

**SCIENCE CENTRE BOARD
AND ITS SUBSIDIARIES**
(Established under the Science Centre Act 1970)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

REPORT AND FINANCIAL STATEMENTS

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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 41 are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 ("PSG Act"), the Science Centre Act 1970 ("SCB Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") 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 2023, and the financial performance, changes in equity of the Group and the Board, and cash flows of the Group for the year then ended;
- (b) the receipts, expenditure, investments 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
- (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



Ms Tan Yen Yen
Chairman



Dr Lim Tit Meng
Chief Executive

4 July 2023

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 2023, 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 41.

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 ("PSG Act"), the Science Centre Act 1970 ("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 2023 and the financial performance and changes in equity of the Group and the Board and cash flows of the Group for the year then ended.

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 *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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF

SCIENCE CENTRE BOARD

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, Charities Act and Regulations 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.
- (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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF

SCIENCE CENTRE BOARD

- (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 – PSG Act and SCB Act

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.

Opinion – Charities Act and Regulations

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

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

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.

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

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, SCB Act, Charities Act and Regulations, 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 Responsibilities 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

4 July 2023

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME Year ended 31 March 2023

GROUP	Note	General Funds		Restricted Funds		Total	
		2023	2022	2023	2022	2023	2022
		\$	\$	\$	\$	\$	\$
Income							
- Admission fees		3,929,627	2,601,646	-	-	3,929,627	2,601,646
- Proceeds from special projects		152,908	558,765	-	-	152,908	558,765
- Fees from courses and programmes		1,226,266	927,086	-	-	1,226,266	927,086
- Collections from exhibits and events		229,484	331,136	-	-	229,484	331,136
- Sales of merchandise and publications		1,600,384	1,165,632	-	-	1,600,384	1,165,632
- Service income		666,085	373,576	-	-	666,085	373,576
- Rental income		252,671	157,822	-	-	252,671	157,822
- Photo-taking income		132,714	124,538	-	-	132,714	124,538
		<u>8,190,139</u>	<u>6,240,201</u>	<u>-</u>	<u>-</u>	<u>8,190,139</u>	<u>6,240,201</u>
Other income	4	1,720,819	1,850,822	2,076,331	2,433,234	3,797,150	4,284,056
Other losses - net	5	-	-	(222,094)	(71,135)	(222,094)	(71,135)
Expenses							
- Employee compensation	6	(26,920,107)	(24,394,053)	(110,155)	(146,139)	(27,030,262)	(24,540,192)
- Materials for exhibits and events		(6,712,950)	(4,640,222)	(1,287,583)	(1,998,193)	(8,000,533)	(6,638,415)
- Repairs and maintenance		(9,038,683)	(7,518,353)	(2,079)	(16,456)	(9,040,762)	(7,534,809)
- Publicity and promotions		(2,152,462)	(1,717,407)	(195,227)	(95,564)	(2,347,689)	(1,812,971)
- Depreciation	14	(4,368,306)	(3,131,655)	(11,941)	(11,725)	(4,380,247)	(3,143,380)
- Other expenditure	7	(3,861,439)	(2,936,732)	(270,995)	(321,209)	(4,132,434)	(3,257,941)
		<u>(53,053,947)</u>	<u>(44,338,422)</u>	<u>(1,877,980)</u>	<u>(2,589,286)</u>	<u>(54,931,927)</u>	<u>(46,927,708)</u>
Deficit before grants		(43,142,989)	(36,247,399)	(23,743)	(227,187)	(43,166,732)	(36,474,586)
Operating grants from government	15	48,580,509	33,620,296	-	-	48,580,509	33,620,296
Grants from other government agencies		417,039	751,208	-	-	417,039	751,208
Deferred capital grants amortised	19	2,339,497	1,285,815	8,420	9,321	2,347,917	1,295,136
		<u>51,337,045</u>	<u>35,657,319</u>	<u>8,420</u>	<u>9,321</u>	<u>51,345,465</u>	<u>35,666,640</u>
Surplus/(Deficit) before tax		8,194,056	(590,080)	(15,323)	(217,866)	8,178,733	(807,946)
Income tax (expense)/credit	8	(39,185)	3,828	-	-	(39,185)	3,828
Net surplus/(deficit) and total comprehensive income/(loss)		<u>8,154,871</u>	<u>(586,252)</u>	<u>(15,323)</u>	<u>(217,866)</u>	<u>8,139,548</u>	<u>(804,118)</u>

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME (cont'd) Year ended 31 March 2023

