National Library Board Singapore

NATIONAL LIBRARY BOARD AND ITS SUBSIDIARIES

Keep on Discovering

FINANCIAL STATEMENTS

For The Financial Year Ended 31 March 2015

CONTENTS

Statement by Board Members	01
Independent Auditor's Report	02
Consolidated Statement of Financial Position	04
Statement of Financial Position	05
Consolidated Statement of Comprehensive Income	06
Statement of Comprehensive Income	07
Consolidated Statement of Changes in Equity	08
Statement of Changes in Equity	09
Consolidated Statement of Cash Flows	10
Notes to the Financial Statements	11

STATEMENT BY BOARD MEMBERS

For the financial year ended 31 March 2015

In our opinion,

(a) the accompanying financial statements of the National Library Board (the "Board") and its subsidiaries (the "Group") as set out on pages 4 to 55 are drawn up so as to present fairly, in all material respects, the state of affairs of the Group and of the Board as at 31 March 2015 and the results and changes in equity of the Group and the Board and cash flows of the Group for the financial year then ended in accordance with the provisions of the National Library Board Act (Cap. 197, 1996 Revised Edition) (the "Act"), Singapore Charities Act (Chapter 37) and Singapore Statutory Board Financial Reporting Standards ("SB-FRS");

(b) the receipts, expenditure and investment of moneys and the acquisition and disposal of assets by the Board during the financial year have been in accordance with the provisions of this Act; and

(c) proper accounting and other records have been kept including all records of all assets of the Board whether purchased, donated or otherwise.

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

On behalf of the Board

YEOH CHEE YAN
Chairman

ELAINE NG
Chief Executive Officer

19 June 2015

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

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of National Library Board (the "Board") and its subsidiaries (the "Group") set out on pages 4 to 55, which comprise the consolidated statement of financial position of the Group and statement of financial position of the Board as at 31 March 2015, the statements of comprehensive income and statements of changes in equity of the Group and the Board and the statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the National Library Board Act (Cap. 197, 1996 Revised Edition) (the "Act"), Singapore Charities Act (Chapter 37) and Singapore Statutory Board Financial Reporting Standards ("SB-FRS"), and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the 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 Act, Singapore Charities Act (Chapter 37) and SB-FRS so as to present fairly, in all material respects, the state of affairs of the Group and the Board as at 31 March 2015 and the results and changes in equity of the Group and the Board and cash flows of the Group for the financial year ended on that date.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF THE NATIONAL LIBRARY BOARD
(continued)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Management's Responsibility for Compliance with Legal and Regulatory Requirements

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

Auditor's responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

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 Act; and

(b) proper accounting and other records have been kept, including records of all assets of the Board and of the subsidiaries incorporated in Singapore, of which we are the auditors, whether purchased, donated or otherwise.

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

(a) the use of the donation moneys was not in accordance with the objectives of The Library Fund as required under Regulation 16 of the Charities (Institutions of a Public Character) Regulations; and

(b) the Library Fund has not complied with the requirements of Regulation 15 (fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 19 June 2015

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2015

	Note	Group 2014/2015 $	2013/2014 $
Equity			
Capital account	4	**258,572,563**	133,161,236
Heritage reserves	6	**8,081,321**	7,914,022
Accumulated surplus			
- General funds		**35,973,633**	37,658,829
- Restricted funds	7	**69,478,138**	65,685,626
Total equity		**372,105,655**	244,419,713
Non-current assets			
Property, plant and equipment	9	**289,713,278**	284,564,911
Heritage assets	6	**12,037,491**	11,752,016
		301,750,769	296,316,927
Current assets			
Financial assets at fair value through profit or loss	11	**101,091,316**	91,475,814
Trade and other receivables	12	**11,419,212**	20,127,201
Derivative financial instruments	14	**75,442**	97,696
Cash and cash equivalents	15	**259,702,008**	168,495,458
		372,287,978	280,196,169
Total assets		**674,038,747**	576,513,096
Current liabilities			
Trade and other payables	16	**69,314,052**	87,877,450
Current income tax liabilities	23	**-**	-
Provision for retirement benefits	17	**1,362,000**	2,122,000
Development grants received in advance	18	**3,087,240**	6,164,849
Deferred capital grants	19	**17,449,771**	16,543,834
		91,213,063	112,708,133
Non-current liabilities			
Provision for retirement benefits	17	**5,657,713**	5,289,228
Deferred capital grants	19	**205,062,316**	214,096,022
		210,720,029	219,385,250
Total liabilities		**301,933,092**	332,093,383
Net assets		**372,105,655**	244,419,713
Net assets of trust funds	8	**36,777**	37,624

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

STATEMENT OF FINANCIAL POSITION

As at 31 March 2015

	Note	Board 2014/2015 $	Board 2013/2014 $
Equity			
Capital account	4	**258,572,563**	133,161,236
Heritage reserves	6	**8,081,321**	7,914,022
Accumulated surplus			
- General funds		**33,252,804**	35,094,376
- Restricted funds	7	**69,478,138**	65,685,626
Total equity		**369,384,826**	241,855,260
Non-current assets			
Property, plant and equipment	9	**289,706,099**	284,548,595
Heritage assets	6	**12,037,491**	11,752,016
Investments in subsidiaries	10	**506**	506
		301,744,096	296,301,117
Current assets			
Financial assets at fair value through profit or loss	11	**100,308,946**	90,715,314
Trade and other receivables	12	**10,879,702**	19,492,260
Derivative financial instruments	14	**75,442**	97,696
Cash and cash equivalents	15	**257,343,972**	166,165,552
		368,608,062	276,470,822
Total assets		**670,352,158**	572,771,939
Current liabilities			
Trade and other payables	16	**68,348,292**	86,700,746
Provision for retirement benefits	17	**1,362,000**	2,122,000
Development grants received in advance	18	**3,087,240**	6,164,849
Deferred capital grants	19	**17,449,771**	16,543,834
		90,247,303	111,531,429
Non-current liabilities			
Provision for retirement benefits	17	**5,657,713**	5,289,228
Deferred capital grants	19	**205,062,316**	214,096,022
		210,720,029	219,385,250
Total liabilities		**300,967,332**	330,916,679
Net assets		**369,384,826**	241,855,260
Net assets of trust funds	8	**36,777**	37,624

