately in profit or loss.

#### (c) *Short-term benefits*

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

#### (d) *Employee leave entitlement*

Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

## 2. Summary of significant accounting policies (cont'd)

### 2.16 Operating leases

#### (a) *Where the Group is the lessee*

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments (net of any incentives received from the lessor) are recognised as an expense in profit or loss on a straight-line basis over the lease term.

#### (b) *Where the Group is the lessor*

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.17(c).

### 2.17 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The Group assesses its role as an agent or principal for each transaction and in all agency arrangements, the amounts collected on behalf of principal are excluded from revenue.

#### (a) *Consultancy and other services*

Income from the provision of library consultancy services as well as library solutions including collection acquisition and library operation management is recognised upon service delivery based on rates specified in the respective service contracts.

#### (b) *Professional library services*

Professional library services are rendered to government ministries, statutory boards and other commercial entities and the income is recognised when the services are rendered.

#### (c) *Rental income*

Rental income from operating leases (net of any incentives given to lessees) is accounted for on a straight-line basis over the lease term.

#### (d) *Book fines and lost book charges*

Income from book fines and lost book charges is recognised when library items are overdue, lost or damaged.



## 2. Summary of significant accounting policies (cont'd)

### 2.17 Revenue recognition (cont'd)

#### (e) Interest income

Interest income from bank deposits and bonds is recognised using the effective interest method.

#### (f) Library services and programmes

Income from library services and programmes includes the use of multi-media, programme delivery and reservation fee and is recognised when the services are rendered.

#### (g) Membership fees

Membership fees include premium membership fees, registration fee for permanent resident and foreigners and annual foreign membership fees. Membership fees are accounted for on a receipt basis.

#### (h) Donations

Donations (cash or in kind) received are recognised as income upon receipt.

Donations in kind received by the Group are recognised based on market value or at the valuation determined by the Group's panel of valuers consisting of professional staff at the time of receipt of the donations in kind.

### 2.18 Income tax

The Group is tax-exempted under the provisions of the Income Tax Act (Chapter 134) except for one of its subsidiaries, which is subjected to local income tax legislation.

#### (a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## 2. Summary of significant accounting policies (cont'd)

### 2.18 Income tax (cont'd)

#### (b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes except when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax liabilities are recognised for all temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

#### (c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

## 2. Summary of significant accounting policies (cont'd)

### 2.19 Funds

Assets and liabilities of the general funds and restricted funds are pooled in the statement of financial position.

#### (i) General funds

Income and expenditure relating to the main activities of the Group and the Board are accounted for as "General Funds" in the consolidated statement of comprehensive income.

#### (ii) Restricted funds

Income and expenditure relating to funds received for specific purposes and for which separate disclosure is necessary as these funds are material and there are legal and other restrictions on the ability of the Board to distribute or otherwise apply these funds. They are accounted for as "Restricted Fund" and disclosed separately in Note 7 to the financial statements.

### 2.20 Trust funds

Trust funds are funds for which the Board acts as a custodian, trustee, manager or agent but does not exercise control over the funds.

The net assets of the trust funds are presented as a line item in the statements of financial position as prescribed by SB-FRS Guidance Note 3. The receipt and expenditure items relating to these funds are accounted for directly in these funds. Details of income, expenditure, assets and liabilities are disclosed in Note 8 to the financial statements.

### 2.21 Expenditure on book, periodicals, films and serials

Expenditure on books, periodicals, films and serials are charged to profit or loss in the year of purchase, except when the items purchased are rare books or other rare materials that are accounted for as heritage assets in accordance with Note 2.6 and disclosed separately in Note 6 to the financial statements.

### 2.22 Equity financing account

Ordinary shares are classified as equity in the equity financing account.

Dividends paid or payable to the Minister of Finance, the ultimate shareholder and a body incorporated by the Minister for Finance (Incorporation) Act (Chapter 183), are recognised when the dividends are approved for payment by the Board.

### 2.23 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

## 3. Significant accounting judgements and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

### 3.1 Judgements made in applying accounting policies

Management is of the opinion that there is no significant judgement made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

### 3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### (a) Impairment of book fines and lost book charges

The Group and Board maintain an allowance for doubtful book fines and lost book charges at a level considered adequate to provide for potential uncollectible book fines and lost book charges. The level of this allowance is evaluated by the Group on the basis of factors that affect the collectability of the accounts. These factors include, but are not limited to aging of the outstanding arrears and the payment patterns of the patrons. The amount and timing of recorded expenses for any period would differ if the Group made different judgement or utilised different estimates. An increase in the Group's and the Board's allowance for doubtful book fines and lost book charges would increase the Group's recorded operating expenses and decrease net receivables.

#### (b) Provision for retirement benefits

Pension expense is determined using certain actuarial estimates and assumptions relating to the discount rate used in valuing the defined benefit obligation and future expectations such as future salary increment, retirement date or age, and mortality and turnover rate of covered employees. Any change in management's estimates and assumptions directly influence the amount of the pension expensed recognised in the financial statements.

The valuation of the retirement benefits is determined using the projected unit credit method.

The annual contribution to the pension plan consists of payments covering the current service cost for the year and payments towards funding the actuarial accrued liability. Further details about the assumptions used are provided in Note 17.

#### 4. Capital account

	Note	Group and Board	
		2017/2018	2016/2017
Establishment account		10,334,137	10,334,137
Equity financing account	5	575,354,433	426,282,126
		<u>585,688,570</u>	<u>436,616,263</u>

The capital account comprises the net book value of the assets held by the former National Library, which were transferred to the Board on its establishment on 1 September 1995 (“Establishment account”) and “Equity Financing” received from the Ministry of Finance (“MOF”) subsequently (“Equity financing account”).

The equity financing account comprises equity injections by the MOF in its capacity as the shareholder under the debt-equity framework for statutory boards, implemented with effect from 1 September 2004. It also includes equity injection for Sinking Fund received for the purpose of replacement of fixed assets held by the Board and additional funds are placed with the Group’s appointed fund managers to make investments in accordance with the Group’s investment policy. Under this framework, capital projects will be partially funded by the MOF as equity injection, and the balance through general funds.

#### Capital management

Capital consists of capital account, heritage reserves and accumulated surplus of the Group. The Group proactively manages its capital structure to achieve efficiency in its cost of capital. The quantum of minimum and maximum cash reserve, taking into account working capital needs and long-term commitments, is reviewed and approved annually by the Finance Committee of the Board. To maintain the minimum cash reserve to meet working capital needs and achieve efficiency in management of capital, the cash reserve as at the balance sheet date was below one year’s annual expenditure, within the minimum and maximum cash reserves.

There were no changes in the Group’s approach to capital management during the financial year. The Group is not subject to any externally imposed capital requirements.

#### 5. Equity financing account

	Note	Group and Board			
		2017/2018 Number of shares	2016/2017	2017/2018 \$	2016/2017 \$
Issued and paid up:					
At 1 April		426,282,126	365,352,140	426,282,126	365,352,140
Issued during the year		149,072,307	60,929,986	149,072,307	60,929,986
At 31 March	4	<u>575,354,433</u>	<u>426,282,126</u>	<u>575,354,433</u>	<u>426,282,126</u>

During the financial year, the Board received proceeds from equity financing of \$149,072,307 (2016/2017: \$60,929,986), which is represented by 149,072,307 (2016/2017: 60,929,986) ordinary shares at \$1 each. The shares are held by the Minister for Finance.

The holder of ordinary shares, Minister for Finance, is entitled to dividends as declared by the Board from time to time if the Board makes an accounting surplus.

During the financial year, the Board paid dividend amounting to \$1,490,000 (2016/2017: \$Nil) on the ordinary shares issued to the Minister for Finance.