BOARD	Note	General Funds		Restricted Funds		Total	
		2023	2022	2023	2022	2023	2022
		\$	\$	\$	\$	\$	\$
Income							
- Admission fees		2,811,891	1,495,443	-	-	2,811,891	1,495,443
- Proceeds from special projects		152,908	558,765	-	-	152,908	558,765
- Fees from courses and programmes		1,021,638	797,570	-	-	1,021,638	797,570
- Collections from exhibits and events		229,484	331,136	-	-	229,484	331,136
- Sales of merchandise and publications		1,544,694	1,125,502	-	-	1,544,694	1,125,502
- Service income		11,659	8,893	-	-	11,659	8,893
		<u>5,772,274</u>	<u>4,317,309</u>	<u>-</u>	<u>-</u>	<u>5,772,274</u>	<u>4,317,309</u>
Other income	4	1,618,562	1,365,246	2,076,332	2,433,234	3,694,894	3,798,480
Other losses - net	5	-	-	(222,094)	(71,135)	(222,094)	(71,135)
Expenses							
- Employee compensation	6	(26,037,158)	(23,607,778)	(110,155)	(146,139)	(26,147,313)	(23,753,917)
- Materials for exhibits and events		(6,763,012)	(4,664,744)	(1,287,583)	(1,998,193)	(8,050,595)	(6,662,937)
- Repairs and maintenance		(8,269,549)	(6,980,427)	(2,079)	(16,456)	(8,271,628)	(6,996,883)
- Publicity and promotions		(2,081,758)	(1,649,726)	(195,227)	(95,564)	(2,276,985)	(1,745,290)
- Depreciation	14	(4,174,076)	(2,962,635)	(11,942)	(11,725)	(4,186,018)	(2,974,360)
- Other expenditure	7	(3,388,107)	(2,625,525)	(270,995)	(321,209)	(3,659,102)	(2,946,734)
		<u>(50,713,660)</u>	<u>(42,490,835)</u>	<u>(1,877,981)</u>	<u>(2,589,286)</u>	<u>(52,591,641)</u>	<u>(45,080,121)</u>
Deficit before grants		(43,322,824)	(36,808,280)	(23,743)	(227,187)	(43,346,567)	(37,035,467)
Operating grants from government	15	48,580,509	33,620,296	-	-	48,580,509	33,620,296
Grants from other government agencies		417,039	751,208	-	-	417,039	751,208
Deferred capital grants amortised	19	2,307,037	1,270,196	8,420	9,321	2,315,457	1,279,517
		<u>51,304,585</u>	<u>35,641,700</u>	<u>8,420</u>	<u>9,321</u>	<u>51,313,005</u>	<u>35,651,021</u>
Net surplus/(deficit) and total comprehensive income/(loss)		7,981,761	(1,166,580)	(15,323)	(217,866)	7,966,438	(1,384,446)

See accompanying notes to financial statements.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION 31 March 2023

	Note	Group		Board	
		2023	2022	2023	2022
		\$	\$	\$	\$
ASSETS					
Current assets					
Cash and cash equivalents	9	39,710,102	28,740,500	37,812,367	26,706,974
Trade and other receivables	10	2,781,184	3,721,789	3,117,724	4,019,190
Financial asset at fair value through profit or loss	11	5,762,830	5,984,924	5,762,830	5,984,924
Inventories	12	139,012	104,192	21,022	24,967
Total current assets		48,393,128	38,551,405	46,713,943	36,736,055
Non-current assets					
Investments in subsidiaries	13	-	-	660,002	660,002
Property, plant and equipment	14	25,330,985	24,150,169	25,082,522	23,831,952
Total non-current assets		25,330,985	24,150,169	25,742,524	24,491,954
Total assets		73,724,113	62,701,574	72,456,467	61,228,009
LIABILITIES AND EQUITY					
Current liabilities					
Government grants received in advance	15	16,941,398	13,428,934	16,941,398	13,428,934
Other government grants received in advance	10	1,695,230	945,085	1,695,230	945,085
Sponsorship received in advance	16	1,316,791	1,732,439	1,316,791	1,732,439
Trade and other payables	17	5,544,448	5,697,693	5,109,691	4,902,323
Total current liabilities		25,497,867	21,804,151	25,063,110	21,008,781
Non-current liabilities					
Deferred income tax liabilities	18	6,418	37,150	-	-
Deferred capital grants	19	11,458,365	12,658,315	11,416,643	12,628,909
Total non-current liabilities		11,464,783	12,695,465	11,416,643	12,628,909
Capital, funds and accumulated surplus					
Capital account	20	2,979,983	2,979,983	2,979,983	2,979,983
Share capital	21	10,908,360	10,488,403	10,908,360	10,488,403
Accumulated surplus					
- General funds		14,901,889	6,747,018	14,286,156	6,304,395
- Restricted funds	22	7,971,231	7,986,554	7,802,215	7,817,538
Total equity		36,761,463	28,201,958	35,976,714	27,590,319
Total liabilities and equity		73,724,113	62,701,574	72,456,467	61,228,009

See accompanying notes to financial statements.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY Year ended 31 March 2023

	Capital account	Share capital	Accumulated surplus		
			General funds	Restricted funds	Total
<u>Group</u>	\$	\$	\$	\$	\$
Balance as at 1 April 2021	2,979,983	9,990,181	7,333,270	8,204,420	28,507,854
Issuance of share capital (Note 21)	-	498,222	-	-	498,222
Total comprehensive loss	-	-	(586,252)	(217,866)	(804,118)
Balance as at 31 March 2022	2,979,983	10,488,403	6,747,018	7,986,554	28,201,958
Issuance of share capital, net (Note 21)	-	419,957	-	-	419,957
Total comprehensive income	-	-	8,154,871	(15,323)	8,139,548
Balance as at 31 March 2023	<u>2,979,983</u>	<u>10,908,360</u>	<u>14,901,889</u>	<u>7,971,231</u>	<u>36,761,463</u>
 <u>Board</u>					
Balance as at 1 April 2021	2,979,983	9,990,181	7,470,975	8,035,404	28,476,543
Issuance of share capital	-	498,222	-	-	498,222
Total comprehensive loss	-	-	(1,166,580)	(217,866)	(1,384,446)
Balance as at 31 March 2022	2,979,983	10,488,403	6,304,395	7,817,538	27,590,319
Issuance of share capital	-	419,957	-	-	419,957
Total comprehensive income	-	-	7,981,761	(15,323)	7,966,438
Balance as at 31 March 2023	<u>2,979,983</u>	<u>10,908,360</u>	<u>14,286,156</u>	<u>7,802,215</u>	<u>35,976,714</u>