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2015

	Note	General funds 2014/2015 $	General funds 2013/2014 $	Restricted funds 2014/2015 $	Restricted funds 2013/2014 $	Total 2014/2015 $	Total 2013/2014 $
Group							
Income							
Consultancy and other services		**7,690,870**	10,423,702	-	-	**7,690,870**	10,423,702
Professional library services		**5,221,485**	5,477,282	-	-	**5,221,485**	5,477,282
Rental income		**6,422,292**	6,547,391	-	-	**6,422,292**	6,547,391
Book fines and lost book charges		**3,750,105**	3,903,017	-	-	**3,750,105**	3,903,017
Interest income		**1,103,521**	626,044	**117,838**	29,293	**1,221,359**	655,337
Library services and programmes		**1,643,495**	1,984,039	-	-	**1,643,495**	1,984,039
Membership fees		**823,156**	826,064	-	-	**823,156**	826,064
Investment income/(loss) - net	22	**2,956,566**	(740,267)	**1,884,405**	244,803	**4,840,971**	(495,464)
Other income		**2,184,453**	3,266,803	**109**	-	**2,184,562**	3,266,803
Donations[1]		**249,330**	361,561	**3,974,460**	1,105,435	**4,223,790**	1,466,996
		32,045,273	32,675,636	**5,976,812**	1,379,531	**38,022,085**	34,055,167
Expenditure							
Manpower and staff welfare	20	**(88,843,047)**	(92,071,991)	**(5,620)**	944	**(88,848,667)**	(92,071,047)
Depreciation of property, plant and equipment	9	**(30,019,986)**	(28,319,597)	**(435,892)**	(312,846)	**(30,455,878)**	(28,632,443)
Books, periodicals, films and serials		**(21,961,838)**	(27,334,725)	**(242,431)**	(261,549)	**(22,204,269)**	(27,596,274)
General and administrative expenses		**(44,324,797)**	(44,653,866)	**(1,078,516)**	(1,024,745)	**(45,403,313)**	(45,678,611)
Maintenance and other property expenses		**(23,371,513)**	(18,000,130)	**(41,025)**	(92,168)	**(23,412,538)**	(18,092,298)
Rental expenses		**(22,410,042)**	(23,044,182)	**(147,471)**	(148,083)	**(22,557,513)**	(23,192,265)
Agency and other professional fees		**(18,265,353)**	(18,315,374)	**(161,028)**	(309,004)	**(18,426,381)**	(18,624,378)
Other expenses		**(8,656,084)**	(8,786,348)	**(72,317)**	(76,888)	**(8,728,401)**	(8,863,236)
Allowance made for doubtful book fines and lost book charges	13	**(607,177)**	(478,020)	-	-	**(607,177)**	(478,020)
Write-back of allowance for doubtful receivables	12	-	178,455	-	-	-	178,455
		(258,459,837)	(260,825,778)	**(2,184,300)**	(2,224,339)	**(260,644,137)**	(263,050,117)
(Deficit)/surplus before grants		**(226,414,564)**	(228,150,142)	**3,792,512**	(844,808)	**(222,622,052)**	(228,994,950)
Grants							
Operating grants	21	**204,446,659**	204,702,768	-	-	**204,446,659**	204,702,768
Development grants	18	**1,012,535**	3,321,871	-	-	**1,012,535**	3,321,871
Deferred capital grants amortised	19	**20,001,473**	15,999,312	-	-	**20,001,473**	15,999,312
		225,460,667	224,023,951	-	-	**225,460,667**	224,023,951
(Deficit)/surplus for the year before tax		**(953,897)**	(4,126,191)	**3,792,512**	(844,808)	**2,838,615**	(4,970,999)
Income tax credit	23	-	497	-	-	-	497
Net (deficit)/surplus for the year		**(953,897)**	(4,125,694)	**3,792,512**	(844,808)	**2,838,615**	(4,970,502)
Transfer to heritage reserves		**(167,299)**	(174,847)	-	-	**(167,299)**	(174,847)
		(1,121,196)	(4,300,541)	**3,792,512**	(844,808)	**2,671,316**	(5,145,349)
Other comprehensive (loss)/income							
Funds for acquisition of heritage assets						**167,299**	174,847
Remeasurement loss on defined benefit pension plans						**(564,000)**	-
Total other comprehensive (loss)/income for the year						**(396,701)**	174,847
Total comprehensive income/(loss) for the year						**2,274,615**	(4,970,502)

[1]Donations received of $3,975,060 (FY13: $1,105,435) relate to tax-deductible donations.

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

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2015

	Note	General funds 2014/2015 $	General funds 2013/2014 $	Restricted funds 2014/2015 $	Restricted funds 2013/2014 $	Total 2014/2015 $	Total 2013/2014 $
Board							
Income							
Consultancy and other services		**6,977,379**	8,806,304	**-**	-	**6,977,379**	8,806,304
Professional library services		**4,254,195**	4,587,203	**-**	-	**4,254,195**	4,587,203
Rental income		**6,476,257**	6,591,745	**-**	-	**6,476,257**	6,591,745
Book fines and lost book charges		**3,750,105**	3,903,017	**-**	-	**3,750,105**	3,903,017
Interest income		**1,060,241**	576,331	**117,838**	29,293	**1,178,079**	605,624
Library services and programmes		**1,643,495**	1,984,038	**-**	-	**1,643,495**	1,984,038
Membership fees		**823,156**	826,064	**-**	-	**823,156**	826,064
Investment income/(loss) - net	22	**2,934,696**	(728,914)	**1,884,405**	244,803	**4,819,101**	(484,111)
Other income		**2,138,075**	3,228,731	**109**	-	**2,138,184**	3,228,731
Donations[2]		**248,358**	356,561	**3,974,460**	1,105,435	**4,222,818**	1,461,996
		30,305,957	30,131,080	**5,976,812**	1,379,531	**36,282,769**	31,510,611
Expenditure							
Manpower and staff welfare	20	**(87,890,846)**	(91,580,811)	**(5,620)**	944	**(87,896,466)**	(91,579,867)
Depreciation of property, plant and equipment	9	**(30,012,525)**	(28,312,135)	**(435,892)**	(312,846)	**(30,448,417)**	(28,624,981)
Books, periodicals and serials		**(20,944,369)**	(26,068,297)	**(242,431)**	(261,549)	**(21,186,800)**	(26,329,846)
General and administrative expenses		**(44,173,698)**	(44,026,940)	**(1,078,516)**	(1,024,745)	**(45,252,214)**	(45,051,685)
Maintenance and other property expenses		**(23,366,642)**	(18,000,129)	**(41,025)**	(92,168)	**(23,407,667)**	(18,092,297)
Rental expenses		**(22,407,588)**	(23,044,182)	**(147,471)**	(148,083)	**(22,555,059)**	(23,192,265)
Agency and other professional fees		**(18,146,900)**	(18,154,787)	**(161,028)**	(309,004)	**(18,307,928)**	(18,463,791)
Other expenses		**(9,327,152)**	(8,835,944)	**(72,317)**	(76,888)	**(9,399,469)**	(8,912,832)
Allowance made for doubtful book fines and lost book charges	13	**(607,177)**	(478,020)	**-**	-	**(607,177)**	(478,020)
		(256,876,897)	(258,501,245)	**(2,184,300)**	(2,224,339)	**(259,061,197)**	(260,725,584)
(Deficit)/surplus before grants		**(226,570,940)**	(228,370,165)	**3,792,512**	(844,808)	**(222,778,428)**	(229,214,973)
Grants							
Operating grants	21	**204,446,659**	204,702,768	**-**	-	**204,446,659**	204,702,768
Development grants	18	**1,012,535**	3,321,871	**-**	-	**1,012,535**	3,321,871
Deferred capital grants amortised	19	**20,001,473**	15,999,312	**-**	-	**20,001,473**	15,999,312
		225,460,667	224,023,951	**-**	-	**225,460,667**	224,023,951
(Deficit)/surplus for the year before tax		**(1,110,273)**	(4,346,214)	**3,792,512**	(844,808)	**2,682,239**	(5,191,022)
Income tax expense	23	**-**	-	**-**	-	**-**	-
Net (deficit)/surplus for the year		**(1,110,273)**	(4,346,214)	**3,792,512**	(844,808)	**2,682,239**	(5,191,022)
Transfer to heritage reserves		**(167,299)**	(174,847)	**-**	-	**(167,299)**	(174,847)
		(1,277,572)	(4,521,061)	**3,792,512**	(844,808)	**2,514,940**	(5,365,869)
Other comprehensive (loss)/income							
Funds for acquisition of heritage assets						**167,299**	174,847
Remeasurement loss on defined benefit pension plans						**(564,000)**	-
Total other comprehensive (loss)/income for the year						**(396,701)**	174,847
Total comprehensive income/(loss) for the year						**2,118,239**	(5,191,022)