#### 6. Heritage reserves and assets

	Group and Board	
	2017/2018 \$	2016/2017 \$
<b>Heritage reserves</b>		
At 1 April	11,950,430	11,297,967
Movements during the financial year		
- Transferred from operating grants	439,077	652,463
- Transferred from general funds	4,959,583	-
	<u>5,398,660</u>	<u>652,463</u>
At 31 March	<u>17,349,090</u>	<u>11,950,430</u>
<b>Heritage assets</b>		
At 1 April	16,549,549	15,566,484
Movements during the financial year		
- Donation in kind	262,137	266,032
- Funded by operating grants	397,616	127,750
- Processing fees	139,788	589,283
	<u>799,541</u>	<u>983,065</u>
At 31 March	<u>17,349,090</u>	<u>16,549,549</u>

**7. Accumulated surplus**

(a) General funds

Income and expenditure relating to the main activities of the Group and the Board are accounted for in the “General Funds” in the consolidated statement of comprehensive income.

(b) Restricted funds

The Group’s restricted fund comprises donations to The Library Fund (“TLF”) and other donations and funds received for specific purposes for which there are restrictions on the Group in relation to the application of those funds. These include specific donations received for programs.

TLF is a trust, which is separately registered as a charity (Unique Entity No: T03CC1744D) since 26 November 2003. TLF has been conferred the status of an Institution of a Public Character to receive tax-deductible donations for the furtherance of the objects of TLF, those of the Board and other beneficiaries.

The Board of Trustees of TLF comprises mainly the members of the Board of the National Library Board. As the Board of Trustees has the discretion and control over the application of the donations for the Board’s projects (i.e. TLF is operated and managed by the Board), the Board is deemed to have control over TLF and in accordance with SB-FRS Guidance Note 1, TLF has been included in the financial statements of the Board with effect from 1 April 2009.

The use of the monies under TLF is restricted to purposes specified in the trust deed and requires the approval of the trustees of TLF.

The Board of Trustees of TLF comprises the Board’s Chairman, Board members and staff trustees. The objectives of TLF are:

- (i) To support performance of any of the functions of the National Library Board as set out under Sections 6, 14A and 14J of the National Library Board Act (Chapter 197); and
- (ii) To exercise any of the powers of the National Library Board under section 7 of the National Library Board Act (Chapter 197).

The Library Endowment Fund was established under TLF’s trust deed on 1 December 2010 to ensure financial sustainability in the furtherance of its strategic objectives. An initial capital sum of \$12 million carved out from TLF was further augmented by a sum of \$25 million government grant from Ministry of Communications and Information (“MCI”).

The initial capital sum of \$12 million was reflected as a transfer of reserves from TLF to The Library Endowment Fund, a sub-fund created under TLF.

**7. Accumulated surplus (cont’d)**

(b) Restricted funds (cont’d)

The key projects funded under TLF in the current year comprise mainly the following:

Name of projects	Purpose
library@chinatown	The library was set up and operated with donations from Kwan Im Thong Hood Cho Temple and CPI Pte Ltd, owner of Chinatown Point Retail. It carries a collection of books and audio visual materials on Chinese arts and culture largely in Chinese and English.
Mini MOLLYs	The two mini mobile library buses were set up and operated with donations from Kwan Im Thong Hood Cho Temple. It brings the library experience to children in childcare centres and kindergartens.
Big MOLLY	The big mobile library bus was set up and operated with donations from Kwan Im Thong Hood Cho Temple. It brings the library experience to those in special needs schools, homes and orphanages, welfare homes and lower income groups.
George Lyndon Hicks Research Fellowship	This research fellowship program aims to award professionals to help grow and enhance the National Library of Singapore’s (“NL”) Special Collections and to raise the capability of NL’s librarians so as to elevate the standing of the National Library.

7. Accumulated surplus (cont'd)

The breakdown of the income, expenditure, assets and liabilities of The Library Fund for the Group and the Board is as follows:

Group and Board	Endowment fund		Other funds		Total	
	2017/2018	2016/2017	2017/2018	2016/2017	2017/2018	2016/2017
	\$	\$	\$	\$	\$	\$
<b>Income</b>						
Interest income	4,067	248,862	93,913	165,811	97,980	414,673
Investment income	1,381,935	124,237	235,940	21,211	1,617,875	145,448
Donations <sup>1</sup>	-	-	649,604	685,201	649,604	685,201
	1,386,002	373,099	979,457	872,223	2,365,459	1,245,322
<b>Expenditure</b>						
Manpower and staff welfare	-	-	(14,212)	(21,343)	(14,212)	(21,343)
Depreciation of property, plant and equipment	-	-	(657,323)	(687,630)	(657,323)	(687,630)
Books, periodicals and serials	-	-	(170,450)	(266,618)	(170,450)	(266,618)
General and administrative expenses	-	(20)	(605,803)	(1,563,612)	(605,803)	(1,563,632)
Maintenance and other property expenses	-	-	(118,755)	(155,734)	(118,755)	(155,734)
Rental expenses	-	-	(178,846)	(164,117)	(178,846)	(164,117)
Agency and other professional fees	(167,683)	(85,997)	(239,599)	(279,027)	(407,282)	(365,024)
Other expenses	-	-	(71,058)	(75,631)	(71,058)	(75,631)
	(167,683)	(86,017)	(2,056,046)	(3,213,712)	(2,223,729)	(3,299,729)
<b>Surplus/(deficit) for the financial year</b>	1,218,319	287,082	(1,076,589)	(2,341,489)	141,730	(2,054,407)
<b>Total comprehensive income for the financial year</b>	1,218,319	287,082	(1,076,589)	(2,341,489)	141,730	(2,054,407)
Accumulated surplus at 1 April	41,356,340	41,069,258	23,899,564	26,241,053	65,255,904	67,310,311
Accumulated surplus at 31 March	42,574,659	41,356,340	22,822,975	23,899,564	65,397,634	65,255,904
Heritage reserves at 31 March	-	-	444,044	444,044	444,044	444,044
<b>Total capital and accumulated surplus</b>	42,574,659	41,356,340	23,267,019	24,343,608	65,841,678	65,699,948
<b>Represented by:</b>						
Property, plant and equipment	-	-	9,287,259	9,792,470	9,287,259	9,792,470
Heritage assets	-	-	444,044	444,044	444,044	444,044
Financial assets at fair value through profit or loss	40,739,898	40,916,606	6,955,592	6,985,762	47,695,490	47,902,368
Cash and cash equivalents	1,109,463	1,397,174	6,550,049	7,299,689	7,659,512	8,696,863
Trade and other receivables	715,825	278,672	163,809	119,823	879,634	398,495
Derivative financial instruments	48,785	449,060	8,330	76,669	57,115	525,729
Trade and other payables	(39,312)	(1,685,172)	(142,064)	(374,849)	(181,376)	(2,060,021)
	42,574,659	41,356,340	23,267,019	24,343,608	65,841,678	65,699,948

<sup>1</sup>Donations received relate to tax-deductible and non-tax deductible donations for The Library Fund amounting to \$642,275 (2016/2017: \$648,607) and \$7,329 (2016/2017: \$36,594) respectively.

**8. Net assets of trust funds**

The trust fund comprises one international fund (2016/2017: two local and international funds) managed by the Board on behalf of other agencies. The nature of the trust fund as at 31 March 2018 is as follows:

*The International Federation of Library Associations and Institutions ("IFLA-RSCAO")*

IFLA-RSCAO is the leading international body representing the interests of library and information services and their users. The expenditure for IFLA Regional Office of Asia and Oceania is recorded under this project fund.