See accompanying notes to financial statements.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS Year ended 31 March 2023

	Note	2023	2022
		\$	\$
Operating activities			
Deficit before grants		(43,166,732)	(36,474,586)
Adjustments for:			
Depreciation	14	4,380,247	3,143,380
Loss on disposal of property, plant and equipment	7	89,284	-
Write-down of inventories		36,544	59,262
Donations and sponsorship	4	(2,033,408)	(2,421,577)
Changes in fair value of financial asset at fair value through profit or loss	5	222,094	71,154
Interest income	4	(153,218)	(64,635)
Operating loss before working capital changes		(40,625,189)	(35,687,002)
Change in working capital:			
Inventories		(71,364)	2,439
Trade and other receivables		69,273	(428,769)
Trade and other payables		(153,245)	771,729
Cash used in operations		(40,780,525)	(35,341,603)
Income tax (paid) refunded		(69,917)	3,828
Net cash used in operating activities		(40,850,442)	(35,337,775)
Investing activities			
Purchases of property, plant and equipment		(5,650,347)	(2,136,563)
Purchase of financial assets, held to maturity		-	(1,000,000)
Placement of short-term bank deposits		(1,000,000)	-
Interest received		153,218	64,635
Net cash used in investing activities		(6,497,129)	(3,071,928)
Financing activities			
Government grants received		53,196,165	32,965,809
Sponsorship received		1,828,794	975,627
Other government grants received		1,872,257	254,171
Issuance of share capital		419,957	498,222
Net cash from financing activities		57,317,173	34,693,829
Net increase (decrease) in cash and cash equivalents		9,969,602	(3,715,874)
Cash and cash equivalents at beginning of financial year		26,740,500	30,456,374
Cash and cash equivalents at end of financial year	9	<u>36,710,102</u>	<u>26,740,500</u>

See accompanying notes to financial statements.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

31 March 2023

1. GENERAL

Science Centre Board (the "Board") is a statutory board established in Singapore under the Science Centre Act 1970. 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 and guides;
- (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 13.

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 2023 were authorised for issue by the Board on 4 July 2023.

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 Public Sector (Governance) Act 2018 ("PSG Act"), the Science Centre Act 1970 ("SCB 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 2023

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 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.

2.3 Standards issued but not yet effective

Management has considered and is of the view that the adoption of relevant new/revised SB-FRSs/FRSs 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.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

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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.

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.

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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 assets, 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.

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).

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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 ECL 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.

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 have expired.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

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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 14.

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.

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

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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 \$5,000 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.

Management has received the notification and approval from Ministry of Finance to proceed with the next stage of development of the New Science Centre in January 2022 and April 2023 respectively. Hence, management has commenced accelerated depreciation of relevant Property, Plant and Equipment from 1 April 2022 onwards, resulting in an increase in annual depreciation of \$1,100,000.

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.

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.

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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.

(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.

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(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.

Service income from consultancy services are recognised as a performance obligation satisfied over time. Revenue is recognised for these installation services based on the stage of completion of the contract. Management has assessed that the stage of completion based on achieving a series of performance-related milestones is an appropriate measure of progress towards complete satisfaction of these performance obligations under SB-FRS 115.

(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.

(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.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

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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.

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.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

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The objectives of the Fund are:

- (a) to promote interest, learning and creativity in science and technology;
- (b) to organise science related activities, exhibitions, workshops, lectures and programmes for targeted and general audiences; and
- (c) to produce and publish scientific literature in the form of magazines and guidebooks.

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 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.

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.

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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.

2.18 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.

2.19 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.

2.20 Share capital

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

2.21 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.

2.22 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.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

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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	
	2023	2022	2023	2022
	\$	\$	\$	\$
Donations and sponsorship	2,033,408	2,421,577	2,033,408	2,421,577
Rental income	815,352	530,028	877,092	542,086
Interest income	153,218	64,635	153,218	64,635
Management fee	418,097	382,648	583,457	746,128
Others	377,075	885,168	47,719	24,054
	<u>3,797,150</u>	<u>4,284,056</u>	<u>3,694,894</u>	<u>3,798,480</u>

5. OTHER LOSSES - NET

	Group		Board	
	2023	2022	2023	2022
	\$	\$	\$	\$
Fair value changes on financial asset at FVTPL	(222,094)	(71,154)	(222,094)	(71,154)
Net currency translation gains	-	19	-	19
	<u>(222,094)</u>	<u>(71,135)</u>	<u>(222,094)</u>	<u>(71,135)</u>

6. EMPLOYEE COMPENSATION

	Group		Board	
	2023	2022	2023	2022
	\$	\$	\$	\$
Wages and salaries	23,174,607	21,122,393	22,407,386	20,456,431
Employer's contribution to Central Provident Fund	3,421,245	3,041,428	3,305,663	2,922,044
Other staff benefits	434,410	376,371	434,264	375,442
	<u>27,030,262</u>	<u>24,540,192</u>	<u>26,147,313</u>	<u>23,753,917</u>