[2] Donations received of $3,974,460 (FY13: $1,105,435) relate to tax-deductible donations for The Library Fund.

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2015

		Capital account			Accumulated surplus		
	Note	Establishment account $	Equity financing account $	Heritage reserves $	General funds $	Restricted funds (see Note 7) $	Total $
Group							
At 1 April 2013		10,334,137	91,844,557	7,739,175	41,959,370	66,530,434	218,407,673
Net deficit for the year		-	-	-	(4,125,694)	(844,808)	(4,970,502)
Acquisition of heritage assets	6	-	-	174,847	(174,847)	-	-
Total comprehensive income/(loss) for the year		-	-	174,847	(4,300,541)	(844,808)	(4,970,502)
Issuance of shares	5	-	30,982,542	-	-	-	30,982,542
At 31 March 2014		10,334,137	122,827,099	7,914,022	37,658,829	65,685,626	244,419,713
At 1 April 2014		10,334,137	122,827,099	7,914,022	37,658,829	65,685,626	244,419,713
Net (deficit)/surplus for the year		-	-	-	(953,897)	3,792,512	2,838,615
Remeasurement loss on defined benefit pension plans	17	-	-	-	(564,000)	-	(564,000)
Acquisition of heritage assets	6	-	-	167,299	(167,299)	-	-
Total comprehensive income/(loss) for the year		-	-	167,299	(1,685,196)	3,792,512	2,274,615
Issuance of shares	5	-	125,411,327	-	-	-	125,411,327
At 31 March 2015		10,334,137	248,238,426	8,081,321	35,973,633	69,478,138	372,105,655

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

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2015

		Capital account			Accumulated surplus		
	Note	Establishment account $	Equity financing account $	Heritage reserves $	General funds $	Restricted funds (see Note 7) $	Total $
Board							
At 1 April 2013		10,334,137	91,844,557	7,739,175	39,615,437	66,530,434	216,063,740
Net deficit for the year		-	-	-	(4,346,214)	(844,808)	(5,191,022)
Acquisition of heritage assets	6	-	-	174,847	(174,847)	-	-
Total comprehensive income/(loss) for the year		-	-	174,847	(4,521,061)	(844,808)	(5,191,022)
Issuance of shares	5	-	30,982,542	-	-	-	30,982,542
At 31 March 2014		10,334,137	122,827,099	7,914,022	35,094,376	65,685,626	241,855,260
At 1 April 2014		10,334,137	122,827,099	7,914,022	35,094,376	65,685,626	241,855,260
Net (deficit)/surplus for the year		-	-	-	(1,110,273)	3,792,512	2,682,239
Remeasurement loss on defined benefit pension plans	17	-	-	-	(564,000)	-	(564,000)
Acquisition of heritage assets	6	-	-	167,299	(167,299)	-	-
Total comprehensive income/(loss) for the year		-	-	167,299	(1,841,572)	3,792,512	2,118,239
Issuance of shares	5	-	125,411,327	-	-	-	125,411,327
At 31 March 2015		10,334,137	248,238,426	8,081,321	33,252,804	69,478,138	369,384,826

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2015

	Note	Group 2014/2015 $	Group 2013/2014 $
Cash flows from operating activities			
Deficit before grants before tax		**(222,622,052)**	(228,994,950)
Adjustments for:			
Depreciation of property, plant and equipment	9	**30,455,878**	28,632,443
Interest income from fixed deposits with bank		**(1,221,359)**	(655,337)
Investment (income)/loss – net	22	**(4,840,971)**	495,464
Fund management fees		**228,015**	256,741
Retirement benefits	20	**119,000**	216,000
Gain on disposal of property, plant and equipment		**(2,994)**	(33,246)
Property, plant and equipment written off		**170,614**	15,435
Donation-in-kind received		**(118,249)**	(292,836)
Deficit before working capital changes		**(197,832,118)**	(200,360,286)
Changes in working capital:			
Trade and other receivables		**9,212,011**	(5,329,025)
Trade and other payables		**(19,553,689)**	23,542,268
Derivative financial instruments		**22,254**	38,334
Cash utilised in operations		**(208,151,542)**	(182,108,709)
Pension paid		**(1,074,515)**	(1,611,772)
Income tax refund		**-**	497
Cash flows used in operating activities		**(209,226,057)**	(183,719,984)
Cash flows from investing activities			
Funds placed with fund managers		**(20,000,000)**	-
Redemption of quoted debt securities		**23,504,149**	263,658
Purchases of property, plant and equipment		**(35,875,689)**	(41,882,062)
Purchases of heritage asset		**(172,226)**	(183,807)
Proceeds from disposal of property, plant and equipment		**2,994**	33,246
Interest income received		**796,318**	603,580
Cash flows used in investing activities		**(31,744,454)**	(41,165,385)
Cash flows from financing activities			
Government grants received		**215,672,401**	252,390,864
Government grants refunded		**(1,496,093)**	(30,234)
Proceeds from equity financing		**125,411,327**	30,982,542
Cash flows provided by financing activities		**339,587,635**	283,343,172
Net increase in cash and cash equivalents		**98,617,124**	58,457,803
Cash and cash equivalents at beginning of the year		**159,838,974**	101,381,171
Cash and cash equivalents at end of the year	15	**258,456,098**	159,838,974

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

National Library Board (the "Board") was established on 1 September 1995 under the National Library Board Act (Cap. 197, 1996 Revised Edition). The address of its registered office and principal place of operations is at 100 Victoria Street #14-01, Singapore 188064.