Details of the trust fund are set out below and have been prepared from the records of the trust fund and reflect only transactions handled by the Group and the Board:

	<b>Group and Board</b>	
	<b>2017/2018</b>	<b>2016/2017</b>
	\$	\$
<b>Statement of comprehensive income of trust funds</b>		
<b>Income</b>		
Grant income	-	7,808
Interest income	1	-
Other income	2	-
	3	7,808
<b>Expenditure</b>		
Other expenses	(2,518)	(42,776)
	(2,515)	(34,968)
Net deficit for the financial year	(2,515)	(34,968)
Accumulated surplus at 1 April	4,490	39,458
	1,975	4,490
Accumulated surplus at 31 March	1,975	4,490

**8. Net assets of trust funds (cont'd)**

*The International Federation of Library Associations and Institutions ("IFLA-RSCAO") (cont'd)*

	<b>Group and Board</b>	
	<b>2017/2018</b>	<b>2016/2017</b>
	\$	\$
<b>Statement of financial position of trust funds</b>		
<b>Equity</b>		
Accumulated surplus	1,975	4,490
	1,975	4,490
Represented by:		
<b>Assets</b>		
Cash and cash equivalents	11,975	14,205
Other receivables	-	331
	11,975	14,536
<b>Liabilities</b>		
Accruals for operating expenses	-	46
Other payables	10,000	10,000
	10,000	10,046
Net assets	1,975	4,490

9. Property, plant and equipment

	Leasehold premises \$	Motor vehicles \$	Shared building costs, building improvements and renovation \$	Furniture and fittings \$	Office equipment \$	Computer hardware and software \$	Works-of-art \$	Projects-in-progress \$	Total \$
<b>Group</b>									
<b>Cost</b>									
At 1 April 2016	249,935,889	1,122,078	192,438,294	18,055,930	22,443,622	101,295,649	3,676,229	54,268,986	643,236,677
Additions	-	50,219	4,225,661	427,502	1,564,938	9,792,706	-	46,301,486	62,362,512
Disposals/write-offs	-	-	(2,129,400)	(195,596)	(1,080,893)	(2,061,136)	-	-	(5,467,025)
Transfer	-	-	7,410,538	-	-	4,192,071	-	(11,602,609)	-
At 31 March 2017 and 1 April 2017	249,935,889	1,172,297	201,945,093	18,287,836	22,927,667	113,219,290	3,676,229	88,967,863	700,132,164
Additions	-	-	18,002,923	394,025	10,021,598	10,371,491	1,005,000	19,768,782	59,563,819
Disposals/write-offs	-	-	(10,646,520)	(424,665)	(2,307,954)	(3,204,378)	(71,779)	-	(16,655,296)
Transfer	-	-	92,161,940	-	870,270	3,762,477	-	(96,794,687)	-
At 31 March 2018	249,935,889	1,172,297	301,463,436	18,257,196	31,511,581	124,148,880	4,609,450	11,941,958	743,040,687
<b>Accumulated depreciation</b>									
At 1 April 2016	65,652,843	225,047	165,388,042	16,179,872	14,535,147	85,459,903	-	-	347,440,854
Depreciation for the financial year	5,035,957	234,459	8,285,934	418,059	2,850,598	9,435,513	-	-	26,260,520
Disposals/write-offs	-	-	(2,129,400)	(192,984)	(1,078,301)	(2,061,136)	-	-	(5,461,821)
At 31 March 2017 and 1 April 2017	70,688,800	459,506	171,544,576	16,404,947	16,307,444	92,834,280	-	-	368,239,553
Depreciation for the financial year	5,035,957	234,459	21,305,090	467,646	2,856,915	8,597,884	-	-	38,497,951
Disposals/write-offs	-	-	(10,633,628)	(423,118)	(2,288,406)	(3,204,379)	-	-	(16,549,531)
At 31 March 2018	75,724,757	693,965	182,216,038	16,449,475	16,875,953	98,227,785	-	-	390,187,973
<b>Net book value</b>									
At 31 March 2017	179,247,089	712,791	30,400,517	1,882,889	6,620,223	20,385,010	3,676,229	88,967,863	331,892,611
At 31 March 2018	174,211,132	478,332	119,247,398	1,807,721	14,635,628	25,921,095	4,609,450	11,941,958	352,852,714

9. Property, plant and equipment (cont'd)

	Leasehold premises \$	Motor vehicles \$	Shared building costs, building improvements and renovation \$	Furniture and fittings \$	Office equipment \$	Computer hardware and software \$	Works-of-art \$	Projects-in-progress \$	Total \$
<b>Board</b>									
<b>Cost</b>									
At 1 April 2016	249,935,889	1,122,078	192,438,294	18,055,930	22,428,202	101,129,158	3,676,229	54,061,148	642,846,929
Additions	-	50,219	4,225,661	427,502	1,564,098	9,668,554	-	46,301,486	62,237,520
Disposals/write-offs	-	-	(2,129,400)	(195,596)	(1,080,893)	(2,061,136)	-	-	(5,467,025)
Transfer	-	-	7,410,538	-	-	3,984,233	-	(11,394,771)	-
At 31 March 2017 and 1 April 2017	249,935,889	1,172,297	201,945,093	18,287,836	22,911,407	112,720,809	3,676,229	88,967,863	699,617,424
Additions	-	-	18,002,923	394,025	10,021,598	10,342,291	1,005,000	19,768,782	59,534,619
Disposals/write-offs	-	-	(10,646,520)	(424,665)	(2,307,954)	(3,119,615)	(71,779)	-	(16,570,533)
Transfer	-	-	92,161,940	-	870,270	3,762,477	-	(96,794,687)	-
At 31 March 2018	249,935,889	1,172,297	301,463,436	18,257,196	31,495,321	123,705,962	4,609,450	11,941,958	742,581,510
<b>Accumulated depreciation</b>									
At 1 April 2016	65,652,843	225,047	165,418,178	16,179,872	14,532,556	85,272,508	-	-	347,281,005
Depreciation for the financial year	5,035,957	234,459	8,285,934	418,059	2,847,306	9,389,876	-	-	26,211,591
Disposals/write-offs	-	-	(2,129,400)	(192,984)	(1,078,301)	(2,061,136)	-	-	(5,461,821)
At 31 March 2017 and 1 April 2017	70,688,800	459,506	171,574,712	16,404,947	16,301,561	92,601,248	-	-	368,030,775
Depreciation for the financial year	5,035,957	234,459	21,305,090	467,646	2,853,484	8,507,823	-	-	38,404,459
Disposals/write-offs	-	-	(10,633,628)	(423,118)	(2,288,406)	(3,119,616)	-	-	(16,464,768)
At 31 March 2018	75,724,757	693,965	182,246,174	16,449,475	16,866,639	97,989,455	-	-	389,970,466
<b>Net book value</b>									
At 31 March 2017	179,247,089	712,791	30,370,381	1,882,889	6,609,846	20,119,561	3,676,229	88,967,863	331,586,649
At 31 March 2018	174,211,132	478,332	119,217,262	1,807,721	14,628,682	25,716,507	4,609,450	11,941,958	352,611,044



10. Investments in subsidiaries

	Board	
	2017/2018	2016/2017
	\$	\$
Unquoted ordinary shares, at cost	506	506

Details of the subsidiaries are as follows:

Name of subsidiaries	Principle activities	Place of incorporation	Effective equity interest held		Cost of investment	
			2017/2018	2016/2017	2017/2018	2016/2017
			%	%	\$	\$
Cybrarian Ventures Pte Ltd <sup>(1)</sup>	Provision of library consultancy services	Singapore	100	100	1	1
Asian Film Archive <sup>(1)</sup>	Preservation of film heritage of Singapore and Asia	Singapore	100	100	505	505

<sup>(1)</sup> Audited by Ernst & Young LLP, Singapore.