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

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7. OTHER EXPENDITURE

	Group		Board	
	2023	2022	2023	2022
	\$	\$	\$	\$
Professional, consultancy and other fees	778,913	760,678	672,953	660,502
Cost of merchandise and publications	651,591	556,967	663,929	544,442
Printing, stationery and office supplies	79,630	66,681	70,092	56,844
Rental of equipment and venue and lease fees of films	427,375	277,022	238,162	243,410
Postage, telephone and courier charges	58,327	68,234	52,096	60,619
Loss on disposal of property, plant and equipment	89,284	-	89,284	-
Transport and travelling expenses	289,400	107,249	272,772	105,223
Refreshment and entertainment expenses	91,702	28,288	91,470	28,055
Property tax	92,129	89,158	92,129	89,158
GST input tax (non-claimable)	1,239,453	1,092,990	1,239,453	1,092,990
Others	334,630	210,674	176,762	65,491
	<u>4,132,434</u>	<u>3,257,941</u>	<u>3,659,102</u>	<u>2,946,734</u>

8. INCOME TAX EXPENSE (CREDIT)

	Group	
	2023	2022
	\$	\$
Current income tax expense (credit)	<u>39,185</u>	<u>(3,828)</u>

The income tax expense (credit) varied from the amount of income tax expense (credit) determined by applying the Singapore tax rate of 17% (2022 : 17%) to surplus (deficit) before tax as a result of the following differences:

	Group	
	2023	2022
	\$	\$
Deficit before tax	<u>8,178,733</u>	<u>(807,946)</u>
Tax expense (credit) calculated at a tax rate of 17% (2022 : 17%)	1,390,385	(137,351)
Effects of:		
- (Surplus) Deficit of the Board exempted from tax	(1,354,295)	235,356
- Expenses not deductible for tax purposes	20,570	13,439
- Income not subject to tax	(5,518)	(42,611)
- Utilisation of previously unrecognised deductible temporary differences	(7,480)	(8,360)
- Others	(4,477)	(64,301)
Income tax expense (credit)	<u>39,185</u>	<u>(3,828)</u>

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

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS 31 March 2023

9. CASH AND CASH EQUIVALENTS

	Group		Board	
	2023	2022	2023	2022
	\$	\$	\$	\$
Deposits held with AGD	32,335,885	14,457,077	32,335,885	14,457,077
Cash at bank and on hand	4,374,217	12,283,423	2,476,482	10,249,897
Short term bank deposits	3,000,000	2,000,000	3,000,000	2,000,000
	<u>39,710,102</u>	<u>28,740,500</u>	<u>37,812,367</u>	<u>26,706,974</u>

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

	2023	2022
	\$	\$
Cash and cash equivalents (as above)	39,710,102	28,740,500
Less: Short term bank deposits with maturity of more than 3 months	<u>(3,000,000)</u>	<u>(2,000,000)</u>
Cash and cash equivalents per consolidated cash flow statement	<u>36,710,102</u>	<u>26,740,500</u>

Short term bank deposits at the balance sheet date bear average effective interest rate of 0.53% to 2.69% (2022 : 0.21% to 0.60%) and have a tenure of 3 to 12 months (2022 : 6 to 12 months).

Deposits with AGD refers to cash that is managed by AGD as set out in the Accountant-General's Circular No. 4/2009 Centralised Liquidity Management for Statutory Boards and Ministries. During the financial year ended 31 March 2023, the effective interest rate of the deposits with the AGD ranged from 0.49% to 2.85% (2022 : 0.28% to 0.41%) per annum.

10. TRADE AND OTHER RECEIVABLES

	Group		Board	
	2023	2022	2023	2022
	\$	\$	\$	\$
Trade receivables:				
- subsidiaries	-	-	449,673	479,537
- related parties	-	369,118	-	369,118
- external parties	<u>319,022</u>	<u>203,604</u>	<u>278,920</u>	<u>175,780</u>
Trade receivables - net	319,022	572,722	728,593	1,024,435
Sponsorship receivables	375,590	586,624	375,590	586,624
Other government grants receivable (see below)	903,531	1,563,829	903,531	1,563,829
Government grant receivable	377,206	352,300	377,206	352,300
Deposits	302,793	97,353	251,680	1,000
Prepayments	454,266	330,245	437,304	272,714
Other receivables	<u>48,776</u>	<u>218,716</u>	<u>43,820</u>	<u>218,288</u>
	<u>2,781,184</u>	<u>3,721,789</u>	<u>3,117,724</u>	<u>4,019,190</u>

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

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

31 March 2023

Other government grants

	Group and Board	
	2023	2022
	\$	\$
Other government grants receivable	903,531	1,563,829
Other government grants received in advance	(1,695,230)	(945,085)
	<u>(791,699)</u>	<u>618,744</u>

11. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group and Board	
	2023	2022
	\$	\$
Fullerton Conservative Balanced Fund ("Fullerton Fund")	<u>5,762,830</u>	<u>5,984,924</u>

The Fullerton Fund has a nominal value amounting to \$4,900,000 (2022 : \$4,900,000). There was an increase in investment of \$Nil (2022 : \$1,000,000) in the current year.