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

The Board is also registered as a charity (Unique Entity No: T02CC1608E) under the Charities Act (Cap. 37, 1995 Revised Edition) since 16 September 2002.

The principal activities of the Board are:

(a) to establish and maintain libraries, and provide library information services;

(b) to promote reading and encourage learning through the use of libraries and their services;

(c) to provide a repository for library materials published in Singapore;

(d) to acquire and maintain a comprehensive collection of library materials relating to Singapore and its people;

(e) to establish standards for the training of library personnel in Singapore;

(f) to provide advisory and consultancy services concerning libraries and library information services;

(g) to compile and maintain a national union catalogue and a national bibliography;

(h) to advise the Government on national needs and policies in respect of matters relating to publicly-funded libraries and library information services in Singapore;

(i) to provide a permanent repository of records of national or historical significance and to facilitate access of those records;

(j) to conduct records management programmes for the Government; and

(k) to record, preserve and disseminate the history of Singapore through oral history methodology or other means.

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

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Statutory Board Financial Reporting Standards ("SB-FRS") and provisions of the National Library Act (Cap. 197, 1996 Revised Edition), under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SB-FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2014

On 1 April 2014, the Board adopted the new or amended mandatory SB-FRS and Interpretations to SB-FRS ("INT SB-FRS"). Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SB-FRS and INT SB-FRS. The adoption of the new or amended SB-FRS and INT SB-FRS did not result in substantial changes to the accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Subsidiaries

Consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.3 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Board.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Property, plant and equipment

(a) *Measurement*

(i) *Property, plant and equipment*

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) *Components of costs*

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

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

(b) *Depreciation*

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over estimated useful lives as follows:

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

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Projects-in-progress and works-of-art are not depreciated.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) *Subsequent expenditure*

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) *Disposal*

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "Other income".

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Heritage assets

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

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

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

Grants received from government to fund purchases of heritage assets are recognised in the heritage reserve upon purchase of the heritage assets.

2.6 Impairment of non-financial assets

Property, plant and equipment, heritage assets and investment in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

2.7 Financial assets

(a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and in the case of assets classified as held-to-maturity, re-evaluates this designation at each balance sheet date.

(i) Financial assets at fair value through profit or loss

Financial assets designated as fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented Group investment strategy.

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets (continued)

(a) Classification (continued)

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those that are expected to be realised later than 12 months after the balance sheet date, which are presented as non-current assets. Loans and receivables are presented as "trade and other receivables" (Note 12) and "cash and cash equivalents" (Note 15) on the balance sheet.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss.

(c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately as expenses.

(d) Subsequent measurement

Financial assets at fair value through profit or loss are subsequently carried at fair value. Changes in fair values including the effects of currency translation, interest and dividends are recognised in profit or loss when the changes arise. Loans and receivables are subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

(e) Impairment

The Group assesses at each balance sheet date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Board's statement of financial position.

2.9 Derivative financial instruments

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

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

2.10 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.11 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange traded and over-the-counter securities and derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices for financial liabilities are the current asking prices.

The fair values of currency forwards and swaps are determined using actively quoted forward exchange rates. The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.12 Provisions

Provisions for asset dismantlement, removal or restoration are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount have been reliably estimated.

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Operating leases

(a) When the Group is the lessee:

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

(b) When the Group is the lessor:

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

2.14 Revenue recognition

Income comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Income is presented, net of rebates and discounts, and after eliminating income within the Group.

The Group assesses its role as an agent or principal for each transaction and in all agency arrangements, the amounts collected on behalf of principal are excluded from revenue. The Group recognises income when the amount of income and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) Professional library services

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

(b) Consultancy and other services

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

(c) Library services and programmes

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

(d) Rental income

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

(e) Membership fees

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

(f) Interest income

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Revenue recognition (continued)

(g) Donations

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

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

(h) Book fines and lost book charges

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

2.15 Government grants

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

Government grants received by the Group to meet the current year's operating expenses are recognised by the Group as income in the year these operating expenses are incurred. Other government grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Such grants which are received but not utilised are included in the grants received in advance account in the statements of financial position.

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

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

2.16 Funds

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

(i) General fund

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

(ii) Restricted fund

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Trust funds

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

The net assets of the trust funds are presented as a line item in the statements of financial position as prescribed by SB-FRS Guidance Note 1. The income and expenditure items relating to these funds are accounted for directly in these funds. Details of income, expenditure, assets and liabilities are disclosed in Note 8 to the financial statements.

2.18 Expenditure on book, periodicals, films and serials

Expenditure on books, periodicals, films and serials are charged to profit or loss in the year of purchase, except where the items purchased are rare books or other rare materials that will be accounted for as heritage assets.

2.19 Employee compensation

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

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Defined benefit plan

The Group operates unfunded defined benefit schemes for certain employees under the provisions of the Pension Act, (Cap. 225, 2004 Revised Edition).

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

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

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

Past service costs are recognised immediately in profit or loss.

(c) Short-term benefits

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Employee compensation (continued)

(d) Employee leave entitlement

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

2.20 Income taxes

The Group is tax-exempted under the provisions of the Income Tax Act (Cap. 134, 2004 Revised Edition) except for one of its subsidiary, which is subject to local income tax legislation.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a transaction which is recognised directly in equity.

2.21 Equity financing account

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

2.22 Cash and cash equivalents

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

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

2.23 Offsetting of financial instruments

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

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

(a) Impairment of book fines and lost book charges

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

(b) Provision for retirement benefits

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

The annual contribution to the pension plan consists of payments covering the current service cost for the year and payments towards funding the actuarial accrued liability.

4. CAPITAL ACCOUNT

		Group and Board	
	Note	**2014/2015 $**	2013/2014 $
Establishment account		**10,334,137**	10,334,137
Equity financing account	5	**248,238,426**	122,827,099
		258,572,563	133,161,236

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

The equity financing account comprises equity injections by the MOF in its capacity as shareholder under the debt-equity framework for statutory boards, implemented with effect from 1 September 2004. It also includes equity injection for Sinking Fund received for the replacement of fixed assets held by the Board. Under this framework, capital projects will be partially funded by the MOF as equity injection, and the balance through loans or general funds of the Board.

4. CAPITAL ACCOUNT (continued)

Capital management

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

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

5. EQUITY FINANCING ACCOUNT

		Group and Board			
	Note	**2014/2015**	2013/2014	**2014/2015**	2013/2014
		Number of shares		**$**	$
Issued and paid up:					
At 1 April		**122,827,099**	91,844,557	**122,827,099**	91,844,557
Issued as at 31 March		**125,411,327**	30,982,542	**125,411,327**	30,982,542
At 31 March	4	**248,238,426**	122,827,099	**248,238,426**	122,827,099

During the financial year, the Board received proceeds from equity financing of $125,411,327 (2013/2014: $30,982,542), which is represented by 125,411,327 (2013/2014: 30,982,542) ordinary shares at $1 each. The shares are held by the Minister for Finance, a body incorporated by the Minister for Finance (Incorporation) Act (Chapter 183, 1985 Revised Edition).

