



**SCIENCE CENTRE BOARD  
AND ITS SUBSIDIARIES**  
*(Established under the Science Centre Act, Cap. 286)*

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2020**

# **SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES**

## **REPORT AND FINANCIAL STATEMENTS**

### **C O N T E N T S**

	<u>Page</u>
Statement by the Board of Science Centre Board	1
Independent auditor's report	2 - 5
Statements of comprehensive income	6 - 7
Statements of financial position	8
Statements of changes in equity	9
Consolidated statement of cash flows	10
Notes to financial statements	11 - 42

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### STATEMENT BY SCIENCE CENTRE BOARD

In our opinion,

- (a) the accompanying financial statements of Science Centre Board (the "Board") and its subsidiaries (the "Group"), as set out on pages 6 to 42 are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018, ("PSG Act"), the Science Centre Act (Cap. 286) ("SCB Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the financial position of the Group and the Board as at 31 March 2020, and the financial performance, changes in equity of the Group and the Board, and cash flows of the Group for the financial year ended on that date;
- (b) the receipt, expenditure, investments 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 PSG Act, the SCB Act and the requirements of any other written law applicable to moneys of or managed by the Board; and
- (c) proper accounting and other records have been kept, including records of all assets of the Board whether purchased, donated or otherwise.

On behalf of Science Centre Board and its subsidiaries



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Ms Tan Yen Yen  
Chairman



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Associate Professor Lim Tit Meng  
Chief Executive

13 July 2020

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF SCIENCE CENTRE BOARD

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Science Centre Board (the "Board") and its subsidiaries (the "Group") which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Board as at 31 March 2020, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of comprehensive income and statement of changes in equity of the Board for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 42.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in equity of the Board are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 ("PSG Act"), the Science Centre Act (Cap. 286) ("SCB Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the financial position of the Group and the Board as at 31 March 2020 and 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 Matters

The financial statements of the Group and the Board for the financial year ended 31 March 2019 were audited by another firm of auditors who expressed an unmodified opinion on those financial statements in their report dated 20 June 2019.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF SCIENCE CENTRE BOARD

### Information Other than Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Statement by Science Centre Board set out on page 1, but does not include the financial statements and our auditor's report thereon.

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 statements 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.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the PSG Act, SCB Act and SB-FRS, and for such internal control 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 constitutional 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 skepticism throughout the audit. We also:

- (a) 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF SCIENCE CENTRE BOARD

- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) 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.
- (e) 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.
- (f) 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 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 year are, in all material respects, in accordance with the provisions of the PSG Act, SCB Act and the requirements of any other written law applicable to moneys of or managed by the Board; and
- (b) proper accounting and other records have been kept, including records of all assets of the Board whether purchased, donated or otherwise.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF SCIENCE CENTRE BOARD

### Basis for Opinion

We conducted 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 Group 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 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 on management's compliance.

### 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 PSG Act, the SCB Act and the requirements of any other written law applicable to moneys of or managed by the Board. This responsibility includes monitoring related compliance requirements relevant to the Board, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

### Auditor's Responsibility for the 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 PSG Act, SCB Act and the requirements of any other written law applicable to moneys of or managed by the Board.

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 Board's internal control. Because of the inherent limitations in any accounting and internal control system, non-compliances may nevertheless occur and not be detected.



Public Accountants and  
Chartered Accountants  
Singapore

13 July 2020

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### STATEMENTS OF COMPREHENSIVE INCOME Year ended 31 March 2020

GROUP	Note	General Funds		Restricted Funds		Total	
		2020	2019	2020	2019	2020	2019
		\$	\$	\$	\$	\$	\$
Income							
- Admission fees		4,692,485	4,969,071	-	-	4,692,485	4,969,071
- Proceeds from special projects		669,133	474,240	-	-	669,133	474,240
- Fees from courses and programmes		1,502,070	1,503,915	-	-	1,502,070	1,503,915
- Collections from exhibits and events		370,490	227,873	-	-	370,490	227,873
- Sales of merchandise and publications		1,109,512	838,327	-	-	1,109,512	838,327
- Service income		776,485	145,087	-	-	776,485	145,087
- Rental income		198,345	231,898	-	-	198,345	231,898
- Photo-taking income		162,813	185,233	-	-	162,813	185,233
		<u>9,481,333</u>	<u>8,575,644</u>	<u>-</u>	<u>-</u>	<u>9,481,333</u>	<u>8,575,644</u>
Other income	4	2,308,399	2,151,906	1,206,600	857,023	3,514,999	3,008,929
Other gains/(losses) - net	5	1	(12,418)	145,933	52,596	145,934	40,178
Expenses							
- Employee compensation	6	(20,410,397)	(21,029,818)	(127,673)	(46,001)	(20,538,070)	(21,075,819)
- Materials for exhibits and events		(8,109,168)	(7,396,561)	(624,194)	(526,078)	(8,733,362)	(7,922,639)
- Repairs and maintenance		(7,090,486)	(6,605,595)	(4,729)	(29,883)	(7,095,215)	(6,635,478)
- Publicity and promotions		(2,700,255)	(3,020,866)	(89,956)	(37,119)	(2,790,211)	(3,057,985)
- Depreciation	15	(3,388,824)	(3,625,747)	(11,189)	(9,726)	(3,400,013)	(3,635,473)
- Other expenditure	7	(4,252,438)	(3,590,454)	(346,888)	(160,459)	(4,599,326)	(3,750,913)
		<u>(45,951,568)</u>	<u>(45,269,041)</u>	<u>(1,204,629)</u>	<u>(809,266)</u>	<u>(47,156,197)</u>	<u>(46,078,307)</u>
<b>(Deficit)/surplus before grants</b>		<b>(34,161,835)</b>	<b>(34,553,909)</b>	<b>147,904</b>	<b>100,353</b>	<b>(34,013,931)</b>	<b>(34,453,556)</b>
Operating grants from government	16	33,219,233	31,074,923	-	-	33,219,233	31,074,923
Grants from other government agencies	10	2,376,364	1,998,537	-	-	2,376,364	1,998,537
Deferred capital grants amortised	20	1,217,267	1,216,924	11,189	9,726	1,228,456	1,226,650
		<u>36,812,864</u>	<u>34,290,384</u>	<u>11,189</u>	<u>9,726</u>	<u>36,824,053</u>	<u>34,300,110</u>
<b>Surplus/(deficit) before tax</b>		<b>2,651,029</b>	<b>(263,525)</b>	<b>159,093</b>	<b>110,079</b>	<b>2,810,122</b>	<b>(153,446)</b>
Income tax credit	8	5,623	13,738	-	-	5,623	13,738
<b>Net surplus/(deficit) and total comprehensive income/(loss)</b>		<b><u>2,656,652</u></b>	<b><u>(249,787)</u></b>	<b><u>159,093</u></b>	<b><u>110,079</u></b>	<b><u>2,815,745</u></b>	<b><u>(139,708)</u></b>



## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### STATEMENTS OF COMPREHENSIVE INCOME (cont'd) Year ended 31 March 2020