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 a loss of \$222,094 (2022 : \$71,154) have been included in the statement of comprehensive income for the year.

12. INVENTORIES

	Group		Board	
	2023	2022	2023	2022
	\$	\$	\$	\$
Finished goods	<u>139,012</u>	<u>104,192</u>	<u>21,022</u>	<u>24,967</u>

Inventories comprised finished goods held at cost for resale purposes.

The cost of inventories recognised as an expense and included in "Other expenditure" amounted to \$651,591 and \$663,929 (2022 : \$556,967 and \$544,442) for the Group and Board respectively.

At 31 March 2023, the write-down of inventories to net realisable value by the Group and Board amounted to \$36,544 (2022 : \$59,262) and \$120 (2022 : \$129) respectively.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS 31 March 2023

13. INVESTMENTS IN SUBSIDIARIES

	Board	
	2023	2022
	\$	\$
Unquoted equity investments at cost	1,760,002	1,760,002
Less: Accumulated impairment loss	(1,100,000)	(1,100,000)
Net carrying amount	660,002	660,002

Details of the subsidiaries are as follows:

Name of companies	Principal activities	Country of business/ incorporation	Proportion of ownership and voting power held	
			2023 %	2022 %
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><u>Held by SSCG</u></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 2023

14. PROPERTY, PLANT AND EQUIPMENT

Group

	Leasehold land*	Buildings	Leasehold improvements	Furniture and office equipment	Motor vehicles	OMNIMAX films	Assets under construction	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Cost:								
At 1 April 2021	3,754,976	42,743,446	28,165,991	15,290,787	16,523	444,932	5,231,526	95,648,181
Additions	-	-	755,968	547,646	-	-	832,949	2,136,563
Disposals	-	(90,836)	(1,308,509)	(2,648,277)	-	-	-	(4,047,622)
Reclassifications	-	-	99,831	74,822	-	-	(174,653)	-
At 31 March 2022	3,754,976	42,652,610	27,713,281	13,264,978	16,523	444,932	5,889,822	93,737,122
Additions	-	5,800	1,178,863	235,295	-	-	4,230,389	5,650,347
Disposals	-	(175,430)	(41,600)	(1,493,938)	-	-	-	(1,710,968)
Reclassifications	-	-	-	140,737	-	-	(140,737)	-
At 31 March 2023	3,754,976	42,482,980	28,850,544	12,147,072	16,523	444,932	9,979,474	97,676,501
Accumulated depreciation:								
At 1 April 2021	1,429,647	30,860,137	24,217,867	13,522,089	16,523	444,932	-	70,491,195
Depreciation charge	36,375	1,060,625	1,395,844	650,536	-	-	-	3,143,380
Disposals	-	(90,836)	(1,308,509)	(2,648,277)	-	-	-	(4,047,622)
At 31 March 2022	1,466,022	31,829,926	24,305,202	11,524,348	16,523	444,932	-	69,586,953
Depreciation charge	381,492	1,799,672	1,526,418	672,665	-	-	-	4,380,247
Disposals	-	(103,354)	(41,600)	(1,476,730)	-	-	-	(1,621,684)
At 31 March 2023	1,847,514	33,526,244	25,790,020	10,720,283	16,523	444,932	-	72,345,516
Carrying amount:								
At 31 March 2023	1,907,462	8,956,736	3,060,524	1,426,789	-	-	9,979,474	25,330,985
At 31 March 2022	2,288,954	10,822,684	3,408,079	1,740,630	-	-	5,889,822	24,150,169

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
31 March 2023**

Board

Cost:

	Leasehold land*	Buildings	Leasehold improvements	Furniture and office equipment	Motor vehicles	OMNIMAX films	Assets under construction	Total
	\$	\$	\$	\$	\$	\$	\$	\$
At 1 April 2021	3,754,976	41,478,610	26,707,875	14,476,235	16,523	444,932	5,231,526	92,110,677
Additions	-	-	603,518	538,137	-	-	832,949	1,974,604
Disposals	-	-	-	(2,537,746)	-	-	-	(2,537,746)
Transfers	-	-	99,831	74,822	-	-	(174,653)	-
At 31 March 2022	3,754,976	41,478,610	27,411,224	12,551,448	16,523	444,932	5,889,822	91,547,535
Additions	-	-	1,157,779	137,704	-	-	4,230,389	5,525,872
Disposals	-	(175,430)	(41,600)	(1,381,032)	-	-	-	(1,598,062)
Transfers	-	-	-	140,737	-	-	(140,737)	-
At 31 March 2023	3,754,976	41,303,180	28,527,403	11,448,857	16,523	444,932	9,979,474	95,475,345

Accumulated depreciation:

At 1 April 2021	1,429,647	29,593,806	22,834,228	12,959,833	16,523	444,932	-	67,278,969
Depreciation charge	36,375	1,060,135	1,333,108	544,742	-	-	-	2,974,360
Disposals	-	-	-	(2,537,746)	-	-	-	(2,537,746)
At 31 March 2022	1,466,022	30,653,941	24,167,336	10,966,829	16,523	444,932	-	67,715,583
Depreciation charge	381,492	1,798,022	1,418,894	587,610	-	-	-	4,186,018
Disposals	-	(103,354)	(41,600)	(1,363,824)	-	-	-	(1,508,778)
At 31 March 2023	1,847,514	32,348,609	25,544,630	10,190,615	16,523	444,932	-	70,392,823