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

6. HERITAGE RESERVES AND ASSETS

	Group and Board	
	2014/2015	2013/2014
	$	$
Heritage reserves		
At 1 April	**7,914,022**	7,739,175
Movements during the year		
- Transferred from operating grants	**105,348**	80,543
- Processing fees	**61,951**	94,304
	167,299	174,847
At 31 March	**8,081,321**	7,914,022
Heritage assets		
At 1 April	**11,752,016**	11,545,263
Movements during the year		
- Donation in kind	**113,249**	22,946
- Funded by operating grants	**105,348**	80,543
- Processing fees	**66,878**	103,264
	285,475	206,753
At 31 March	**12,037,491**	11,752,016

The heritage reserve comprises grants from the government and donated funds for purchase of heritage assets.

7. ACCUMULATED SURPLUS

(a) General fund

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

(b) Restricted fund

The Group's restricted fund comprise donations in the Library Fund and other donations and funds received for specific purposes for which there are restrictions on the Group in relation to the application of those funds. These include specific donations received for exhibitions and programs.

The Library Fund is a trust, which is separately registered as a charity (Unique Entity No: T03CC1744D) since 26 November 2003. The Library Fund has been conferred the status of an Institution of a Public Character (IPC No.: IPC000069) to receive tax-deductible donations for the Board and other beneficiaries.

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

7. ACCUMULATED SURPLUS (continued)

(b) Restricted fund (continued)

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

The Board of Trustees of the Library Fund comprise the Board's Chairman, Board members and staff trustees. The objectives of the Library Fund are:

(i) to support library services, facilities, collections and programmes which will promote reading and literacy and encourage learning through the use of libraries and their services;

(ii) to support and promote equal access to reading, literacy and learning in libraries, thereby creating social good for the community, in particular, for special needs groups, the under privileged and under served; and

(iii) to support and promote research, study programmes and scholarships in the fields of reading, literacy, learning and libraries and information sciences.

To align to NLB's Act, the objectives have been amended as follows after Commissioner of Charities' approval:

(A) To support performance of any of the functions of the National Library Board as set out under sections 6, 14A and 14J of the National Library Board Act (Cap. 197); and
(B) To exercise any of the powers of the National Library Board under section 7 of the National Library Board Act (Cap. 197).

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

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

7. ACCUMULATED SURPLUS (continued)

(b) Restricted fund (continued)

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

Name of projects	Purpose
Early Literacy Programme	This project comprises programmes and a one-stop early literacy centre to inculcate pre-reading skills and enjoyment of reading among children, up to 6 years of age.
KidsREAD	This project aims to promote the love of reading and to cultivate good reading habits in children from an early age and at the same time, provide access to knowledge via literature for children from low-income families, thereby enriching their lives and enhancing opportunities for future success.
Library @ Chinatown	The library was set up and operated with donations from Kwan Im Thong Hood Cho Temple and CPI Pte Ltd, owner of Chinatown Point Retail. It carries a collection of books and audio visual materials on Chinese arts and culture largely in Chinese and English.
Mini MOLLYs	The two mini mobile library buses were set up and operated with the donation from Kwan Im Thong Hood Cho Temple. It brings the library experience to children in welfare homes, special education schools and selected neighbourhood schools.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

7. ACCUMULATED SURPLUS (continued)

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

	Endowment fund		Other funds		Total	
Group and Board	**2014/2015 $**	2013/2014 $	**2014/2015 $**	2013/2014 $	**2014/2015 $**	2013/2014 $
Income						
Interest income	**63,081**	1,192	**54,757**	28,101	**117,838**	29,293
Investment income	**1,275,782**	110,749	**608,623**	134,054	**1,884,405**	244,803
Other income	**-**	-	**109**	-	**109**	-
Donations[1]	**-**	-	**3,974,460**	1,105,435	**3,974,460**	1,105,435
	1,338,863	111,941	**4,637,949**	1,267,590	**5,976,812**	1,379,531
Expenditures						
Manpower and staff welfare	**-**	-	**(5,620)**	944	**(5,620)**	944
Depreciation of property, plant and equipment	**-**	-	**(435,892)**	(312,846)	**(435,892)**	(312,846)
Books, periodicals and serials	**-**	-	**(242,431)**	(261,549)	**(242,431)**	(261,549)
General and administrative expenses	**-**	-	**(1,078,516)**	(1,024,745)	**(1,078,516)**	(1,024,745)
Maintenance and other property expenses	**-**	-	**(41,025)**	(92,168)	**(41,025)**	(92,168)
Rental expenses	**-**	-	**(147,471)**	(148,083)	**(147,471)**	(148,083)
Agency and other professional fees	**(38,079)**	(55,070)	**(122,949)**	(253,934)	**(161,028)**	(309,004)
Other expenses	**-**	-	**(72,317)**	(76,888)	**(72,317)**	(76,888)
	(38,079)	(55,070)	**(2,146,221)**	(2,169,269)	**(2,184,300)**	(2,224,339)
Surplus/(deficit) before grants	**1,300,784**	56,871	**2,491,728**	(901,679)	**3,792,512**	(844,808)
Surplus/(deficit) for the year	**1,300,784**	56,871	**2,491,728**	(901,679)	**3,792,512**	(844,808)
Other comprehensive loss						
Acquisition of heritage assets	**-**	-	**-**	-	**-**	-
Total comprehensive income/(loss) for the year	**1,300,784**	56,871	**2,491,728**	(901,679)	**3,792,512**	(844,808)
Accumulated surplus at 1 April	**39,373,365**	39,316,494	**26,312,261**	27,213,940	**65,685,626**	66,530,434
Accumulated surplus at 31 March	**40,674,149**	39,373,365	**28,803,989**	26,312,261	**69,478,138**	65,685,626
Heritage reserves at 31 March	**-**	-	**444,044**	444,044	**444,044**	444,044
Total capital and accumulated surplus	**40,674,149**	39,373,365	**29,248,033**	26,756,305	**69,922,182**	66,129,670
Represented by:						
Property, plant and equipment	**-**	-	**9,782,540**	9,573,493	**9,782,540**	9,573,493
Heritage assets	**-**	-	**444,044**	444,044	**444,044**	444,044
Financial assets at fair value through profit or loss	**16,996,950**	36,770,207	**12,243,902**	11,635,280	**29,240,852**	48,405,487
Cash and cash equivalents	**23,625,936**	1,555,040	**6,827,422**	4,347,564	**30,453,358**	5,902,604
Trade and other receivables	**51,263**	986,096	**37,265**	1,014,128	**88,528**	2,000,224
Derivative financial instruments	**-**	73,400	**-**	-	**-**	73,400
Trade and other payables	**-**	(11,378)	**(87,140)**	(258,204)	**(87,140)**	(269,582)
	40,674,149	39,373,365	**29,248,033**	26,756,305	**69,922,182**	66,129,670

[1]Donations received relate to tax-deductible donations for The Library Fund.