<b>BOARD</b>	Note	General Funds		Restricted Funds		Total	
		2020	2019	2020	2019	2020	2019
		\$	\$	\$	\$	\$	\$
Income							
- Admission fees		3,926,192	4,052,446	-	-	3,926,192	4,052,446
- Proceeds from special projects		673,351	476,580	-	-	673,351	476,580
- Fees from courses and programmes		1,126,283	1,047,284	-	-	1,126,283	1,047,284
- Collections from exhibits and events		370,490	227,873	-	-	370,490	227,873
- Sales of merchandise and publications		1,061,790	776,374	-	-	1,061,790	776,374
- Service income		172,236	39,797	-	-	172,236	39,797
		<u>7,330,342</u>	<u>6,620,354</u>	-	-	<u>7,330,342</u>	<u>6,620,354</u>
Other income	4	2,370,049	2,118,875	1,206,600	857,023	3,576,649	2,975,898
Other (losses)/gains - net	5	(999,999)	(9,098)	145,933	52,596	(854,066)	43,498
Expenses							
- Employee compensation	6	(19,599,494)	(20,273,478)	(127,673)	(46,001)	(19,727,167)	(20,319,479)
- Materials for exhibits and events		(8,021,179)	(7,279,659)	(624,194)	(526,078)	(8,645,373)	(7,805,737)
- Repairs and maintenance		(6,398,665)	(6,029,773)	(4,729)	(29,883)	(6,403,394)	(6,059,656)
- Publicity and promotions		(2,490,595)	(2,875,047)	(89,956)	(37,119)	(2,580,551)	(2,912,166)
- Depreciation	15	(3,043,677)	(3,252,329)	(11,189)	(9,726)	(3,054,866)	(3,262,055)
- Other expenditure	7	(3,723,600)	(3,286,840)	(346,888)	(160,459)	(4,070,488)	(3,447,299)
		<u>(43,277,210)</u>	<u>(42,997,126)</u>	<u>(1,204,629)</u>	<u>(809,266)</u>	<u>(44,481,839)</u>	<u>(43,806,392)</u>
<b>(Deficit)/surplus before grants</b>		<b>(34,576,818)</b>	<b>(34,266,995)</b>	<b>147,904</b>	<b>100,353</b>	<b>(34,428,914)</b>	<b>(34,166,642)</b>
Operating grants from government	16	33,219,233	31,074,923	-	-	33,219,233	31,074,923
Grants from other government agencies	10	2,376,364	1,985,433	-	-	2,376,364	1,985,433
Deferred capital grants amortised	20	1,189,310	1,188,967	11,189	9,726	1,200,499	1,198,693
		<u>36,784,907</u>	<u>34,249,323</u>	<u>11,189</u>	<u>9,726</u>	<u>36,796,096</u>	<u>34,259,049</u>
<b>Net surplus/(deficit) and total comprehensive income/(loss)</b>		<b>2,208,089</b>	<b>(17,672)</b>	<b>159,093</b>	<b>110,079</b>	<b>2,367,182</b>	<b>92,407</b>

See accompanying notes to financial statements.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### STATEMENTS OF FINANCIAL POSITION 31 March 2020

	Note	Group		Board	
		2020	2019	2020	2019
		\$	\$	\$	\$
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	9	24,079,561	30,248,848	23,726,177	29,618,122
Trade and other receivables	10	1,570,848	1,937,438	1,624,396	1,867,819
Financial asset at fair value through profit or loss	11	4,516,334	4,370,401	4,516,334	4,370,401
Other investment	12	1,018,000	-	1,018,000	-
Inventories	13	351,977	343,591	76,502	87,984
Total current assets		<u>31,536,720</u>	<u>36,900,278</u>	<u>30,961,409</u>	<u>35,944,326</u>
<b>Non-current assets</b>					
Other investment	12	-	1,018,000	-	1,018,000
Investments in subsidiaries	14	-	-	760,002	1,760,002
Property, plant and equipment	15	27,266,718	21,705,900	26,761,413	20,954,841
Total non-current assets		<u>27,266,718</u>	<u>22,723,900</u>	<u>27,521,415</u>	<u>23,732,843</u>
<b>Total assets</b>		<u>58,803,438</u>	<u>59,624,178</u>	<u>58,482,824</u>	<u>59,677,169</u>
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Government grants received in advance	16	7,385,183	9,974,719	7,385,183	9,974,719
Other government grants received in advance	10	1,240,013	770,343	1,240,013	770,343
Sponsorship received in advance	17	2,592,241	2,105,200	2,592,241	2,105,200
Trade and other payables	18	4,834,851	5,853,774	4,541,061	5,512,983
Total current liabilities		<u>16,052,288</u>	<u>18,704,036</u>	<u>15,758,498</u>	<u>18,363,245</u>
<b>Non-current liabilities</b>					
Deferred income tax liabilities	19	37,150	37,150	-	-
Deferred capital grants	20	14,162,146	14,932,103	14,128,550	14,870,550
Total non-current liabilities		<u>14,199,296</u>	<u>14,969,253</u>	<u>14,128,550</u>	<u>14,870,550</u>
<b>Capital, funds and accumulated surplus</b>					
Capital account	21	2,979,983	2,979,983	2,979,983	2,979,983
Share capital	22	9,989,432	9,989,432	9,989,432	9,989,432
Omni-theatre development fund	24	-	122,780	-	122,780
Accumulated surplus					
- General funds		7,653,134	5,088,482	7,866,072	5,749,983
- Restricted funds	23	7,929,305	7,770,212	7,760,289	7,601,196
Total equity		<u>28,551,854</u>	<u>25,950,889</u>	<u>28,595,776</u>	<u>26,443,374</u>
<b>Total liabilities and equity</b>		<u>58,803,438</u>	<u>59,624,178</u>	<u>58,482,824</u>	<u>59,677,169</u>

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### STATEMENTS OF CHANGES IN EQUITY Year ended 31 March 2020

	Capital account	Share capital	Omni- theatre development fund	Accumulated surplus		Total
				General funds	Restricted funds	
	\$	\$	\$	\$	\$	\$
<u>The Group</u>						
Balance as at 1 April 2018	2,979,983	7,959,330	122,780	6,600,269	7,660,133	25,322,495
Issue of new shares (Note 22)	-	2,030,102	-	-	-	2,030,102
Total comprehensive (loss)/income	-	-	-	(249,787)	110,079	(139,708)
Dividends paid	-	-	-	(1,262,000)	-	(1,262,000)
Balance as at 31 March 2019	2,979,983	9,989,432	122,780	5,088,482	7,770,212	25,950,889
Total comprehensive income	-	-	-	2,656,652	159,093	2,815,745
Dividends paid	-	-	-	(92,000)	-	(92,000)
Deferred capital grants (Note 20)	-	-	(122,780)	-	-	(122,780)
Balance as at 31 March 2020	<u>2,979,983</u>	<u>9,989,432</u>	<u>-</u>	<u>7,653,134</u>	<u>7,929,305</u>	<u>28,551,854</u>
<u>The Board</u>						
Balance as at 1 April 2018	2,979,983	7,959,330	122,780	7,029,655	7,491,117	25,582,865
Issue of new shares (Note 22)	-	2,030,102	-	-	-	2,030,102
Total comprehensive (loss)/income	-	-	-	(17,672)	110,079	92,407
Dividends paid	-	-	-	(1,262,000)	-	(1,262,000)
Balance as at 31 March 2019	2,979,983	9,989,432	122,780	5,749,983	7,601,196	26,443,374
Total comprehensive income	-	-	-	2,208,089	159,093	2,367,182
Dividends paid	-	-	-	(92,000)	-	(92,000)
Deferred capital grants (Note 20)	-	-	(122,780)	-	-	(122,780)
Balance as at 31 March 2020	<u>2,979,983</u>	<u>9,989,432</u>	<u>-</u>	<u>7,866,072</u>	<u>7,760,289</u>	<u>28,595,776</u>

See accompanying notes to financial statements.

**SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**Year ended 31 March 2020**

	Note	2020 \$	2019 \$
<b>Operating activities</b>			
Deficit before grants		(34,013,931)	(34,453,556)
Adjustments for:			
Depreciation		3,400,013	3,635,473
Loss on disposal of property, plant and equipment		3,291	3,309
Write-down of inventories		16,427	-
Sponsorships and donations		(1,129,014)	(795,874)
Changes in fair value of financial asset at fair value through profit or loss		(145,933)	(52,596)
Interest income		(486,120)	(346,139)
Operating loss before working capital changes		(32,355,167)	(32,009,383)
Change in working capital:			
Inventories		(24,813)	53,582
Trade and other receivables		(6,778)	2,141,225
Trade and other payables		(1,018,923)	887,310
Cash used in operations		(33,405,681)	(28,924,631)
Income tax refunded		5,623	2,635
Net cash used in operating activities		(33,400,058)	(28,924,631)
<b>Investing activities</b>			
Purchases of property, plant and equipment		(8,964,122)	(2,715,935)
Purchase of short-term bank deposits		-	(1,000,000)
Interest received		486,120	346,139
Net cash used in investing activities		(8,478,002)	(3,369,796)
<b>Financing activities</b>			
Government grants received		30,666,597	29,845,416
Sponsorship received		1,716,559	2,106,125
Other government grants received		3,432,428	279,965
Excess other government grants refunded		(14,811)	(81,271)
Issuance of share capital		-	2,030,102
Dividends paid		(92,000)	(1,262,000)
Net cash from financing activities		35,708,773	32,918,337
Net (decrease) increase in cash and cash equivalents		(6,169,287)	623,910
Cash and cash equivalents at beginning of financial year		28,248,848	27,624,938
Cash and cash equivalents at end of financial year	9	22,079,561	28,248,848

See accompanying notes to financial statements

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

#### 1. GENERAL

Science Centre Board (the "Board") is a statutory board established in Singapore under the Science Centre Act (Cap. 286). The supervisory ministry is the Ministry of Education ("Government" or "MOE"). The registered office and principal place of business of the Board is 15 Science Centre Road, Singapore 609081.

The principal activities of the Board are to:

- (a) Promote interest, learning and creativity in science and technology through imaginative and enjoyable experience and contribute to the nation's development of its human resource;
- (b) Conduct supplementary science classes, lectures, demonstrations and workshops to complement the school science syllabi;
- (c) Produce and publish scientific literature in the form of magazines and guidebooks;
- (d) Organise activities and programmes for targeted and general audiences so as to bring science closer to the people; and
- (e) Screen planetarium programmes and OMNIMAX films to students and the general public, using state-of-the-art audio-visual projection systems.

The principal activities of the subsidiaries are set out in Note 15.

These financial statements are presented in Singapore dollars, which is the Group's functional currency.

These financial statements of the Board for the year ended 31 March 2020 were authorised for issue by the Board on 13 July 2020.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

##### 2.1 Basis of preparation

The financial statements are 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 Act, and Statutory Board Financial Reporting Standards ("SB-FRS"), including Interpretations of SB-FRS ("INT SB-FRS") and SB-FRS Guidance Notes.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of SB-FRS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SB-FRS 2 *Inventories* or value in use in SB-FRS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

#### 2.2 Adoption of new and revised standards

In the current financial year, the Group has adopted all the new and revised SB-FRSs, INT SB-FRS and SB-FRS Guidance Notes that are effective from that date and relevant to the its operations. The adoption of these Standards do not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior years except as disclosed below.

##### SB-FRS 116 *Leases*

The Standard provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The identification of leases, distinguishing between leases and service contracts, are determined on the basis of whether there is an identified asset controlled by the customer.

Significant changes to lessee accounting are introduced, with the distinction between operating and finance leases removed and assets and liabilities are recognised in respect of all leases (subject to limited exemptions for short-term leases and leases of low value assets). The Standard maintains substantially the lessor accounting approach under the existing framework.

In applying SB-FRS 116 for the first time, the Group has used the following practical expedients permitted by the Standard:

- For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as personal computers), the Board has opted to recognise a lease expense on a straight-line basis as permitted by SB-FRS 116. This expense is presented within other expenditure in the statement of comprehensive income.
- The Group accounted for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short term leases.

There is no material impact on the Group, other than expanded disclosures, upon adoption of the standard on 1 April 2019 as SB-FRS 116 does not change substantially how a lessor accounts for leases. Under SB-FRS 116, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

#### 2.3 Standards issued but not yet effective

Management has considered and is the view that the adoption of relevant new/ revised SB-FRS/FRS that are issued as at the date of authorisation of these financial statements but effective only in future periods will not have a significant impact on the financial statement of the Board and the Group in the period of initial adoption.

#### 2.4 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Board and entities controlled by the Board (its subsidiary). Control is achieved when the Board:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Board reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Board has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Board considers all relevant facts and circumstances in assessing whether or not the Board's voting rights in an investee are sufficient to give it power, including:

- The size of the Board's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Board, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Board has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Board obtains control over the subsidiary and ceases when the Board loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Board gains control until the date when the Board ceases to control the subsidiary.

Income or expenditure and each component of other comprehensive income are attributed to the owners of the Board. Total comprehensive income of subsidiaries is attributed to the owners of the Board.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Board's accounting policies.

In the Board's financial statements, investments in subsidiaries are carried at cost less accumulated impairment losses in the Board's financial statements. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

#### 2.5 Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition.

##### Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

##### *Amortised cost and effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

##### *Financial assets at FVTPL*

Financial assets that do not meet the criteria for being measured at amortised cost are measured at FVTPL.

Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss is included in the "other (losses)/gains - net" line item (Note 5). Fair value is determined in the manner described in Note 11.



## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

#### Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For debtors, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Group considers a financial asset in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition, any difference between the carrying amount and the sum of proceeds received is recognised in the profit or loss.

#### Financial liabilities and equity instruments

##### Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded in the capital account at the proceeds received, net of significant direct issue costs.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

#### Trade and other payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method, except for short-term balances when the effect of discounting is immaterial.

#### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired.

## 2.6 Leases

#### The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets which constitute leasehold land are depreciated over the lease term of 99 years if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

The right-of-use assets are presented within Note 15.

The Group applies SB-FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the Note 2.9.

#### The Group as lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

#### 2.7 Inventories

Inventories are stated at the lower of cost (weighted average method) and net realisable value. Cost comprises cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution.

#### 2.8 Property, plant and equipment

Property, plant and equipment are carried at cost, less accumulated depreciation and any accumulated impairment losses.

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

Buildings	20 to 50 years
Leasehold improvements	5 years
Furniture and office equipment	3 to 5 years
Motor vehicles	10 years
OMNIMAX films	2 years

No depreciation is provided on assets under construction.

The following items are written off in the year of construction or purchase:

Exhibits  
Films (other than OMNIMAX)  
Cost of publications and souvenirs  
Property, plant and equipment costing below \$2,000 each

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

Fully depreciated assets still in use are retained in the financial statements.

#### 2.9 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of the non-financial assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### 2.10 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 the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

#### 2.11 Income recognition

Income is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Income is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of income recognised is the amount allocated to the satisfied performance obligation.

##### (a) Admission fees

Admission fees are recognised upon the sale of admission tickets to visitors and members. Where such tickets are sold via agents, revenue is recognised at the point of sale unless the difference from recognising revenue over the validity period of the tickets is expected to be material, in which case, an adjustment is made to recognise revenue over the validity period of the tickets.

##### (b) Proceeds from special projects

Proceeds from special projects are income from the organisation of temporary exhibitions. Income from such projects is recognised upon the sale of tickets to visitors.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

- (c) Fees from courses and programmes
- Fees from courses and programmes are recognised over the duration of the courses and programmes.
- (d) Collections from exhibits and events
- Collections from exhibits and events comprise mainly of collections from rental of travelling exhibitions and events and are recognised on a straight-line basis over the rental period.
- (e) Sales of merchandise and publications
- Sales of merchandise and publications are recognised at the point of sales of the merchandise and publications.
- (f) Service income
- Service income from provision of services for set up of travelling exhibitions and organisation of corporate events are recognised when services have been rendered.
- (g) Rental income
- Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.
- (h) Photo-taking income
- Income from photo-taking is recognised upon the sale of photos to visitors and members.