Carrying amount:

At 31 March 2023	1,907,462	8,954,571	2,982,773	1,258,242	-	-	9,979,474	25,082,522
At 31 March 2022	2,288,954	10,824,669	3,243,888	1,584,619	-	-	5,889,822	23,831,952

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

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

31 March 2023

15. GOVERNMENT GRANTS RECEIVED IN ADVANCE

	Group and Board	
	2023	2022
	\$	\$
Beginning of financial year	13,428,934	15,096,443
Add: Grants received during the year	53,196,165	32,965,809
Less: Amount transferred to deferred capital grants (Note 19)	(1,103,192)	(1,013,022)
Less: Amount recognised in profit or loss	(48,580,509)	(33,620,296)
End of financial year	16,941,398	13,428,934

16. SPONSORSHIP RECEIVED IN ADVANCE

	Group and Board	
	2023	2022
	\$	\$
Beginning of financial year	1,732,439	2,613,155
Add: Sponsorship granted during the year	1,228,925	771,932
Less: Amount recognised in profit or loss	(1,644,573)	(1,652,648)
End of financial year	1,316,791	1,732,439

17. TRADE AND OTHER PAYABLES

	Group		Board	
	2023	2022	2023	2022
	\$	\$	\$	\$
Trade payables to:				
- external parties	1,132,925	1,326,801	772,038	1,100,983
- related parties	-	152,709	284,468	152,709
- subsidiaries	-	-	7,329	1,926
	1,132,925	1,479,510	1,063,835	1,255,618
Other payables to:				
- non-related parties	201,959	150,415	169,017	152,442
- other government agency	128,273	161,608	108,518	167,789
- subsidiaries	-	-	47,117	9,662
Deposits received	172,034	135,156	178,550	137,600
Deferred income	440,317	660,155	162,531	146,244
Other accruals for operating expenses	3,468,940	3,110,849	3,380,123	3,032,968
	5,544,448	5,697,693	5,109,691	4,902,323

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

18. DEFERRED INCOME TAX LIABILITIES

	Group	
	2023	2022
	\$	\$
Beginning and end of financial year	6,418	37,150

The movement in deferred income tax liabilities pertains to tax payment.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

31 March 2023

19. DEFERRED CAPITAL GRANTS

Group

	Government		Others		Total	
	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$
Beginning of financial year	12,311,237	12,796,603	347,078	111,266	12,658,315	12,907,869
Add: Transferred from						
- government grants (Note 15)	1,057,820	624,094	45,372	388,928	1,103,192	1,013,022
- other government grants (Note 10)	-	-	44,775	32,560	44,775	32,560
Less: Amount recognised in profit or loss	(2,210,194)	(1,109,460)	(137,723)	(185,676)	(2,347,917)	(1,295,136)
End of financial year	11,158,863	12,311,237	299,502	347,078	11,458,365	12,658,315
Total deferred capital grants received (included in government grants received) since inception of the Board	76,220,773	75,162,953	14,764,980	14,719,608	90,985,753	89,882,561

Board

	Government		Others		Total	
	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$
Beginning of financial year	12,343,767	12,829,133	285,142	66,271	12,628,909	12,895,404
Add: Transferred from						
- government grants (Note 15)	1,057,820	624,094	45,372	388,928	1,103,192	1,013,022
Less: Amount recognised in profit or loss	(2,210,194)	(1,109,460)	(105,264)	(170,057)	(2,315,458)	(1,279,517)
End of financial year	11,191,393	12,343,767	225,250	285,142	11,416,643	12,628,909
Total deferred capital grants received (included in government grants received) since inception of the Board	76,220,773	75,162,953	14,538,477	14,493,105	90,759,250	89,656,058

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

31 March 2023

20. 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.

21. SHARE CAPITAL

	Group and Board	
	2023	2022
	\$	\$
Beginning of financial year	10,488,403	9,990,181
Issue of new shares	477,629	498,222
Refund of shares	(57,672)	-
End of financial year	10,908,360	10,488,403

In the current financial year, 477,629 (2022 : 498,222) ordinary shares were issued for a total consideration of \$477,629 (2022 : \$498,222) 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 1959.

In the current financial year, a refund of 57,672 (2022 : Nil) ordinary shares for a total consideration of \$57,672 (2022 : \$Nil) was made to cap equity of a development project under debt-equity financing at 40% of final costs.