8. NET ASSETS OF TRUST FUNDS

The trust funds comprise three international funds (2013/2014: three international funds) managed by the Board on behalf of other agencies. The nature of the trust funds as at 31 March 2015 is as follows:

(a) The International Association of Metropolitan Libraries ("INTAMEL")

Intamel is formed by a group of metropolitan libraries and established outside of Singapore. It aims to be a platform to encourage international cooperation between public libraries serving various cities and/or countries.

(b) The International Federation of Library Associations and Institutions ("IFLA-RASCAO")

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

(c) Tamil Digital Heritage Trust Fund ("TDH")

The Tamil Digital Heritage Project is led by the Tamil Digital Heritage Group. It was launched on 12 October 2013 at the Asian Civilisations Museum by Mr. S Iswaran Minister (Prime Minister's Office) & Second Minister (Home Affairs & Trade and Industry). Its aims are to create a digital collection of Singapore Tamil literary works published between 1965 and 2015 to be presented as the community's gift to the nation in 2015.

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

	Group and Board	
	2014/2015 $	2013/2014 $
Statement of comprehensive income of trust funds		
Income		
Grant income	**8,665**	494,655
Donations	**5,862**	-
Other income	**29**	-
	14,556	494,655
Expenditure		
Other expenses	**(15,403)**	(687,148)
Net deficit for the year	**(847)**	(192,493)
Accumulated surplus at 1 April	**37,624**	230,117
Accumulated surplus at 31 March	**36,777**	37,624

8. NET ASSETS OF TRUST FUNDS (continued)

(c) Tamil Digital Heritage Trust Fund ("TDH") (continued)

	Group and Board	
	2014/2015	2013/2014
	$	$
Statement of financial position of trust funds		
Equity		
Accumulated surplus	**36,777**	37,624
Represented by:		
Assets		
Cash and cash equivalents	**49,779**	130,111
Other receivables	**-**	275,000
	49,779	405,111
Liabilities		
Accruals for operating expenses	**4,522**	2,425
Other payables	**8,480**	365,062
	13,002	367,487
Net assets	**36,777**	37,624

9. PROPERTY, PLANT AND EQUIPMENT

	Leasehold premises $	Motor vehicles $	Building improvements and renovation $	Furniture and fittings $	Office equipment $	Computer hardware and software $	Works-of-art $	Projects-in-progress $	Total $
Group									
Cost									
At 1 April 2013	249,935,889	523,847	172,724,578	17,178,904	15,062,198	95,855,392	3,671,229	5,129,918	560,081,955
Additions	-	-	827,137	296,285	3,708,251	8,988,123	1,675	28,330,481	42,151,952
Disposals/Write-offs	-	-	(260,042)	(73,423)	(628,546)	(5,430,280)	-	-	(6,392,291)
Transfer	-	-	2,861,248	-	-	5,378,985	-	(8,240,233)	-
At 31 March 2014	249,935,889	523,847	176,152,921	17,401,766	18,141,903	104,792,220	3,672,904	25,220,166	595,841,616
Additions	-	479,296	2,716,063	90,257	2,130,671	6,287,419	5,000	24,066,153	35,774,859
Disposals/Write-offs	-	(51,360)	(3,828,363)	(95,241)	(819,128)	(12,467,060)	(1,675)	-	(17,262,827)
Transfer	-	107,782	9,149,749	659,809	18,899	591,158	-	(10,527,397)	-
At 31 March 2015	249,935,889	1,059,565	184,190,370	18,056,591	19,472,345	99,203,737	3,676,229	38,758,922	614,353,648
Accumulated depreciation									
At 1 April 2013	50,544,971	189,169	140,418,647	14,379,027	8,849,979	74,639,325	-	-	289,021,118
Depreciation for the year	5,035,957	118,121	9,832,888	816,096	1,973,294	10,856,087	-	-	28,632,443
Disposals/Write-offs	-	-	(255,894)	(73,423)	(625,897)	(5,421,642)	-	-	(6,376,856)
At 31 March 2014	55,580,928	307,290	149,995,641	15,121,700	10,197,376	80,073,770	-	-	311,276,705
Depreciation for the year	5,035,957	225,753	9,707,543	818,512	2,714,854	11,953,259	-	-	30,455,878
Disposals/Write-offs	-	(51,360)	(3,744,922)	(92,672)	(766,881)	(12,436,378)	-	-	(17,092,213)
At 31 March 2015	60,616,885	481,683	155,958,262	15,847,540	12,145,349	79,590,651	-	-	324,640,370
Net book value									
At 1 April 2013	199,390,918	334,678	32,305,931	2,799,877	6,212,219	21,216,067	3,671,229	5,129,918	271,060,837
At 31 March 2014	194,354,961	216,557	26,157,280	2,280,066	7,944,527	24,718,450	3,672,904	25,220,166	284,564,911
At 31 March 2015	189,319,004	577,882	28,232,108	2,209,051	7,326,996	19,613,086	3,676,229	38,758,922	289,713,278