11. Financial assets at fair value through profit or loss

	Note	Group		Board	
		2017/2018	2016/2017	2017/2018	2016/2017
Quoted debt securities managed by fund managers		\$	\$	\$	\$
- Fixed interest rates	24	42,954,512	43,643,233	42,954,512	43,643,233
Quoted debt securities held by subsidiary		774,375	772,500	-	-
Quoted equity securities managed by fund managers	24	4,740,977	4,259,133	4,740,977	4,259,133
Quoted unit trusts	24	407,282,038	306,266,971	407,282,038	306,266,971
		455,751,902	354,941,837	454,977,527	354,169,337

11. Financial assets at fair value through profit or loss (cont'd)

The quoted debt securities managed by fund manager earned fixed interest rates ranging from 1.55% to 4.85% (2016/2017: 1.55% to 4.88%) per annum as at the balance sheet date. Interest was received on a semi-annual basis. The maturity dates ranged from October 2019 to April 2022 (2016/2017: April 2017 to April 2022).

The quoted debt securities held by subsidiary earned fixed interest rate of 4.25% (2016/2017: 4.25%) per annum for financial year ended 31 March 2018. Interest is receivable on a semi-annual basis. There is no maturity date for the debt securities.

12. Trade and other receivables

	Group		Board	
	2017/2018	2016/2017	2017/2018	2016/2017
	\$	\$	\$	\$
Trade receivables from:				
Non-related parties	484,005	381,224	260,456	251,063
Subsidiaries	-	-	-	104,808
Trade receivables-net	484,005	381,224	260,456	355,871
Grant receivables	4,205,272	5,817,646	4,205,272	5,817,646
Equity funding receivables	880,000	-	880,000	-
Deposits	834,698	824,686	832,598	824,586
Book fines and lost book charges (Note 13)	620,210	669,359	620,210	669,359
Accrued receivables	1,182,410	1,709,905	1,095,202	1,655,841
Other receivables	23,403	45,135	-	-
Interest and dividend receivables	1,365,943	1,064,448	1,344,172	1,051,445
Prepayments	2,052,027	2,605,070	2,020,084	2,584,589
Trade and other receivables	11,647,968	13,117,473	11,257,994	12,959,337
Add: Cash and cash equivalents	143,021,993	109,573,412	140,515,987	106,601,860
Less: Prepayments	(2,052,027)	(2,605,070)	(2,020,084)	(2,584,589)
Loans and receivables	152,617,934	120,085,815	149,753,897	116,976,608

12. Trade and other receivables (cont'd)

(a) Impairment losses

The aging of trade, grant and equity funding receivables at the balance sheet date is:

	Group		Board	
	2017/2018	2016/2017	2017/2018	2016/2017
	\$	\$	\$	\$
Not past due	5,338,118	6,187,779	5,338,118	6,163,363
Past due < 30 days	225,058	1,371	5,521	836
Past due 30 - 60 days	5,848	8,393	1,836	8,393
Past due 61 - 90 days	98	-	98	-
Past due 91 - 120 days	-	402	-	-
Past due > 120 days	155	925	155	925
	<u>5,569,277</u>	<u>6,198,870</u>	<u>5,345,728</u>	<u>6,173,517</u>

Based on historical default rates, management believes that no impairment allowance is necessary in respect of these receivables. These receivables are mainly attributable to debtors that have a good payment record with the Group.

Concentration of credit risk relating to trade and grant receivables is limited due to the Group's many varied customers. These customers mainly consist of government statutory boards. The recorded allowance is based on the Group's historical experience in the collection of accounts receivable. Due to these factors, management believes that no additional credit risk beyond amounts considered for collection losses is inherent in the Group's trade receivables.

(b) Source of estimation uncertainty

The Group maintains an allowance for doubtful receivables at a level considered adequate to provide for potential uncollectible receivables. The level of this allowance is evaluated by the Group on the basis of factors that affect the collectibility of the receivables. These factors include, but are not limited to, the length of the Group's relationship with debtors, their payment behaviour and known market factors. The Group reviews the age and status of receivables, and identifies accounts which require allowance to be made on a continuous basis. The amount and timing of recorded expenses for any period would differ if the Group made different judgement or utilised different estimates. An increase in the Group's allowance for doubtful receivables would increase the Group's recorded operating expenses and decrease trade receivables.

13. Book fines and lost book charges

	Group and Board	
	2017/2018	2016/2017
	\$	\$
Book fines and lost book charges	5,924,934	6,436,067
Less: Allowance for doubtful book fines and lost book charges	(5,304,724)	(5,766,708)
	<u>620,210</u>	<u>669,359</u>

Movement in allowance for doubtful book fines and lost book charges during the financial year is as follows:

	Group and Board	
	2017/2018	2016/2017
	\$	\$
At 1 April	(5,766,708)	(5,406,060)
Allowance made	(481,096)	(577,805)
Allowance utilised	943,080	217,157
At 31 March	<u>(5,304,724)</u>	<u>(5,766,708)</u>

Allowance for doubtful book fines and lost book charges

The aging of doubtful book fines and lost book charges at the balance sheet date is:

	Group and Board	
	2017/2018	2016/2017
	\$	\$
Gross amounts:		
Past due 1 - 90 days	423,217	452,453
Past due 91 - 180 days	330,818	353,515
Past due 181 - 270 days	236,053	258,796
Past due 271 - 365 days	210,918	242,499
More than 365 days	4,723,928	5,128,804
	<u>5,924,934</u>	<u>6,436,067</u>
Less: Allowance for impairment	(5,304,724)	(5,766,708)
	<u>620,210</u>	<u>669,359</u>

The allowance for doubtful book fines and lost book charges is computed based on the historical trend for the rate of default payment pattern.

Concentration of credit risk relating to doubtful book fines and lost book charges is limited due to the Group's many varied customers. These customers mainly consist of individual library patrons. The recorded allowance is based on Group's historical experience in the collection of book fines and lost book charges. Due to these factors, management believes that no additional credit risk beyond amounts provided for the impairment losses is inherent in the Group's book fines and lost book charges receivables.

14. Derivative financial instruments

	Group and Board		
	Contract notional amount \$	Fair value	
		Asset \$	Liability \$
<b>2017/2018</b>			
Currency swaps	49,797,658	57,115	–
<b>2016/2017</b>			
Currency swaps	67,988,634	525,729	–

Currency swaps are entered into by the fund manager to hedge highly probable forecasted transactions denominated in foreign currencies expected to occur at various dates within 1 month (2016/2017: 1 month) from the balance sheet date.

15. Cash and cash equivalents

	Group		Board	
	2017/2018	2016/2017	2017/2018	2016/2017
	\$	\$	\$	\$
Cash at bank and on hand	142,037,190	108,591,421	140,515,987	106,601,860
Fixed deposits	984,803	981,991	–	–
	143,021,993	109,573,412	140,515,987	106,601,860

The fixed deposits are placed with financial institutions and mature on varying dates within one to two (2016/2017: one to two) years from the financial year end. The weighted average effective interest rate related to fixed deposits at year-end is 1.0% (2016/2017: 1.2%) per annum. Interest rates are repriced at intervals of one to six months, upon roll over of fixed deposits on maturity.