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 2023

22. RESTRICTED FUNDS

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

Statement of Comprehensive Income - Restricted Funds

<u>Board</u>	<u>Note</u>	<u>Sponsorship</u>	<u>Endowment</u>	<u>Total</u>
		\$	\$	\$
2023				
Income				
Donation and sponsorship		2,033,408	-	2,033,408
Interest income		9,778	33,146	42,924
Other gains/(losses) - net		-	(222,094)	(222,094)
		<u>2,043,186</u>	<u>(188,948)</u>	<u>1,854,238</u>
Expenses				
Employee compensation	(a)	110,155	-	110,155
Materials for exhibits and projects		1,287,583	-	1,287,583
Repairs and maintenance		2,079	-	2,079
Publicity and promotions		195,227	-	195,227
Depreciation	(e)	11,942	-	11,942
Other expenses	(b)	267,935	3,060	270,995
		<u>1,874,921</u>	<u>3,060</u>	<u>1,877,981</u>
Surplus (Deficit) before grants		168,265	(192,008)	(23,743)
Deferred capital grants amortised	(g)	8,420	-	8,420
Surplus (Deficit) for the financial year, representing total comprehensive income (loss) for the financial year		<u>176,685</u>	<u>(192,008)</u>	<u>(15,323)</u>
Accumulated (deficit)/surplus brought forward		(293,389)	8,110,927	7,817,538
Accumulated (deficit)/surplus carried forward		<u>(116,704)</u>	<u>7,918,919</u>	<u>7,802,215</u>
2022				
Income				
Donation and sponsorship		2,421,577	-	2,421,577
Interest income		4,163	7,494	11,657
Other gains/(losses) - net		19	(71,154)	(71,135)
		<u>2,425,759</u>	<u>(63,660)</u>	<u>2,362,099</u>
Expenses				
Employee compensation	(a)	122,248	23,891	146,139
Materials for exhibits and projects		1,998,193	-	1,998,193
Repairs and maintenance		16,456	-	16,456
Publicity and promotions		95,564	-	95,564
Depreciation	(e)	11,725	-	11,725
Other expenses	(b)	318,089	3,120	321,209
		<u>2,562,275</u>	<u>27,011</u>	<u>2,589,286</u>
Deficit before grants		(136,516)	(90,671)	(227,187)
Deferred capital grants amortised	(g)	9,321	-	9,321
Deficit for the financial year, representing total comprehensive loss for the financial year		<u>(127,195)</u>	<u>(90,671)</u>	<u>(217,866)</u>
Accumulated (deficit)/surplus brought forward		(166,194)	8,201,598	8,035,404
Accumulated (deficit)/surplus carried forward		<u>(293,389)</u>	<u>8,110,927</u>	<u>7,817,538</u>

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

31 March 2023

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).

Statement of Financial Position - Restricted Funds

<u>Board</u>	<u>Note</u>	<u>Sponsorship</u>	<u>Endowment</u>	<u>Total</u>
		\$	\$	\$
2023				
ASSETS				
Current assets				
Cash and cash equivalents	(c)	335,826	2,148,642	2,484,468
Trade and other receivables	(d)	600,811	10,446	611,257
Sponsorship receivable (Note 10)		375,590	-	375,590
Financial asset at FVTPL (Note 11)		-	5,762,830	5,762,830
		<u>1,312,227</u>	<u>7,921,918</u>	<u>9,234,145</u>
Non-current asset				
Property, plant and equipment	(e)	<u>16,606</u>	<u>-</u>	<u>16,606</u>
Total assets		<u>1,328,833</u>	<u>7,921,918</u>	<u>9,250,751</u>
LIABILITIES				
Current liabilities				
Trade and other payables	(f)	123,822	3,000	126,822
Sponsorship received in advance (Note 16)		<u>1,316,791</u>	<u>-</u>	<u>1,316,791</u>
		<u>1,440,613</u>	<u>3,000</u>	<u>1,443,613</u>
Non-current liability				
Deferred capital grants	(g)	<u>4,923</u>	<u>-</u>	<u>4,923</u>
Total liabilities		<u>1,445,536</u>	<u>3,000</u>	<u>1,448,536</u>
NET (LIABILITIES)/ASSETS		<u>(116,703)</u>	<u>7,918,918</u>	<u>7,802,215</u>

Charities Act and Regulation

As required for disclosure under regulation 17 of the Charities (Institutions of a Public Character) Regulations, the Sponsorship Fund has received total tax deductible donations of \$258,775 (2022 : \$92,350) in the current financial year.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

31 March 2023

<u>Board</u>	<u>Note</u>	<u>Sponsorship</u>	<u>Endowment</u>	<u>Total</u>
		\$	\$	\$
2022				
ASSETS				
Current assets				
Cash and cash equivalents	(c)	979,786	2,148,292	3,128,078
Trade and other receivables	(d)	119,926	1,602	121,528
Sponsorship receivable (Note 10)		586,624	-	586,624
Financial asset at FVTPL (Note 11)		-	5,984,924	5,984,924
		<u>1,686,336</u>	<u>8,134,818</u>	<u>9,821,154</u>
Non-current asset				
Property, plant and equipment	(e)	<u>28,548</u>	<u>-</u>	<u>28,548</u>
Total assets		<u>1,714,884</u>	<u>8,134,818</u>	<u>9,849,702</u>
LIABILITIES				
Current liabilities				
Trade and other payables	(f)	262,491	23,891	286,382
Sponsorship received in advance (Note 16)		<u>1,732,439</u>	<u>-</u>	<u>1,732,439</u>
		<u>1,994,930</u>	<u>23,891</u>	<u>2,018,821</u>
Non-current liabilities				
Deferred capital grants	(g)	<u>13,343</u>	<u>-</u>	<u>13,343</u>
Total liabilities		<u>2,008,273</u>	<u>23,891</u>	<u>2,032,164</u>
NET (LIABILITIES)/ASSETS		<u>(293,389)</u>	<u>8,110,927</u>	<u>7,817,538</u>