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

9. PROPERTY, PLANT AND EQUIPMENT (continued)

	Leasehold premises $	Motor vehicles $	Building improvements and renovation $	Furniture and fittings $	Office equipment $	Computer hardware and software $	Works-of-art $	Projects-in-progress $	Total $
Board									
Cost									
At 1 April 2013	249,935,889	523,847	172,724,578	17,178,904	15,060,804	95,720,867	3,671,229	5,129,919	559,946,037
Additions	-	-	827,137	296,285	3,708,251	8,968,643	-	28,330,480	42,130,796
Disposals/Write-offs	-	-	(260,042)	(73,423)	(628,546)	(5,430,280)	-	-	(6,392,291)
Transfer	-	-	2,861,248	-	-	5,378,985	-	(8,240,233)	-
At 31 March 2014	249,935,889	523,847	176,152,921	17,401,766	18,140,509	104,638,215	3,671,229	25,220,166	595,684,542
Additions	-	479,296	2,716,063	90,258	2,130,671	6,287,419	5,000	24,066,153	35,774,860
Disposals/Write-offs	-	(51,360)	(3,828,363)	(95,241)	(819,128)	(12,467,060)	-	-	(17,261,152)
Transfer	-	107,782	9,149,749	659,809	18,899	591,158	-	(10,527,397)	-
At 31 March 2015	249,935,889	1,059,565	184,190,370	18,056,592	19,470,951	99,049,732	3,676,229	38,758,922	614,198,250
Accumulated depreciation									
At 1 April 2013	50,544,971	189,169	140,448,783	14,379,027	8,848,583	74,477,289	-	-	288,887,822
Depreciation for the year	5,035,957	118,121	9,832,888	816,096	1,973,294	10,848,625	-	-	28,624,981
Disposals/Write-offs	-	-	(255,894)	(73,423)	(625,897)	(5,421,642)	-	-	(6,376,856)
At 31 March 2014	55,580,928	307,290	150,025,777	15,121,700	10,195,980	79,904,272	-	-	311,135,947
Depreciation for the year	5,035,957	225,753	9,707,543	818,513	2,714,854	11,945,797	-	-	30,448,417
Disposals/Write-offs	-	(51,360)	(3,744,922)	(92,672)	(766,881)	(12,436,378)	-	-	(17,092,213)
At 31 March 2015	60,616,885	481,683	155,988,398	15,847,541	12,143,953	79,413,691	-	-	324,492,151
Net book value									
At 1 April 2013	199,390,918	334,678	32,275,795	2,799,877	6,212,221	21,243,578	3,671,229	5,129,919	271,058,215
At 31 March 2014	194,354,961	216,557	26,127,144	2,280,066	7,944,529	24,733,943	3,671,229	25,220,166	284,548,595
At 31 March 2015	189,319,004	577,882	28,201,972	2,209,051	7,326,998	19,636,041	3,676,229	38,758,922	289,706,099

10. INVESTMENTS IN SUBSIDIARIES

	Board 2014/2015 $	Board 2013/2014 $
Unquoted ordinary shares, at cost	**506**	506

Details of the subsidiaries are as follows:

Name of Subsidiaries	Principal Activities	Place of incorporation	Effective equity interest held 2014/2015 %	Effective equity interest held 2013/2014 %	Cost of investment 2014/2015 %	Cost of investment 2013/2014 %
Cybrarian Ventures Pte Ltd [1]	Provision of library consultancy services	Singapore	**100**	100	**1**	1
Asian Film Archive [1]	Preserves film heritage of Singapore and Asia	Singapore	**100**	100	**505**	505

[1] Audited by PricewaterhouseCoopers LLP, Singapore

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	Group 2014/2015 $	Group 2013/2014 $	Board 2014/2015 $	Board 2013/2014 $
Quoted debt securities managed by fund managers					
- Fixed interest rates		**20,639,668**	38,064,352	**20,639,668**	38,064,352
- Variable interest rates		**6,091,849**	3,931,560	**6,091,849**	3,931,560
	24	**26,731,517**	41,995,912	**26,731,517**	41,995,912
Quoted debt securities held by subsidiary		**782,370**	760,500	**-**	-
Quoted equity securities managed by fund managers	24	**11,763,766**	9,720,034	**11,763,766**	9,720,034
Quoted unit trusts	24	**61,813,663**	38,999,368	**61,813,663**	38,999,368
		101,091,316	91,475,814	**100,308,946**	90,715,314

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

The quoted debt securities managed by fund managers earn fixed interest rates ranging from 1.1% to 7.0% (2013/2014: 0.8% to 7.3%) per annum as at the balance sheet date. Interest is receivable on a semi-annual basis. The maturity dates range from December 2015 to August 2027 (2013/2014: April 2014 to August 2027).

The quoted debt securities held by subsidiary earn fixed interest rate of 4.25% (2013/2014: 4.25%) per annum for financial year ended 31 March 2015. Interest is receivable on a semi-annual basis. The maturity date of debt securities is March 2049 (2013/2014: March 2049).

12. TRADE AND OTHER RECEIVABLES

	Group		Board	
	2014/2015	2013/2014	**2014/2015**	2013/2014
	$	$	**$**	$
Trade receivables				
Non-related parties	**954,365**	1,132,883	**714,456**	390,006
Subsidiaries	**-**	-	**42,046**	202,620
	954,365	1,132,883	**756,502**	592,626
Less: Allowance for impairment of receivables	**-**	-	**-**	-
Trade receivables-net	**954,365**	1,132,883	**756,502**	592,626
Grant receivables	**2,835,761**	11,441,728	**2,835,761**	11,441,728
Deposits	**730,704**	714,891	**730,404**	714,891
Book fines and lost book charges (Note 13)	**727,737**	686,980	**727,737**	686,980
Accrued receivables	**3,093,650**	2,673,809	**3,116,123**	2,661,272
Other receivables	**366,308**	137,607	**44,997**	50,264
Loan to a subsidiary	**-**	-	**25,000**	25,000
Interest and dividend receivables	**1,334,420**	1,411,743	**1,313,338**	1,396,487
Loans and receivables	**10,042,945**	18,199,641	**9,549,862**	17,569,248
Prepayments	**1,376,267**	1,927,560	**1,329,840**	1,923,012
	11,419,212	20,127,201	**10,879,702**	19,492,260

The loan to a subsidiary by the Board is unsecured, non-interest bearing and repayable on demand when the subsidiary is in net surplus position. The loan shall be repayable in full by 23 February 2019 with the option to extend for a further term of five years.

12. TRADE AND OTHER RECEIVABLES (continued)

(a) Impairment losses

The ageing of trade and grant receivables at the balance sheet date is:

	Group		Board	
	2014/2015	2013/2014	**2014/2015**	2013/2014
	$	$	**$**	$
Not past due	**3,764,621**	12,398,832	**3,575,529**	11,958,458
Past due <30 days	**13,734**	115,182	**5,784**	15,686
Past due 30 – 60 days	**6,402**	59,983	**5,581**	59,983
Past due 61 – 90 days	**3,239**	614	**3,239**	227
Past due 91 – 120 days	**970**	-	**970**	-
Past due > 120 days	**1,160**	-	**1,160**	-
	3,790,126	12,574,611	**3,592,263**	12,034,354
Less: Allowance for impairment	**-**	-	**-**	-
	3,790,126	12,574,611	**3,592,263**	12,034,354

Movement of impairment losses in respect of trade and grant receivables during the year are as follows:

	Group	
	2014/2015	2013/2014
	$	$
At 1 April	**-**	179,376
Allowance written back	**-**	(178,455)
Currency translation difference	**-**	(921)
At 31 March	**-**	-

Based on historical default rates, the Group believes that no impairment allowance is necessary in respect of receivables not past due or not provided for. These receivables are mainly attributable to debtors that have a good payment record with the Group.