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Note	Group	
		2017/2018 \$	2016/2017 \$
Cash and bank balances (as above)		143,021,993	109,573,412
Less: Cash managed by fund manager	24	(923,790)	(1,375,795)
Cash and cash equivalents per consolidated statement of cash flows		142,098,203	108,197,617

16. Trade and other payables

	Group		Board	
	2017/2018	2016/2017	2017/2018	2016/2017
	\$	\$	\$	\$
Trade payables	12,325,390	9,716,514	12,323,662	9,539,647
Accrued operating expenses	56,824,738	34,117,997	56,601,440	33,922,966
Provision for restoration costs	19,586,255	18,894,730	19,586,255	18,894,730
Retention payable	86,478	321,012	86,478	321,012
Receipts-in-advance	206,908	370,357	175,362	343,644
Security and other deposits	3,228,172	2,017,101	3,233,722	2,023,701
Other payable relating to investment transactions	46,023	1,972,884	46,023	1,972,884
Other payables to:				
- Subsidiaries	–	–	–	396,090
- Third parties	133,797	36,769	38,659	7,316
	92,437,761	67,447,364	92,091,601	67,421,990
Less: Provision for restoration costs	(19,586,255)	(18,894,730)	(19,586,255)	(18,894,730)
Less: Receipts-in-advance	(206,908)	(370,357)	(175,362)	(343,644)
Total financial liabilities at amortised cost	72,644,598	48,182,277	72,329,984	48,183,616

Other payables to subsidiaries are unsecured, non-interest bearing and repayable on demand.

17. Provision for retirement benefits

The Board operates an unfunded defined retirement benefit plan for certain employees under the provisions of the Pension Act (Chapter 225). Benefits are payable based on the last drawn salaries of the respective employees and the employees' cumulative service period with the Board at the time of retirement.

The Board performed an actuarial valuation to determine the liability of the Board in respect of its defined retirement benefit plans. Based on the actuarial valuation performed by Milliman Private Limited, the present value of unfunded obligations is recognised.

17. Provision for retirement benefits (cont'd)

The amounts recognised in the statement of financial position are as follows:

	Group and Board	
	2017/2018	2016/2017
	\$	\$
Present value of unfunded obligations	5,689,265	5,747,656
Comprised:		
- Current provision	200,496	734,583
- Non-current provision	5,488,769	5,013,073
	5,689,265	5,747,656

The weighted average duration of the defined benefit obligation is 11 years (2016/2017: 11 years).

(a) Movement in the defined benefit obligations is as follows:

	Group and Board	
	2017/2018	2016/2017
	\$	\$
At 1 April	5,747,656	6,925,128
Current service costs and interest cost	131,286	165,000
Remeasurement gain on defined benefits pension plans	-	(437,017)
Retirement benefits paid	(189,677)	(905,455)
At 31 March	5,689,265	5,747,656

(b) The amounts charged to profit or loss are as follows:

	Group and Board	
	2017/2018	2016/2017
	\$	\$
Current service cost	7,538	37,000
Interest cost	123,748	128,000
	131,286	165,000

17. Provision for retirement benefits (cont'd)

(c) The amounts charged to other comprehensive income are as follows:

	Group and Board	
	2017/2018	2016/2017
	\$	\$
Remeasurement gain on defined benefits pension plans	-	(437,017)

(d) Principal actuarial assumptions used are as follows:

	Group and Board	
	2017/2018	2016/2017
	%	%
Discount rate	2.3	2.3
Future salary increment	1	1

The mortality rate assumed for pensioners at age 60, based on the latest published Singapore mortality table S04/08 is as follows:

	Group and Board	
	2017/2018	2016/2017
	%	%
Female	0.234	0.234
Male	0.402	0.402

This means that out of 10,000 pensioners, it is assumed that 23 females and 40 males will pass on before their 60th birthday (2016/2017: 23 females and 40 males).

This defined retirement benefit plan provides a lump sum benefit or a lifetime pension or a mix that are both defined by salary and length of service. This plan exposes the Board to risks such as life expectancy and interest rate used for discounting in the principal actuarial assumptions.

17. Provision for retirement benefits (cont'd)

(d) Principal actuarial assumptions used are as follows (cont'd):

The sensitivity of the provision for retirement benefits to changes in the principal actuarial assumptions is as follows:

	Group and Board Impact on provision for retirement benefits	
	2017/2018 \$	2016/2017 \$
Discount rate		
0.5% (2016/2017: 0.5%) increase	(281,913)	(293,143)
0.5% (2016/2017: 0.5%) decrease	298,258	321,657
Future salary increment		
0.5% (2016/2017: 0.5%) increase	3,344	15,242
0.5% (2016/2017: 0.5%) decrease	(3,327)	(15,006)
Life expectancy		
1 year increase	133,753	152,311
1 year decrease	(144,042)	(162,573)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the provision for retirement benefits to significant actuarial assumptions, the same method has been applied as when calculating the provision for retirement benefits recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(e) Historical information are as follows:

	Group and Board				
	2017/2018 \$	2016/2017 \$	2015/2016 \$	2014/2015 \$	2013/2014 \$
Present value of the unfunded obligation	5,689,265	5,747,656	6,925,128	7,019,713	7,411,228

18. Development grants (receivables)/received in advance

Note	Group and Board	
	2017/2018 \$	2016/2017 \$
At 1 April	(107,665)	(563,700)
Development grants received during the financial year	1,220,752	1,976,406
	<u>1,113,087</u>	<u>1,412,706</u>
Less:		
Development grants refundable	-	(48,856)
Amount transferred to deferred capital grants	19 (1,322,919)	(1,464,664)
Amount transferred to operating grants	(17,705)	-
Development grants utilised during the financial year	-	(6,851)
	<u>(227,537)</u>	<u>(107,665)</u>
At 31 March		
Development grants utilised comprise:		
Maintenance and other property expenses	-	5,588
Other expenses	-	1,263
	<u>-</u>	<u>6,851</u>

The development grants of \$1,220,752 (2016/2017: \$1,976,406) received during the financial year were disbursed by the Ministry of Finance.

19. Deferred capital grants

Note	Group and Board	
	2017/2018 \$	2016/2017 \$
At 1 April	204,135,540	213,278,588
Amount transferred from development grants	18 1,322,919	1,464,664
Amount transferred from operating grants	21 4,778,039	7,642,459
	<u>210,236,498</u>	<u>222,385,711</u>
Less: Deferred capital grants amortised during the financial year	(14,768,838)	(18,250,171)
	<u>195,467,660</u>	<u>204,135,540</u>
At 31 March		
Comprised:		
Current	14,022,641	13,001,348
Non-current	181,445,019	191,134,192
	<u>195,467,660</u>	<u>204,135,540</u>

20. Manpower and staff welfare

	Group		Board	
	2017/2018	2016/2017	2017/2018	2016/2017
	\$	\$	\$	\$
Board members' allowances	181,366	226,017	178,551	223,202
Wages and salaries	86,143,935	83,020,702	85,023,669	81,851,188
Employer's contribution to				
Central Provident Fund	11,254,703	14,573,266	11,078,144	14,414,789
Retirement benefits (Note 17(b))	131,286	165,000	131,286	165,000
Other employee benefits	6,444,914	5,462,784	6,427,002	5,441,652
	<u>104,156,204</u>	<u>103,447,769</u>	<u>102,838,652</u>	<u>102,095,831</u>

21. Operating grants

	Note	Group and Board	
		2017/2018	2016/2017
		\$	\$
Operating grants received during the financial year		251,027,498	221,975,525
Operating grant receivables as at 31 March		191,802	3,687,811
Less: Amount transferred to deferred capital grants	19	(4,778,039)	(7,642,459)
		<u>246,441,261</u>	<u>218,020,877</u>

The operating grants of \$246,441,261 (2016/2017: \$218,020,877) utilised during the financial year were disbursed by Ministry of Communications and Information and Ministry of Culture, Community and Youth.