Notes

(a) Employee compensation

	<u>Sponsorship</u>		<u>Endowment</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$	\$
Wages and salaries	103,403	113,637	-	-
Employer's contribution to Central Provident Fund	6,327	8,111	-	-
Other staff benefits	425	500	-	23,891
	<u>110,155</u>	<u>122,248</u>	<u>-</u>	<u>23,891</u>

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

31 March 2023

(b) Other expenses

	Sponsorship		Endowment	
	2023	2022	2023	2022
	\$	\$	\$	\$
Professional, consultancy and other fees	73,778	140,820	3,000	3,000
Printing, stationery and office supplies	20,155	7,226	-	-
Rental of equipment, venue and facilities	120,000	106,726	-	-
Postage, telephone and courier charges	3,294	17,654	-	-
Transport and travelling expenses	9,284	11,964	-	-
Refreshment and entertainment	35,948	17,858	-	-
Others	5,476	15,841	60	120
	<u>267,935</u>	<u>318,089</u>	<u>3,060</u>	<u>3,120</u>

(c) Cash and cash equivalents

	Sponsorship		Endowment	
	2023	2022	2023	2022
	\$	\$	\$	\$
Cash at bank and in hand	335,826	979,786	148,642	148,292
Short-term bank deposits	-	-	2,000,000	2,000,000
	<u>335,826</u>	<u>979,786</u>	<u>2,148,642</u>	<u>2,148,292</u>

(d) Trade and other receivables

	Sponsorship		Endowment	
	2023	2022	2023	2022
	\$	\$	\$	\$
Trade receivables	11,397	7,798	-	-
Other receivables due from Science Centre Board	589,414	112,128	-	-
Other receivables	-	-	10,446	1,602
	<u>600,811</u>	<u>119,926</u>	<u>10,446</u>	<u>1,602</u>

Other receivables due from Science Centre Board are unsecured, interest-free and are repayable on demand.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS 31 March 2023

(e) Property, plant and equipment

Sponsorship

	Leasehold improvements	Furniture equipment	Total
	\$	\$	\$
Cost:			
At 1 April 2021	210,000	61,604	271,604
Additions	-	17,608	17,608
At 31 March 2022	210,000	79,212	289,212
Disposals	-	(2,719)	(2,719)
At 31 March 2023	210,000	76,493	286,493
Accumulated depreciation:			
At 1 April 2021	210,000	38,939	248,939
Depreciation charge	-	11,725	11,725
At 31 March 2022	210,000	50,664	260,664
Depreciation charge	-	11,942	11,942
Disposals	-	(2,719)	(2,719)
At 31 March 2023	210,000	59,887	269,887
Carrying amount:			
At 31 March 2023	-	16,606	16,606
At 31 March 2022	-	28,548	28,548

(f) Trade and other payables

	Sponsorship		Endowment	
	2023	2022	2023	2022
	\$	\$	\$	\$
Trade payables	4,613	132,137	-	-
Accrued operating expenses	97,033	110,884	3,000	-
Other payables due to Science Centre Board	-	-	-	23,891
Other payables to other government agency	22,176	19,470	-	-
	123,822	262,491	3,000	23,891

Other payables due to Science Centre Board are unsecured, interest-free and repayable on demand.

(g) Deferred capital grants

	Sponsorship	
	2023	2022
	\$	\$
Beginning of financial year	13,343	22,664
Less: Amount recognised in profit or loss	(8,420)	(9,321)
End of financial year	4,923	13,343

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS 31 March 2023

23. 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.

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:

	Group		Board	
	2023	2022	2023	2022
	\$	\$	\$	\$
Year 1	278,139	344,513	218,139	305,513
Year 2	116,219	50,051	116,219	50,051
	394,358	394,564	334,358	355,564

24. 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	
	2023	2022	2023	2022
	\$	\$	\$	\$
Financial assets, at amortised cost	42,037,020	32,132,044	40,492,787	30,453,450
Financial assets, at FVTPL	5,762,830	5,984,924	5,762,830	5,984,924
	47,799,850	38,116,968	46,255,617	36,438,374
Financial liabilities, at amortised cost	(5,104,131)	(5,037,538)	(4,947,160)	(4,756,079)

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

31 March 2023

(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 \$288,142 (2022 : \$299,246). An equal change in the opposite direction would have decrease net surplus by \$288,142 (2022 : \$299,246).

(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 reputable financial institutions 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.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

31 March 2023

(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.

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

	Group		Board	
	2023	2022	2023	2022
	\$	\$	\$	\$
Current	197,736	543,681	395,544	752,043
Past due 0 to 2 months	79,778	28,720	87,287	50,463
Past due over 2 months	41,508	321	245,762	221,929
	<u>319,022</u>	<u>572,722</u>	<u>728,593</u>	<u>1,024,435</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 2023 and 2022 are repayable on demand or due within 1 year from the end of the reporting period.

SCIENCE CENTRE BOARD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

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(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.

25. 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	
	2023	2022
	\$	\$
Admission fees/ Proceeds from special projects/ Fees from courses and programmes/ Sales of merchandise and publications from government schools	468,436	353,507

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group		Board	
	2023	2022	2023	2022
	\$	\$	\$	\$
Wages and salaries	1,362,637	1,271,027	1,198,647	1,120,688
Employer's contribution to Central Provident Fund	69,004	60,704	57,424	49,710
	1,431,641	1,331,731	1,256,071	1,170,398