#### Other income

- (i) Donations and sponsorships
- Donations and sponsorships are received or receivable to meet approved expenditure for specific projects or purposes. Donations which are voluntary and generally non-reciprocal transfers shall be measured at the amount of increase in net assets recognised by the Group and recognised in profit or loss as income in the financial year upon receipt.
- A sponsorship arises when the Group receives assets or services and is expected to provide consideration of approximately equal value to the sponsor. Sponsorships are recognised in profit or loss as income in the financial year upon receipt of the sponsorship or over the duration of the sponsorship period when (or as) the performance obligation is fulfilled. The amount that is not utilised for the specific projects or purposes is included in the sponsorship received in advance account.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

- (j) Interest income

Interest income is recognised over time, on a time proportion basis using the effective interest method.

- (k) Management fee

Management fee for the provision of services to government agencies is recognised over the period the services are rendered.

#### 2.12 Government grants

Grants from the Ministry of Education are recognised as a receivable at their fair value when there is reasonable assurance that the grants will be received and the Group will comply with all the conditions associated with the grant.

Government grants receivable are recognised as income over the periods necessary to match them with the related expenses which they are intended to compensate, on a systematic basis. Government grants that are receivable as reimbursement for expenses already incurred are recognised in profit or loss in the period in which they become receivable.

#### 2.13 Deferred capital grants

Government grants and contributions from other government organisations utilised for the purchase or construction of depreciable assets are recorded in the deferred capital grants account (shown as liability on the balance sheet).

Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred capital grants in the balance sheet and recognised in the statement of comprehensive income over the periods necessary to match the depreciation of the assets financed with the related grant

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

#### 2.14 Employee compensation

- (a) Defined contribution plans

The Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised in profit or loss when they are due.

- (b) Employee leave entitlement

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

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

#### 2.15 Sponsorship Fund

The Sponsorship Fund is set up to account for contributions received from private organisations and individuals for specified purposes. The Sponsorship Fund has been conferred the Institute of Public Character status under Section 37(2)(c) of the Charities Act since 1 April 2008. The income from the Sponsorship Fund will be used to further the objectives of the Sponsorship Fund. The principal sums of the Sponsorship Fund are presented separately in the balance sheet. The Sponsorship Fund is classified as a restricted fund in accordance with SB-FRS Guidance Note 1.

#### 2.16 Endowment Fund

The Endowment Fund is set up to account for contributions received from private organisations, individuals and other government agencies for specified purposes. The Endowment Fund was conferred the Institute of Public Character status under Section 37(2)(c) of the Charities Act from 1 April 2008 to 31 March 2013. The income from the Endowment Fund will be used to further the objectives of the Science Centre Board and specific capacity training for staffs. The principal sums of the Endowment Fund are presented separately in the balance sheet. The Endowment Fund is classified as a restricted fund in accordance with SB-FRS Guidance Note 1.

#### 2.17 Omni-Theatre Development Fund

The Omni-Theatre Development Fund was set up to account for contributions received from private organisations and individuals. The principal sums of the Omni-Theatre Development Fund, consisting of donations and sponsorships received, are kept intact. The Omni-Theatre Development Fund is classified under general funds in accordance with SB-FRS Guidance Note 1.

#### 2.18 Income taxes

Income tax for the financial year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates (and tax laws) enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised, using the balance sheet method, providing for all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed as at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss.

#### 2.19 Foreign currency transactions

In preparing the financial statements, transactions in currencies other than the Group's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. As at each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period.

#### 2.20 Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows comprise cash at bank and on hand, deposits with financial institutions and cash held by Accountant-General's Department, which are subject to an insignificant risk of changes in value.

The Board is required to participate in the Centralised Liquidity Management Framework ("CLM") in accordance with the Accountant-General's Circular No. 4/2009 dated 2 November 2009. All selected bank accounts of the Board maintained with selected banks are linked up with the Accountant-General's Department's ("AGD") bank accounts for available excess cash to be automatically aggregated for central management on a daily basis. The deposits held with AGD are short-term highly liquid investments that are readily convertible to known amounts of cash and are classified in cash and cash equivalents as "Deposits held with AGD".

Cash at bank and on hand represents funds that are derived from non-government sources/entities, which are not required to be included in the CLM.

#### 2.21 Share capital

Ordinary shares to the Minister for Finance are classified as equity.

#### 2.22 Capital account

The capital account represents the grant given by the MOE to contribute towards the repayment of the outstanding accumulated interest on a Government loan taken.



## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

#### 2.23 Dividends

Dividends are recognised when the dividends are approved for payment to the Ministry of finance under the Capital Management Framework - Finance Circular Minute No. M26/2008.

#### 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Board's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Management is of the opinion that there are no critical judgements and key sources of estimation uncertainty at the end of the reporting period that have a significant effect on the amounts recognised in the financial statements.

#### 4. OTHER INCOME

	Group		Board	
	2020	2019	2020	2019
	\$	\$	\$	\$
Donations and sponsorship	1,129,014	795,874	1,129,014	795,874
Rental income	1,014,091	910,548	1,101,865	987,603
Interest income	486,120	346,139	486,120	346,139
Management fee	718,312	670,200	819,322	764,560
Others	167,462	286,168	40,328	81,722
	<u>3,514,999</u>	<u>3,008,929</u>	<u>3,576,649</u>	<u>2,975,898</u>

#### 5. OTHER GAINS/(LOSSES) - NET

	Group		Board	
	2020	2019	2020	2019
	\$	\$	\$	\$
Fair value changes on financial asset at FVTPL	145,933	52,596	145,933	52,596
Impairment loss on investment in subsidiary	-	-	(1,000,000)	-
Net currency translation gains/(losses)	1	(12,418)	1	(9,098)
	<u>145,934</u>	<u>40,178</u>	<u>(854,066)</u>	<u>43,498</u>

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

#### 6. EMPLOYEE COMPENSATION

	Group		Board	
	2020	2019	2020	2019
	\$	\$	\$	\$
Wages and salaries	17,403,555	17,934,771	16,678,568	17,260,955
Employer's contribution to Central Provident Fund	2,737,256	2,775,192	2,654,182	2,692,841
Other staff benefits	397,259	365,856	394,417	365,683
	<u>20,538,070</u>	<u>21,075,819</u>	<u>19,727,167</u>	<u>20,319,479</u>

#### 7. OTHER EXPENDITURE

	Group		Board	
	2020	2019	2020	2019
	\$	\$	\$	\$
Professional, consultancy and other fees:				
- subsidiaries	-	-	40,050	80,100
- non-related parties	1,541,930	960,103	1,448,187	858,779
Cost of merchandise and publications	281,619	430,407	220,108	366,203
Printing, stationery and office supplies	134,056	163,727	117,062	149,165
Rental of equipment and venue and lease fees of films	402,917	149,071	202,616	105,493
Postage, telephone and courier charges	71,467	87,242	61,427	74,940
Loss on disposal of property, plant and equipment	3,291	3,307	3,291	2,684
Transport and travelling expenses	562,702	418,640	535,357	378,196
Refreshment and entertainment expenses	208,270	158,142	207,559	156,814
Property tax	109,126	109,929	109,126	109,929
GST input tax (non-claimable)	1,020,348	1,062,639	1,020,348	1,062,639
Royalties	36,454	38,988	36,454	38,988
Others	227,146	168,718	68,903	63,369
	<u>4,599,326</u>	<u>3,750,913</u>	<u>4,070,488</u>	<u>3,447,299</u>