22. Investment income - net

The following items have been included in arriving at the investment income for the year:

	Group		Board	
	2017/2018	2016/2017	2017/2018	2016/2017
	\$	\$	\$	\$
Interest income from				
- Quoted debt securities	1,024,101	613,156	1,024,101	613,156
Dividend income from quoted equity securities	153,165	53,067	153,165	53,067
Gain/(loss) from sale of investments				
- Quoted equity securities	1,105,174	90,631	1,105,174	90,631
- Quoted debt securities	(160,599)	(31,007)	(160,599)	(31,007)
Net gain from financial assets				
at fair value through profit or loss	11,410,183	10,774,710	11,408,308	10,768,590
Foreign exchange gain/(loss) - net	1,102,795	(599,304)	1,102,795	(599,304)
	<u>14,634,819</u>	<u>10,901,253</u>	<u>14,632,944</u>	<u>10,895,133</u>

23. Income tax expense

The Group is tax exempted under the provision of the Income Tax Act except for one of its subsidiaries, which is subject to tax under Singapore income tax legislation.

	Group		Board	
	2017/2018	2016/2017	2017/2018	2016/2017
	\$	\$	\$	\$
<b>Reconciliation of effective tax rate</b>				
(Deficit)/surplus before tax	(9,646,390)	948,595	(9,029,479)	(232,153)
	<u>(9,646,390)</u>	<u>948,595</u>	<u>(9,029,479)</u>	<u>(232,153)</u>
Tax calculated at tax rate of 17%	(1,639,886)	161,261	(1,535,011)	(39,466)
Effects of:				
- Deficit/(surplus) exempted from tax	1,651,441	(140,030)	1,535,011	39,466
- Non-deductible expenses	1,220	1,231	-	-
- Statutory stepped income exemption	(1,275)	(1,275)	-	-
- Income not subject to tax	(1,084)	(2,379)	-	-
- Utilisation of previously unrecognised tax losses	(10,416)	(18,808)	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

At the balance sheet date, a subsidiary of the Group has unutilised tax losses amounting to \$252,605 (2016/2017: \$313,878) available for set off against future taxable income subject to the provisions of the Income Tax Act and agreement by the relevant authority, for which deferred tax assets have not been recognised. The tax losses have no expiry date.

#### 24. Investments with fund managers

The Group placed its surplus funds with fund managers. The fund managers are given discretion in managing their respective portfolios, subject to the investment guidelines and the mandate set out in the external fund management agreements.

As part of its risk management activities, the fund manager managing the segregated mandate use currency swaps for hedging purposes. They are not used for speculative purposes.

As at the balance sheet date, the funds managed by fund managers comprise the following assets and liabilities:

	Note	Group and Board	
		2017/2018 \$	2016/2017 \$
Financial assets at fair value through profit or loss			
- Quoted debt securities	11	42,954,512	43,643,233
- Quoted equity securities	11	4,740,977	4,259,133
Cash balances	15	923,790	1,375,795
Net other receivable/(payable) relating to investment transactions		789,938	(1,759,122)
Currency swaps	14	57,115	525,729
		<u>49,466,332</u>	<u>48,044,768</u>
Financial assets at fair value through profit or loss			
- Quoted unit trusts	11	407,282,038	306,266,971
		<u>456,748,370</u>	<u>354,311,739</u>

The investments with fund managers are designated at fair value through profit or loss as the Group manages such investments based on their fair value in accordance with the Group's documented investment strategy.

Investments with fund managers include quoted debt securities issued by statutory boards and organs of states of \$13,746,314 (2016/2017: \$16,131,413).

Sales and redemption of debt securities, and purchases of investments carried out by the fund managers with statutory boards amounted to \$9,744,759 (2016/2017: \$6,064,201) and \$7,467,875 (2016/2017: \$22,475,420) respectively.

#### 25. Commitments

- (a) Operating lease commitments - where the Board is a lessee

The Board leases certain properties under non-cancellable operating lease agreements. These leases have no purchase options. These leases, most of which have renewal options, expire at various dates up to the year 2034 and contain provisions for rental adjustments and provisions to restrict the Board to the usage of the premises.

The future minimum lease payables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	Group and Board	
	2017/2018 \$	2016/2017 \$
Not later than one year	20,653,242	13,012,119
Between one and five years	27,094,558	20,208,098
Later than five years	19,070,183	19,578,205
	<u>66,817,983</u>	<u>52,798,422</u>

- (b) Operating lease commitments - where the Board is a lessor

The Board leases out certain commercial property space to non-related parties under non-cancellable operating leases. The non-cancellable leases have remaining non-cancellable lease terms of between one and five years.

The future minimum lease receivables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, are as follows:

	Group and Board	
	2017/2018 \$	2016/2017 \$
Not later than one year	2,935,267	4,043,359
Between one and five years	963,636	504,220
	<u>3,898,903</u>	<u>4,547,579</u>

**25. Commitments (cont'd)**

(c) Collection commitment

Purchase order on book collections approved by the Board at the balance sheet date but not provided for in the financial statements is as follows:

	Group and Board	
	2017/2018	2016/2017
	\$	\$
Amount approved and contracted	2,066,482	2,119,610

(d) Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	Group and Board	
	2017/2018	2016/2017
	\$	\$
Amount approved and contracted	35,811,366	14,970,892

**26. Related party transactions**

In addition to the information disclosed elsewhere in the financial statements, the following significant transactions took place between the Group and related parties at terms agreed between the parties:

(a) Transactions with Ministries, Organs of State, Statutory Boards, Educational Institutions and other Government Agencies

	Group	
	2017/2018	2016/2017
	\$	\$
Consultancy service income	4,337,176	4,518,590
Professional service income	1,698,117	2,696,497
Rental income	2,589,412	2,574,995
Rental expenses	(11,980,555)	(10,816,704)
IT services	(5,574,518)	(2,905,647)
Disbursement of project funds	(5,668,546)	-

**26. Related party transactions (cont'd)**

(b) Transactions with subsidiaries

	Board	
	2017/2018	2016/2017
	\$	\$
Consultancy and other services	253,340	196,412
Rental income	90,065	97,433
General and administrative expenses	(7,876)	(10,841)
Agency and other professional fees	(1,450)	(1,550)
Disbursement of grant	(1,307,326)	(2,088,112)

(c) Key management personnel compensation

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. The chief executive and the group heads are considered by the Group to be key management personnel.

The key management personnel compensation is as follows:

	Group		Board	
	2017/2018	2016/2017	2017/2018	2016/2017
	\$	\$	\$	\$
Salaries, bonuses and other short-term benefits	1,822,114	1,726,256	1,495,701	1,412,027
Employer's contribution to defined contribution plans, including Central Provident Fund	105,573	92,853	73,467	61,019
	1,927,687	1,819,109	1,569,168	1,473,046



**27. Financial risk management**

The Group's principal financial instruments comprise cash and cash equivalents, unit trusts as well as debt securities, equity securities and currency swaps managed by fund managers. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which are directly attributable to its operations. The Group does not hold or issue derivative financial instruments for trading purposes. The Group's exposure to risk predominantly arises from its fund placed with fund managers.

***Funds with fund managers***

The Group established an investment policy which governs the overall investment guidelines including the overarching investment objectives as well as asset allocations and restrictions with an appropriate risk management framework. The investment contracts with the fund managers were established based on approved policies and guidelines. Regular investment performance reports are sent to the members of the Finance Committee and Board for monitoring purposes. Review sessions with the fund managers are held once in every six months.

The appointed fund managers are held responsible in achieving the investment objectives set forth in their respective fund manager agreements entered into with the Group. All income and realised capital gains are to be reinvested by the fund managers unless otherwise instructed by the Group.