#### 8. INCOME TAX CREDIT

	Group	
	2020	2019
	\$	\$
Tax (credit) expense attributable to surplus/(deficit) is made up of:		
- Deferred income tax (Note 19)	-	11,057
	-	11,057
Overprovision in preceding financial years:		
- Current income tax	(5,623)	(2,635)
- Deferred income tax (Note 19)	-	(22,160)
	<u>(5,623)</u>	<u>(24,795)</u>
Income tax credit	<u>(5,623)</u>	<u>(13,738)</u>

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

The income tax credit varied from the amount of income tax credit determined by applying the Singapore tax rate of 17% (2019 : 17%) to surplus/(deficit) before tax as a result of the following differences:

	Group	
	2020	2019
	\$	\$
Surplus/(deficit) before tax	<u>2,810,122</u>	<u>(153,446)</u>
Tax expense (credit) calculated at a tax rate of 17% (2019 : 17%)	477,721	(26,086)
Effects of:		
- Surplus of the Board exempted from tax	(402,421)	(15,709)
- Expenses not deductible for tax purposes	4,511	16,150
- Income not subject to tax	(178,733)	(8,207)
- Deferred tax assets not recognised	98,922	43,961
- Overprovision in preceding financial years	(5,623)	(24,795)
- Others	-	948
Income tax credit	<u>(5,623)</u>	<u>(13,738)</u>

As a statutory board, the Board is exempted from income tax.

Deferred income tax assets are recognised for tax losses and capital allowances carried forward only to the extent that realisation of the related tax benefits through the future taxable profits is probable. Deferred tax assets have not been recognised in respect of tax losses and deductible temporary difference amounting to approximately \$1,116,516 (2019 : \$822,212) and \$641,743 (2019 : \$354,153), respectively, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

#### 9. CASH AND CASH EQUIVALENTS

	Group		Board	
	2020	2019	2020	2019
	\$	\$	\$	\$
Deposits held with AGD	15,406,416	24,192,838	15,406,416	24,192,838
Cash at bank and on hand	6,673,145	4,056,010	6,319,761	3,425,284
Short term bank deposits	2,000,000	2,000,000	2,000,000	2,000,000
	<u>24,079,561</u>	<u>30,248,848</u>	<u>23,726,177</u>	<u>29,618,122</u>

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

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

	2020	2019
	\$	\$
Cash and cash equivalents (as above)	24,079,561	30,248,848
Less: Short term bank deposits with maturity of more than 3 months	<u>(2,000,000)</u>	<u>(2,000,000)</u>
Cash and cash equivalents per consolidated cash flow statement	<u>22,079,561</u>	<u>28,248,848</u>

Short term bank deposits at the balance sheet date bear average effective interest rate of 1.65% to 2.01% (2019 : 1.22% to 2.01%) and have a tenure of 6 months (2019 : 6 to 12 months).

Deposits held with the Accountant-General's Department ("AGD") earn interest based on fixed deposit rates determined by financial institutions with which AGD deposits the monies.

#### 10. TRADE AND OTHER RECEIVABLES

	Group		Board	
	2020	2019	2020	2019
	\$	\$	\$	\$
Trade receivables:				
- subsidiaries	-	-	300,732	97,441
- related parties	333,586	-	142,227	-
- external parties	109,729	428,398	109,729	327,824
Trade receivables - net	<u>443,315</u>	<u>428,398</u>	<u>552,688</u>	<u>425,265</u>
Sponsorship receivables	65,392	165,896	65,392	165,896
Other government grants receivable (see below)	404,795	677,559	404,795	677,559
Government grant receivable	287,372	351,745	287,372	351,745
Deposits	15,059	18,830	-	-
Prepayments	271,763	193,754	254,445	154,175
Other receivables	83,152	101,256	59,704	93,179
	<u>1,570,848</u>	<u>1,937,438</u>	<u>1,624,396</u>	<u>1,867,819</u>

Other government grants refer to grants received from Ministries, Organs of States and other Statutory Boards.

#### Other government grants

	Group and Board	
	2020	2019
	\$	\$
Other government grants receivable	404,795	677,559
Other government grants received in advance	<u>(1,240,013)</u>	<u>(770,343)</u>
	<u>(835,218)</u>	<u>(92,784)</u>

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

Movement in other government grants receivable/(received in advance) is as follows:

#### Group

	Receivable		Received in advance		Total	
	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$
Beginning of financial year	677,559	92,121	(770,343)	(1,990,216)	(92,784)	(1,898,095)
Less: Grants received during the year	(689,902)	(143,758)	(2,742,726)	(140,407)	(3,436,628)	(284,165)
Add: Amount recognised in profit or loss	417,138	729,196	1,959,226	1,269,341	2,376,364	1,998,537
Add: Amount transferred to deferred capital grants (Note 20)	-	-	298,819	5,468	298,819	5,468
Less: Amount returned	-	-	14,811	81,271	14,811	81,271
Add/less: Others	-	-	4,200	4,200	4,200	4,200
End of financial year	404,795	677,559	(1,240,013)	(770,343)	(835,218)	(92,784)

#### Board

	Receivable		Received in advance		Total	
	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$
Beginning of financial year	677,559	92,121	(770,343)	(1,990,216)	(92,784)	(1,898,095)
Less: Grants received during the year	(689,902)	(143,758)	(2,742,726)	(127,303)	(3,436,628)	(271,061)
Add: Amount recognised in profit or loss	417,138	729,196	1,959,226	1,256,237	2,376,364	1,985,433
Add: Amount transferred to deferred capital grants (Note 20)	-	-	298,819	5,468	298,819	5,468
Less: Amount returned	-	-	14,811	81,271	14,811	81,271
Add/less: Others	-	-	4,200	4,200	4,200	4,200
End of financial year	404,795	677,559	(1,240,013)	(770,343)	(835,218)	(92,784)

#### 11. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group and Board	
	2020	2019
	\$	\$
Fullerton Conservative Balanced Fund ("Fullerton Fund")	4,516,334	4,370,401

The Fullerton Fund has a nominal value amounting to \$3,900,000 (2019 : \$3,900,000).

The fair value of the Fullerton Fund is provided by the Fund Manager and determined based on estimated valuations derived from market quotations and are within level 2 of the fair value hierarchy.

Changes in the fair value of the financial asset at fair value through profit or loss amounting to \$145,933 (2019 : \$52,596) have been included in the statement of comprehensive income for the year.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS 31 March 2020

#### 12. OTHER INVESTMENT

	Group and Board	
	2020	2019
	\$	\$
Quoted corporate bond classified at amortised cost	<u>1,018,000</u>	<u>1,018,000</u>

The quoted corporate bond has nominal value amounting to \$1,000,000 (2019 : \$1,000,000), with coupon rate of 2.58% (2019 : 2.58%) per annum and matures on 24 September 2020 (2019 : 24 September 2020). The average effective interest rate of the bond is 2.17% (2019 : 2.17%). The bond carries a fixed coupon rate.

The fair value of the bond is provided by banks employing generally market accepted valuation parameters and techniques. The bond has fair values amounting to \$991,500 (2019 : \$1,002,600) and is within level 1 of the fair value hierarchy.

#### 13. INVENTORIES

	Group		Board	
	2020	2019	2020	2019
	\$	\$	\$	\$
Finished goods	<u>351,977</u>	<u>343,591</u>	<u>76,502</u>	<u>87,984</u>

Inventories comprised finished goods held at cost for resale purposes.

The cost of inventories recognised as an expense and included in "Other expenditure" amounts to \$281,619 (2019 : \$430,407) for the Group and \$220,108 (2019 : \$366,203) for the Board.

At 31 March 2020, the write-down of inventories to net realisable value by the Group and Board amounted to \$16,427 (2019 : \$28,222) and \$83 (2019 : \$584) respectively.

#### 14. INVESTMENTS IN SUBSIDIARIES

	Board	
	2020	2019
	\$	\$
Unquoted equity investments at cost	1,760,002	1,760,002
Less: Accumulated impairment loss	(1,000,000)	-
Net carrying amount	<u>760,002</u>	<u>1,760,002</u>

During the financial year, the Board recognised an impairment loss of \$1,000,000 of its investment in Singapore Science Centre Global Pte Ltd as the recoverable amount of the investment is less than the carrying amount.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

Details of the subsidiaries are as follows:

Name of companies	Principal activities	Country of business/ incorporation	Proportion of ownership and voting power held	
			2020 %	2019 %
Singapore Science Centre Global Pte Ltd ("SSCG")	Investment holding, marketing and promotional activities for related entities and participation in joint ventures and collaboration projects, with educational and entertainment elements, on an academic and commercial basis.	Singapore	100	100
<i>Held by SSCG</i>				
Snow Venture Pte Ltd	Proprietor and operator of entertainment centre.	Singapore	100	100

**SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 March 2020**

15. PROPERTY, PLANT AND EQUIPMENT

Group

	Leasehold land*	Buildings	Leasehold improvements	Furniture and office equipment	Motor vehicles	OMNIMAX films	Assets under construction	Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cost:</b>								
At 1 April 2018	3,754,976	42,740,996	22,815,078	16,742,779	268,315	602,594	2,660	86,927,398
Additions	-	2,450	2,212,671	219,788	-	-	281,026	2,715,935
Disposals	-	-	(216,606)	(335,634)	(244,556)	-	-	(796,796)
Reclassifications	-	-	-	2,660	-	-	(2,660)	-
At 31 March 2019	3,754,976	42,743,446	24,811,143	16,629,593	23,759	602,594	281,026	88,846,537
Additions	-	-	3,323,928	1,603,341	-	-	4,036,853	8,964,122
Disposals	-	-	-	(3,212,574)	(7,236)	(157,662)	-	(3,377,472)
Reclassifications	-	-	-	281,026	-	-	(281,026)	-
At 31 March 2020	3,754,976	42,743,446	28,135,071	15,301,386	16,523	444,932	4,036,853	94,433,187
<b>Accumulated depreciation:</b>								
At 1 April 2018	1,320,516	27,641,891	20,215,742	14,256,540	261,368	602,594	-	64,298,651
Depreciation charge	36,377	1,084,773	1,472,844	1,039,523	1,956	-	-	3,635,473
Disposals	-	-	(216,606)	(334,482)	(242,399)	-	-	(793,487)
At 31 March 2019	1,356,893	28,726,664	21,471,980	14,961,581	20,925	602,594	-	67,140,637
Depreciation charge	36,377	1,071,809	1,300,642	990,642	543	-	-	3,400,013
Disposals	-	-	-	(3,211,574)	(4,945)	(157,662)	-	(3,374,181)
At 31 March 2020	1,393,270	29,798,473	22,772,622	12,740,649	16,523	444,932	-	67,166,469
<b>Carrying amount:</b>								
At 31 March 2020	2,361,706	12,944,973	5,362,449	2,560,737	-	-	4,036,853	27,266,718
At 31 March 2019	2,398,083	14,016,782	3,339,163	1,668,012	2,834	-	281,026	21,705,900



**SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS  
31 March 2020**

Board

	Leasehold land*	Buildings	Leasehold improvements	Furniture and office equipment	Motor vehicles	OMNIMAX films	Assets under construction	Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cost:</b>								
At 1 April 2018	3,754,976	41,478,610	21,376,843	16,042,720	268,315	602,594	2,660	83,526,718
Additions	-	-	2,186,616	175,204	-	-	281,026	2,642,846
Disposals	-	-	(147,656)	(287,096)	(244,556)	-	-	(679,308)
Transfers	-	-	-	2,660	-	-	(2,660)	-
At 31 March 2019	3,754,976	41,478,610	23,415,803	15,933,488	23,759	602,594	281,026	85,490,256
Additions	-	-	3,292,072	1,535,804	-	-	4,036,853	8,864,729
Disposals	-	-	-	(3,212,574)	(7,236)	(157,662)	-	(3,377,472)
Transfers	-	-	-	281,026	-	-	(281,026)	-
At 31 March 2020	3,754,976	41,478,610	26,707,875	14,537,744	16,523	444,932	4,036,853	90,977,513
<b>Accumulated depreciation:</b>								
At 1 April 2018	1,320,516	26,413,404	19,353,502	13,998,600	261,368	602,594	-	61,949,984
Depreciation charge	36,377	1,060,134	1,241,181	922,407	1,956	-	-	3,262,055
Disposals	-	-	(147,656)	(286,569)	(242,399)	-	-	(676,624)
At 31 March 2019	1,356,893	27,473,538	20,447,027	14,634,438	20,925	602,594	-	64,535,415
Depreciation charge	36,377	1,060,134	1,080,975	876,837	543	-	-	3,054,866
Disposals	-	-	-	(3,211,574)	(4,945)	(157,662)	-	(3,374,181)
At 31 March 2020	1,393,270	28,533,672	21,528,002	12,299,701	16,523	444,932	-	64,216,100
<b>Carrying amount:</b>								
At 31 March 2020	2,361,706	12,944,938	5,179,873	2,238,043	-	-	4,036,853	26,761,413
At 31 March 2019	2,398,083	14,005,072	2,968,776	1,299,050	2,834	-	281,026	20,954,841

\* These are right-of-use assets with upfront payments.

**SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS**

**31 March 2020**

16. GOVERNMENT GRANTS RECEIVED IN ADVANCE

	Group and Board	
	2020	2019
	\$	\$
Beginning of financial year	9,974,719	11,204,226
Add: Grants received during the year	30,666,597	29,845,416
Less: Amount transferred to deferred capital grants (Note 20)	(36,900)	-
Less: Amount recognised in profit or loss	(33,219,233)	(31,074,923)
End of financial year	<u>7,385,183</u>	<u>9,974,719</u>

17. SPONSORSHIP RECEIVED IN ADVANCE

	Group and Board	
	2020	2019
	\$	\$
Beginning of financial year	2,105,200	762,156
Add: Sponsorship granted during the year	1,514,433	1,957,515
Less: Amount transferred to deferred capital grants (Note 20)	-	(36,363)
Less: Amount recognised in profit or loss	(1,025,397)	(578,108)
Less: Amount transferred to others	(1,995)	-
End of financial year	<u>2,592,241</u>	<u>2,105,200</u>

18. TRADE AND OTHER PAYABLES

	Group		Board	
	2020	2019	2020	2019
	\$	\$	\$	\$
Trade payables to:				
- external parties	765,660	1,906,718	625,582	1,778,257
- related parties	175,023	-	175,023	-
- subsidiaries	-	-	8,911	26,650
	<u>940,683</u>	<u>1,906,718</u>	<u>809,516</u>	<u>1,804,907</u>
Other payables to:				
- non-related parties	1,016,122	903,802	1,014,321	895,100
- other government agency	73,322	84,833	74,093	81,068
- subsidiaries	-	-	3,142	1,920
Deposits received	138,881	97,377	102,942	113,417
Deferred income	391,653	547,581	310,928	413,067
Other accruals for operating expenses	2,274,190	2,313,463	2,226,119	2,203,504
	<u>4,834,851</u>	<u>5,853,774</u>	<u>4,541,061</u>	<u>5,512,983</u>

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

19. DEFERRED INCOME TAX LIABILITIES

	Group	
	2020	2019
	\$	\$
Beginning of financial year	37,150	48,253
Tax credited to profit or loss (Note 8)	-	(11,103)
End of financial year	<u>37,150</u>	<u>37,150</u>

The movement in deferred income tax liabilities pertains to accelerated tax depreciation.

**SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS  
31 March 2020**

20. DEFERRED CAPITAL GRANTS

Group	Government		Others		Total	
	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$
Beginning of financial year	14,854,810	15,908,138	77,293	208,784	14,932,103	16,116,922
Add: Transferred from						
- government grants (Note 16)	36,900	-	-	-	36,900	-
- other government grants (Note 10)	-	-	298,819	5,468	298,819	5,468
- sponsorship (Note 17)	-	-	-	36,363	-	36,363
- omni-theatre development fund (Note 24)	-	-	122,780	-	122,780	-
Less: Amount recognised in profit or loss	(1,049,324)	(1,053,328)	(179,132)	(173,322)	(1,228,456)	(1,226,650)
End of financial year	<u>13,842,386</u>	<u>14,854,810</u>	<u>319,760</u>	<u>77,293</u>	<u>14,162,146</u>	<u>14,932,103</u>
Total deferred capital grants received (included in government grants received) since inception of the Board	<u>74,538,859</u>	<u>74,501,959</u>	<u>14,292,380</u>	<u>13,870,781</u>	<u>88,831,239</u>	<u>88,372,740</u>

Board	Government		Others		Total	
	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$
Beginning of financial year	14,887,340	15,940,668	(16,790)	86,744	14,870,550	16,027,412
Add: Transferred from						
- government grants (Note 16)	36,900	-	-	-	36,900	-
- other government grants (Note 10)	-	-	298,819	5,468	298,819	5,468
- sponsorship (Note 17)	-	-	-	36,363	-	36,363
- omni-theatre development fund (Note 24)	-	-	122,780	-	122,780	-
Less: Amount recognised in profit or loss	(1,049,324)	(1,053,328)	(151,175)	(145,365)	(1,200,499)	(1,198,693)
End of financial year	<u>13,874,916</u>	<u>14,887,340</u>	<u>253,634</u>	<u>(16,790)</u>	<u>14,128,550</u>	<u>14,870,550</u>
Total deferred capital grants received (included in government grants received) since inception of the Board	<u>74,538,859</u>	<u>74,501,959</u>	<u>14,098,437</u>	<u>13,676,838</u>	<u>88,637,296</u>	<u>88,178,797</u>

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

#### 21. CAPITAL ACCOUNT

The Board's capital account represents:

- (a) the grant of \$1,640,347 given by the MOE in the financial year 1993/94 to contribute towards the repayment of the outstanding accumulated interest on a Government loan taken in 1984 for the purchase of a piece of leasehold land for the Omni-Theatre; and
- (b) the conversion of a Government loan and the related outstanding accumulated interest amounting to \$1,339,636. The loan was utilised by the Board in 1988 to finance the building of the Omni-Theatre. The conversion of the loan and outstanding accumulated interest to capital was approved by the Ministry of Finance in the financial year ended 31 March 2001.

#### 22. SHARE CAPITAL

	Group and Board	
	2020	2019
	\$	\$
Beginning of financial year	9,989,432	7,959,330
Issue of new shares	-	2,030,102
End of financial year	<u>9,989,432</u>	<u>9,989,432</u>

In the previous financial year, 2,030,102 ordinary shares were issued for a total consideration of \$2,030,102 as part of the Capital Management Framework for Statutory Boards under Finance Circular Minute M26/2008. The shares are fully paid and are held by the Minister for Finance, a body corporate incorporated by the Minister for Finance (Incorporation) Act (Cap. 183).

The holders of these shares are entitled to receive dividends as and when declared by the Board. The shares carry neither voting rights nor par value.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS 31 March 2020

#### 23. RESTRICTED FUNDS

Restricted funds comprise of the Sponsorship Fund and the Endowment Fund:

#### Statement of Comprehensive Income - Restricted Funds

<u>Board</u>	<u>Sponsorship</u>	<u>Endowment</u>	<u>Total</u>
	\$	\$	\$
<b>2020</b>			
Other income	1,153,285	210,438	1,363,723
Expenses	(1,140,203)	(64,427)	(1,204,630)
Net surplus for the year	13,082	146,011	159,093
Accumulated surplus brought forward	91,746	7,509,450	7,601,196
Accumulated surplus carried forward	<u>104,828</u>	<u>7,655,461</u>	<u>7,760,289</u>
<b>2019</b>			
Other income	816,534	102,811	919,345
Expenses	(805,600)	(3,666)	(809,266)
Net surplus for the year	10,934	99,145	110,079
Accumulated surplus brought forward	80,812	7,410,305	7,491,117
Accumulated surplus carried forward	<u>91,746</u>	<u>7,509,450</u>	<u>7,601,196</u>

Sponsorship income relates to expenditure incurred which will be subsequently reimbursed by the sponsors of the events. The amount reimbursable is correspondingly recorded as sponsorship receivables under trade and other receivables (Note 10).

**SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS  
31 March 2020**

Statement of Financial Position - Restricted Funds

<u>Board</u>	<u>Sponsorship</u>	<u>Endowment</u>	<u>Total</u>
	\$	\$	\$
<u>2020</u>			
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4,883,963	2,179,447	7,063,410
Trade receivables	138	-	138
Other receivables	272	6,191	6,463
Sponsorship receivable (Note 10)	65,392	-	65,392
Other investment (Note 12)	-	1,018,000	1,018,000
Financial asset at FVTPL (Note 11)	-	4,516,334	4,516,334
	<u>4,949,765</u>	<u>7,719,972</u>	<u>12,669,737</u>
<b>Non-current asset</b>			
Property, plant and equipment	26,451	-	26,451
	<u>26,451</u>	<u>-</u>	<u>26,451</u>
<b>Total assets</b>	<u>4,976,216</u>	<u>7,719,972</u>	<u>12,696,188</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	2,252,696	64,511	2,317,207
Sponsorship received in advance (Note 17)	2,592,241	-	2,592,241
	<u>4,844,937</u>	<u>64,511</u>	<u>4,909,448</u>
<b>Non-current liabilities</b>			
Deferred capital grants	26,451	-	26,451
<b>Total liabilities</b>	<u>4,871,388</u>	<u>64,511</u>	<u>4,935,899</u>
<b>NET ASSETS</b>	<u>104,828</u>	<u>7,655,461</u>	<u>7,760,289</u>

**SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS  
31 March 2020**

<u>Board</u>	<u>Sponsorship</u>	<u>Endowment</u>	<u>Total</u>
	\$	\$	\$
<u>2019</u>			
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	2,138,171	2,117,609	4,255,780
Trade receivables	33,426	-	33,426
Other receivables	4,912	7,184	12,096
Sponsorship receivable (Note 10)	165,896	-	165,896
Financial asset at FVTPL (Note 11)	-	4,370,401	4,370,401
	<u>2,342,405</u>	<u>6,495,194</u>	<u>8,837,599</u>
<b>Non-current assets</b>			
Other investment (Note 12)	-	1,018,000	1,018,000
Property, plant and equipment	37,640	-	37,640
	<u>37,640</u>	<u>1,018,000</u>	<u>1,055,640</u>
<b>Total assets</b>	<u>2,380,045</u>	<u>7,513,194</u>	<u>9,893,239</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	145,459	3,744	149,203
Sponsorship received in advance (Note 17)	2,105,200	-	2,105,200
	<u>2,250,659</u>	<u>3,744</u>	<u>2,254,403</u>
<b>Non-current liabilities</b>			
Deferred capital grants	37,640	-	37,640
<b>Total liabilities</b>	<u>2,288,299</u>	<u>3,744</u>	<u>2,292,043</u>
<b>NET ASSETS</b>	<u>91,746</u>	<u>7,509,450</u>	<u>7,601,196</u>

24. OMNI-THEATRE DEVELOPMENT FUND

The Omni-Theatre Development Fund was set up with contributions received from private organisations and individuals. The income of this fund is taken to the profit or loss and is used for:

- (i) replacing the various specialised and highly technical projector systems and sound equipment;
- (ii) leasing of OMNIMAX movies; and
- (iii) producing Planetarium shows.

**SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS**

**31 March 2020**

	<u>Group and Board</u>	
	<u>2020</u>	<u>2019</u>
	\$	\$
Beginning of financial year	122,780	122,780
Less: Amount transferred to deferred capital grant (Note 20)	<u>(122,780)</u>	-
End of financial year	<u>-</u>	<u>122,780</u>
Represented by:		
Cash at bank and on hand	<u>-</u>	<u>122,780</u>

25. OPERATING LEASE ARRANGEMENTS

(a) Group as a lessor

Operating leases, in which the Group is the lessor, relate to retail space leased to third parties with lease terms of between 1 to 2 years and the lessees are required to pay either absolute fixed annual increase to the lease payments or contingent rents computed based on their sales achieved during the lease period.

*Disclosure required by SB-FRS 116*

The lessee does not have an option to purchase the property at the expiry of the lease period.

The unguaranteed residual values do not represent a significant risk for the Group, as the properties leased out are mainly located in prime locations.

Maturity analysis of operating lease payments:

	<u>Group</u>	<u>Board</u>
	<u>2020</u>	<u>2020</u>
	\$	\$
Year 1	517,505	460,505
Year 2	<u>148,611</u>	<u>110,611</u>
	<u>666,116</u>	<u>571,116</u>

*Disclosure required by SB-FRS 17*

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:

	<u>Group</u>	<u>Board</u>
	<u>2019</u>	<u>2019</u>
	\$	\$
Not later than one year	643,004	716,004
Between two and five years	<u>702,455</u>	<u>617,455</u>
	<u>1,345,459</u>	<u>1,333,459</u>



## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

#### 26. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT

##### **(a) Categories of financial instruments**

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Board	
	2020	2019	2020	2019
	\$	\$	\$	\$
Financial assets, at amortised cost	25,378,646	31,992,532	25,096,128	31,331,766
Other investment	1,018,000	1,018,000	1,018,000	1,018,000
Financial assets, at FVTPL	4,516,334	4,370,401	4,516,334	4,370,401
	<u>30,912,980</u>	<u>37,380,933</u>	<u>30,630,462</u>	<u>36,720,167</u>
Financial liabilities, at amortised cost	(4,443,198)	(5,306,193)	(4,230,133)	(5,099,916)

##### **(b) Financial risk management policies and objectives**

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk.

The Board is responsible for setting the objectives and underlying principles of financial risk management for the Group. The Board then establishes detailed policies such as risk identification and measurement and exposure limits.

The information presented below is based on information received by the key management.

##### *(i) Foreign currency risk management*

The Group has no significant exposure to foreign currencies as its operations are substantially denominated in Singapore dollars, which is also its functional currency.

##### *(ii) Price risk management*

To manage its price risk arising from these investments, the Group manages its investment portfolio in accordance with investment guidelines and limits set by the Group for the portfolio. For its equity securities designated at fair value through profit or loss, the impact of a 5% increase in the fair value of the Fund at the reporting date on net surplus would have been an increase of \$225,817 (2019 : \$218,520). An equal change in the opposite direction would have decrease net surplus by \$225,817 (2019 : \$218,520).

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

#### *(iii) Interest rate risk management*

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to cash flow interest rate risk arises from interest-bearing assets consisting mainly of cash balances and fixed deposits maintained/managed by AGD. The cash balances and fixed deposits maintained/managed by AGD under centralised liquidity management are placed with high credit quality financial institution and are expected to move in tandem with market interest rate movements. The Group is not exposed to interest rate risk arising from held-to-maturity financial assets as the bonds carry a fixed coupon rate.

As the Group does not have other significant interest-bearing assets at floating rates, the Group's income is substantially independent of changes in market interest rates. Accordingly, no sensitivity analysis is presented. Information relating to the Group's interest rate exposure are disclosed in the respective notes to the financial statements.

#### *(iv) Credit risk management*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. In managing credit risk exposure, credit review and approval processes as well as monitoring mechanisms are applied.

The Group's major classes of financial assets are cash and cash equivalents with AGD, debtors and equity securities placed with reputable financial institutions. Bonds held for investment are of at least investment grade as per globally understood definition.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments as presented on the statement of financial position.

There is no significant concentration of credit risk due to the Group's large number of customers. Trade and other receivables that are neither past due nor impaired are substantially institutions and companies with a good collection track record with the Group. For financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

The Group believes that no impairment allowance is necessary in respect of these receivables as the ECL is not material.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

The following is an aging analysis of trade and other receivables:

	Group		Board	
	2020	2019	2020	2019
	\$	\$	\$	\$
Current	338,180	239,641	448,029	302,695
Past due 0 to 2 months	34,699	109,477	67,712	52,663
Past due over 2 months	70,436	79,280	36,947	69,907
	<u>443,315</u>	<u>428,398</u>	<u>552,688</u>	<u>425,265</u>

Management has assessed and determined that there has been no significant change in credit quality from the date credit was initially granted and hence the receivables are still considered recoverable.

(v) *Liquidity risk management*

Liquidity risk is the risk that the Board will not be able to meet its financial obligations as and when they fall due. The Board's approach to maintain liquidity is to ensure sufficient funding from the government and other government agencies and maintains a level of cash and cash equivalents deemed adequate by management to finance its operations.

All financial liabilities in 2020 and 2019 are repayable on demand or due within 1 year from the end of the reporting period.

(vi) *Fair value of financial assets and financial liabilities*

Management considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

There was no transfer between Level 1 and Level 2 of the fair value hierarchy during the current and previous financial years.

**(c) Capital risk management policies and objectives**

The Board's objectives when managing capital are to ensure that the Board is adequately capitalised and to fulfill objectives for which monies of the Board may be applied under the Act. To achieve these objectives, the Board may secure grants from Government or other government agencies, return as capital to shareholders, issue new shares, or obtain new borrowings.

The Board defines capital as share capital, capital account, funds and accumulated surplus. The Board monitors its net surplus/deficits. The Board's approach to capital management remains unchanged from the previous financial year.

## SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

31 March 2020

#### 27. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, related parties refer to Ministries, Organ of States, other Statutory Boards and key management personnel. The transactions with government-related entities other than Ministries, Organ of States, and other Statutory Boards, are not disclosed unless there are circumstances to indicate that these transactions are of interest to the readers of the financial statements.

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

(a) Income from government related entities

	Group	
	2020	2019
	\$	\$
Admission fees/ Proceeds from special projects/ Fees from courses and programmes/ Sales of merchandise and publications from government schools	393,778	334,113

(b) Donations and sponsorships

	Group	
	2020	2019
	\$	\$
Donations and sponsorships from other government agencies	-	24,178

(c) Key management personnel compensation

Key management personnel compensation is as follows:

	Group		Board	
	2020	2019	2020	2019
	\$	\$	\$	\$
Wages and salaries	1,220,552	1,097,554	1,085,486	973,360
Post-employment benefits:				
- contributions to CPF	76,102	67,059	63,712	56,208
	<u>1,296,654</u>	<u>1,164,613</u>	<u>1,149,198</u>	<u>1,029,568</u>