The fund managers' overall risk management program seeks to maximise the returns derived for the level of risk to which they are exposed and seeks to minimise the potential adverse effects on the fund managers' financial performance.

The investment risks undertaken by the fund managers is managed and governed by the mandate set forth in the fund managers' agreements approved by the Group's Finance Committee. The mandate provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk.

The Finance Committee has reviewed and agreed on policies for managing each of these risks in relation to the funds with fund managers.

**27. Financial risk management (cont'd)**

(a) *Credit risk*

Credit risk refers to the risk that counterparties to financial instruments will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and the Board are unit trusts, investment in debt securities, cash and cash equivalents and trade and other receivables, which are subject to credit risk.

For investments in debt securities managed by professional fund managers, the Group adopts the policy of dealing only with counterparties of a minimum credit rating of "A-" (Standard and Poor) or equivalent, further subject to industry and geographical limits.

For financial instruments, the management regularly monitors the recoverability of its financial assets and believes that it has adequately provided for any exposure to potential losses.

For cash and fixed deposits, the Group adopts the policy of dealing only with regulated high credit quality counterparties.

At the balance sheet date, there is no significant concentration of credit risk. The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

Please see details of aging of trade and grant receivables and book fines and lost book charges, including the movement in the related allowance for impairment in Notes 12 and 13 to the financial statements.

(b) *Liquidity risk*

Liquidity risk arises in the general funding of the Group's operating activities. It includes the risks of not being able to fund operating activities in a timely manner. To manage liquidity risk, the Group places majority of its surplus funds with the Accountant-General's Department which are readily available when required.

27. Financial risk management (cont'd)

(c) Market risk (cont'd)

(i) Price risk

The Group is exposed to price risk arising from quoted equity securities and unit trusts held by the fund managers. Where non-monetary financial instruments such as equity securities are denominated in currencies other than the functional currency of the Group, the price initially expressed in foreign currency and then converted into the functional currency will also fluctuate because of changes in foreign exchange rates.

To manage its price risk, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits in the agreements with the fund managers.

The overall market position of these investments is reviewed on a semi-annual basis by the Finance Committee. Compliance with the limits in the agreement with the fund managers are reported by the fund managers on a monthly basis.

At the balance sheet date, a 3% (2016/2017: 3%) increase in the underlying prices of the unit trusts and 4% (2016/2017: 4%) increase in the prices of the underlying debt and equity securities would increase portfolio gains and the fair value of the equity securities and unit trusts in profit or loss by the following amounts:

	Group		Board	
	Net surplus for the financial year		Net surplus for the financial year	
	2017/2018	2016/2017	2017/2018	2016/2017
	\$	\$	\$	\$
Financial assets at fair value through profit or loss				
- Quoted unit trusts	12,218,461	9,188,009	12,218,461	9,188,009
- Quoted debt securities	1,749,155	1,776,629	1,718,180	1,745,729
- Quoted equity securities	189,639	170,365	189,639	170,365

The above sensitivity analysis assumes that all other variables are held constant.

27. Financial risk management (cont'd)

(c) Market risk (cont'd)

(ii) Interest rate risk

Exposure to interest rate risk relates primarily to the Group's investment portfolio managed by fund managers and the fixed deposits placed with banks.

The Group relies on fund managers to monitor and mitigate the adverse effects of interest rate changes on its investment portfolios. The fund managers have absolute discretion in managing the funds within the agreed investment guidelines. A portfolio diversification approach is adopted.

At the balance sheet date, the profile of the interest-earning financial instruments is as follows:

	Group		Board	
	Carrying amount		Carrying amount	
	2017/2018	2016/2017	2017/2018	2016/2017
	\$	\$	\$	\$
Fixed rate instruments				
Fixed deposits at bank	984,803	981,991	-	-
Quoted debt securities	43,728,887	44,415,733	42,954,512	43,643,233
	44,713,690	45,397,724	42,954,512	43,643,233

Fair value sensitivity analysis for fixed rate instruments

Changes in interest rates do not affect fixed rate instruments (i.e. fixed deposits managed by fund managers and fixed deposits at bank) measured at amortised costs.

Debt securities are the only fixed rate instruments which are accounted for at fair value through profit or loss by the Group. This analysis assumes that all other variables remain constant and there is an inverse linear relationship between interest rates and bond prices.

An increase of 75 (2016/2017: 75) basis points in interest rate would decrease the fair value of debt securities and net surplus as follows:

	Group		Board	
	2017/2018	2016/2017	2017/2018	2016/2017
	\$	\$	\$	\$
Debt securities	327,967	333,118	322,159	327,324

27. Financial risk management (cont'd)

(c) Market risk (cont'd)

(iii) Currency risk

The Group operates in Singapore and income and expenditure are primarily incurred in its functional currency.

Currency risk arises when transactions are denominated in foreign currencies such as the United States Dollar ("USD"). To manage the currency risk, the Group enters into currency swaps through fund manager. Please see details disclosed in Note 14 to the financial statements.

In addition, the Group is exposed to currency translation risk on financial assets or liabilities denominated in foreign currencies.

The Group's currency exposure based on the information provided to key management is as follows:

	<u>SGD</u>	<u>USD</u>	<u>Others</u>	<u>Total</u>
	\$	\$	\$	\$
<b>At 31 March 2018</b>				
<b>Financial assets</b>				
Quoted debt securities	14,520,689	28,184,113	1,024,085	43,728,887
Trade and other receivables	8,966,973	47,731	581,237	9,595,941
Cash and cash equivalents	142,494,661	304,905	222,427	143,021,993
	<u>165,982,323</u>	<u>28,536,749</u>	<u>1,827,749</u>	<u>196,346,821</u>
<b>Financial liabilities</b>				
Trade and other payables	(72,456,389)	(167,166)	(21,043)	(72,644,598)
	<u>(72,456,389)</u>	<u>(167,166)</u>	<u>(21,043)</u>	<u>(72,644,598)</u>
<b>Net financial assets</b>	<b>93,525,934</b>	<b>28,369,583</b>	<b>1,806,706</b>	<b>123,702,223</b>
Less: Currency swaps	-	(24,408,158)	-	(24,408,158)
Less: Net financial assets in functional currency	(93,525,934)	-	-	(93,525,934)
Currency exposure of financial assets net of those denominated in the functional currency	-	3,961,425	1,806,706	5,768,131

27. Financial risk management (cont'd)

(c) Market risk (cont'd)

(iii) Currency risk (cont'd)

	<u>SGD</u>	<u>USD</u>	<u>Others</u>	<u>Total</u>
	\$	\$	\$	\$
<b>At 31 March 2017</b>				
<b>Financial assets</b>				
Quoted debt securities	16,903,912	26,535,365	976,456	44,415,733
Trade and other receivables	10,298,641	192,549	21,213	10,512,403
Cash and cash equivalents	109,469,301	90,516	13,595	109,573,412
	<u>136,671,854</u>	<u>26,818,430</u>	<u>1,011,264</u>	<u>164,501,548</u>
<b>Financial liabilities</b>				
Trade and other payables	(47,357,682)	(539,430)	(285,165)	(48,182,277)
	<u>(47,357,682)</u>	<u>(539,430)</u>	<u>(285,165)</u>	<u>(48,182,277)</u>
<b>Net financial assets</b>	<b>89,314,172</b>	<b>26,279,000</b>	<b>726,099</b>	<b>116,319,271</b>
Less: Currency swaps	-	(21,770,193)	(1,240,435)	(23,010,628)
Less: Net financial assets in functional currency	(89,314,172)	-	-	(89,314,172)
Currency exposure of financial assets/(liabilities) net of those denominated in the functional currency	-	4,508,807	(514,336)	3,994,471

27. Financial risk management (cont'd)

(c) Market risk (cont'd)

(iii) Currency risk (cont'd)

The Board's currency exposure based on the information provided to key management is as follows:

	<u>SGD</u>	<u>USD</u>	<u>Others</u>	<u>Total</u>
	\$	\$	\$	\$
<b>At 31 March 2018</b>				
<b>Financial assets</b>				
Quoted debt securities	13,746,314	28,184,113	1,024,085	42,954,512
Trade and other receivables	8,608,942	47,731	581,237	9,237,910
Cash and cash equivalents	140,054,373	239,187	222,427	140,515,987
	<u>162,409,629</u>	<u>28,471,031</u>	<u>1,827,749</u>	<u>192,708,409</u>
<b>Financial liabilities</b>				
Trade and other payables	(72,163,097)	(145,844)	(21,043)	(72,329,984)
	<u>(72,163,097)</u>	<u>(145,844)</u>	<u>(21,043)</u>	<u>(72,329,984)</u>
<b>Net financial assets</b>	<b>90,246,532</b>	<b>28,325,187</b>	<b>1,806,706</b>	<b>120,378,425</b>
Less: Currency swaps	-	(24,408,158)	-	(24,408,158)
Less: Net financial assets in functional currency	(90,246,532)	-	-	(90,246,532)
Currency exposure of financial assets net of those denominated in the functional currency	<u>-</u>	<u>3,917,029</u>	<u>1,806,706</u>	<u>5,723,735</u>

27. Financial risk management (cont'd)

(c) Market risk (cont'd)

(iii) Currency risk (cont'd)

	<u>SGD</u>	<u>USD</u>	<u>Others</u>	<u>Total</u>
	\$	\$	\$	\$
<b>At 31 March 2017</b>				
<b>Financial assets</b>				
Quoted debt securities	16,131,412	26,535,365	976,456	43,643,233
Trade and other receivables	10,160,986	192,549	21,213	10,374,748
Cash and cash equivalents	106,567,709	20,556	13,595	106,601,860
	<u>132,860,107</u>	<u>26,748,470</u>	<u>1,011,264</u>	<u>160,619,841</u>
<b>Financial liabilities</b>				
Trade and other payables	(47,380,343)	(518,108)	(285,165)	(48,183,616)
	<u>(47,380,343)</u>	<u>(518,108)</u>	<u>(285,165)</u>	<u>(48,183,616)</u>
<b>Net financial assets</b>	<b>85,479,764</b>	<b>26,230,362</b>	<b>726,099</b>	<b>112,436,225</b>
Less: Currency swaps	-	(21,770,193)	(1,240,435)	(23,010,628)
Less: Net financial assets in functional currency	(85,479,764)	-	-	(85,479,764)
Currency exposure of financial assets/(liabilities) net of those denominated in the functional currency	<u>-</u>	<u>4,460,169</u>	<u>(514,336)</u>	<u>3,945,833</u>

27. Financial risk management (cont'd)

(c) Market risk (cont'd)

(iii) Currency risk (cont'd)

If the USD changes against SGD by 5% (2016/2017: 5%), with all other variables including interest rates being held constant, the effects on the accumulated surplus is as follows:

	Increase/(Decrease) in accumulated surplus	
	2017/2018	2016/2017
	\$	\$
<b>Group</b>		
USD against SGD		
Strengthened	198,071	225,440
Weakened	(198,071)	(225,440)
<b>Board</b>		
USD against SGD		
Strengthened	195,851	223,008
Weakened	(195,851)	(223,008)

(d) Fair value measurements

The Group and the Board categorise fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

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

27. Financial risk management (cont'd)

(d) Fair value measurements (cont'd)

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Group</b>				
<b>At 31 March 2018</b>				
Financial assets at fair value through profit or loss				
- Quoted debt securities	43,728,887	-	-	43,728,887
- Quoted equity securities	4,740,977	-	-	4,740,977
- Quoted unit trusts	407,282,038	-	-	407,282,038
Derivative financial instruments	-	57,115	-	57,115
	455,751,902	57,115	-	455,809,017
<b>At 31 March 2017</b>				
Financial assets at fair value through profit or loss				
- Quoted debt securities	44,415,733	-	-	44,415,733
- Quoted equity securities	4,259,133	-	-	4,259,133
- Quoted unit trusts	306,266,971	-	-	306,266,971
Derivative financial instruments	-	525,729	-	525,729
	354,941,837	525,729	-	355,467,566

27. Financial risk management (cont'd)

(d) Fair value measurements (cont'd)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	\$	\$	\$	\$
<b>Board</b>				
<b>At 31 March 2018</b>				
Financial assets at fair value through profit or loss				
- Quoted debt securities	42,954,512	-	-	42,954,512
- Quoted equity securities	4,740,977	-	-	4,740,977
- Quoted unit trusts	407,282,038	-	-	407,282,038
Derivative financial instruments	-	57,115	-	57,115
	<u>454,977,527</u>	<u>57,115</u>	<u>-</u>	<u>455,034,642</u>
<b>At 31 March 2017</b>				
Financial assets at fair value through profit or loss				
- Quoted debt securities	43,643,233	-	-	43,643,233
- Quoted equity securities	4,259,133	-	-	4,259,133
- Quoted unit trusts	306,266,971	-	-	306,266,971
Derivative financial instruments	-	525,729	-	525,729
	<u>354,169,337</u>	<u>525,729</u>	<u>-</u>	<u>354,695,066</u>

There were no transfers between Level 1 and 2 during the financial year.

The fair values of financial instruments traded in active markets (such as exchange traded and over-the-counter securities and derivatives) are based on quoted market prices at the statement of financial position date. The quoted market prices used for financial assets held by the Group are the current bid prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions existing at each statement of financial position date. Quoted market prices or dealer quotes for similar instruments are used, where appropriate. Other techniques, such as discounted cash flow analysis, are used to determine fair value of the remaining financial instruments.

The fair value of currency swaps is determined using actively quoted currency rates. The fair value of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

27. Financial risk management (cont'd)

(e) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statement of financial position and in Note 11 and Note 14 to the financial statements, except for the following:

	<u>Group</u>		<u>Board</u>	
	<u>2017/2018</u>	<u>2016/2017</u>	<u>2017/2018</u>	<u>2016/2017</u>
	\$	\$	\$	\$
Loans and receivables	152,617,934	120,085,815	149,753,897	116,976,608
Financial liabilities at amortised cost	<u>72,644,598</u>	<u>48,182,277</u>	<u>72,329,984</u>	<u>48,183,616</u>

(f) Offsetting financial assets and financial liabilities

The Group and Board have the following financial instruments subject to enforceable master netting arrangements or similar agreement as follows:

	<u>Related amounts set off in the balance sheet</u>		
	<u>Gross amounts</u>	<u>Net amounts -</u>	
	<u>- financial</u>	<u>- financial</u>	<u>financial assets</u>
	<u>assets</u>	<u>liabilities</u>	<u>presented in</u>
	<u>(a)</u>	<u>(b)</u>	<u>(c) = (a)-(b)</u>
	\$	\$	\$
<b>Derivative financial instruments</b>			
<b>- currency swaps</b>			
At 31 March 2018	24,919,233	(24,862,118)	57,115
At 31 March 2017	<u>34,257,503</u>	<u>(33,731,774)</u>	<u>525,729</u>

28. Comparative figures

The financial statements for the financial year ended 31 March 2017 were audited by another firm of Public Accountants and Chartered Accountants.

29. Authorisation of financial statements

These financial statements were authorised for issue by the Members of the Board on 19 June 2018.



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