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

12. TRADE AND OTHER RECEIVABLES (continued)

(b) Source of estimation uncertainty

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

13. BOOK FINES AND LOST BOOK CHARGES

	Group and Board	
	2014/2015	2013/2014
	$	$
Book fines and lost book charges	**6,120,415**	6,072,703
Less: Allowance for doubtful book fines and lost book charges	**(5,392,678)**	(5,385,723)
	727,737	686,980

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

	Group and Board	
	2014/2015	2013/2014
	$	$
At 1 April	**(5,385,723)**	(5,438,254)
Allowance made	**(607,177)**	(478,020)
Allowance utilised	**600,222**	530,551
At 31 March	**(5,392,678)**	(5,385,723)

13. BOOK FINES AND LOST BOOK CHARGES (continued)

Allowance for doubtful book fines and lost book charges

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

	2014/2015	2013/2014
	$	$
Group and Board (Gross)		
Past due 1 – 90 days	**571,403**	506,291
Past due 91 – 180 days	**398,267**	368,799
Past due 181 – 270 days	**240,923**	267,724
Past due 271 – 365 days	**216,250**	213,691
More than 365 days	**4,693,572**	4,716,198
	6,120,415	6,072,703
Less: Allowance for impairment	**(5,392,678)**	(5,385,723)
	727,737	686,980

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

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

14. DERIVATIVE FINANCIAL INSTRUMENTS

Group and Board

	Contract notional	Fair value	
	Amount	Asset	Liability
	$	$	$
2014/2015			
Currency swaps	21,439,314	75,442	-

Group and Board

	Contract notional	Fair value	
	Amount	Asset	Liability
	$	$	$
2013/2014			
Currency forwards and swaps	27,787,897	97,696	-

Currency forwards and swaps are entered into by the fund managers to hedge highly probable forecast transactions denominated in foreign currencies expected to occur at various dates within 2 months (2013/2014: 8 months) from the balance sheet date.

15. CASH AND CASH EQUIVALENTS

	Group		Board	
	2014/2015 **$**	2013/2014 $	**2014/2015** **$**	2013/2014 $
Cash at bank and on hand	**2,621,606**	3,721,015	**1,220,070**	2,342,109
Cash managed by AGD through Centralised Liquidity Management	**255,624,337**	157,526,940	**255,624,337**	157,526,940
Short-term deposits	**1,456,065**	7,247,503	**499,565**	6,296,503
	259,702,008	168,495,458	**257,343,972**	166,165,552

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

		Group	
	Note	**2014/2015** **$**	2013/2014 $
Cash and bank balances (as above)		**259,702,008**	168,495,458
Less: Cash managed by fund managers	24	**(746,345)**	(2,359,981)
Less: Fixed deposits managed by fund managers	24	**(499,565)**	(6,296,503)
Cash and cash equivalents per consolidated statement of cash flows		**258,456,098**	159,838,974

16. TRADE AND OTHER PAYABLES

	Group		Board	
	2014/2015 **$**	2013/2014 $	**2014/2015** **$**	2013/2014 $
Trade payables	**8,661,406**	24,091,129	**8,259,661**	23,737,076
Accrued operating expenses	**38,715,939**	42,311,750	**38,504,746**	42,123,353
Provision for restoration costs	**16,962,694**	16,648,861	**16,962,694**	16,648,861
Retention payable	**111,547**	531,209	**111,547**	531,209
Receipts-in-advance	**1,382,305**	1,560,155	**1,076,317**	1,091,086
Security and other deposits	**2,450,424**	2,177,051	**2,454,624**	2,176,429
Other payables				
- Subsidiaries	**-**	-	**-**	8,321
- Third parties	**1,029,737**	557,295	**978,703**	384,411
	69,314,052	87,877,450	**68,348,292**	86,700,746

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

17. PROVISION FOR RETIREMENT BENEFITS

The Board operates an unfunded defined retirement benefit plan for certain employees under the provisions of the Pension Act (Cap. 225, 2004 Revised Edition). Benefits are payable based on the last drawn salaries of the respective employees and the employees' cumulative service period with the Board at the time of retirement.

The Board performed an actuarial valuation to determine the liability of the Board in respect of its defined retirement benefit plans. Based on the actuarial valuation performed by Towers Watson Singapore Pte Ltd, the present value of unfunded obligations is recognised.

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

	Group and Board	
	2014/2015	2013/2014
	$	$
Present value of unfunded obligations	**7,019,713**	7,411,228
Comprised:		
- Current	**1,362,000**	2,122,000
- Non-current	**5,657,713**	5,289,228
	7,019,713	7,411,228

The weighted average duration of the defined benefit obligation is 10 years (2013/2014: 6.5 years).

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

	Group and Board	
	2014/2015	2013/2014
	$	$
At 1 April	**7,411,228**	8,807,000
Current service costs and interest	**119,000**	216,000
Remeasurement loss on defined benefits pension plans	**564,000**	-
Retirement benefits paid	**(1,074,515)**	(1,611,772)
At 31 March	**7,019,713**	7,411,228

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

17. PROVISION FOR RETIREMENT BENEFITS (continued)

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

	Group and Board	
	2014/2015 **$**	2013/2014 $
Current service cost	**94,000**	184,000
Interest cost	**25,000**	32,000
	119,000	216,000

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

	Group and Board	
	2014/2015 **$**	2013/2014 $
Remeasurement loss on defined benefits pension plans	**564,000**	-

(d) Principal actuarial assumptions used are as follows:

	Group and Board	
	2014/2015 **%**	2013/2014 %
Discount rate	**2.3**	0.4
Future salary increases	**1**	1

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

	Group and Board	
	2014/2015 **% p.a.**	2013/2014 % p.a.
Female	**0.241**	0.241
Male	**0.425**	0.425

This means that out of 10,000 pensioners, it is assumed that 24 females and 43 males will pass on before their 60th birthday (2013/2014: 24 females and 43 males).

17. PROVISION FOR RETIREMENT BENEFITS (continued)

(d) Principal actuarial assumptions used are as follows: (continued)

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

	Group and Board	
	Impact on Provision for retirement benefits	
	2014/2015	2013/2014
	%	%
Discount rate		
0.5% (2013/2014: 0.25%) increase	**(328,000)**	(125,000)
0.5% (2013/2014: 0.25%) decrease	**361,000**	130,000
Future salary increases		
0.5% (2013/2014: 0.25%) increase	**22,000**	27,000
0.5% (2013/2014: 0.25%) decrease	**(22,000)**	(28,000)
Life expectancy		
1 year increase	**158,000**	124,000
1 year decrease	**(161,000)**	(124,000)

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

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

(e) Historical information are as follows:

	Group and Board				
	2014/2015	2013/2014	2012/2013	2011/2012	2010/2011
	$	$	$	$	$
Present value of the defined benefit obligation	7,019,713	7,411,228	8,807,000	9,906,000	9,522,001

18. DEVELOPMENT GRANTS RECEIVED IN ADVANCE

	Note	Group and Board	
		2014/2015 $	2013/2014 $
At 1 April		**6,164,849**	3,907,897
Development grants received during the year		**4,695,203**	11,577,713
		10,860,052	15,485,610
Less:			
Development grants refunded during the year		**(8,859)**	(28,444)
Amount transferred to deferred capital grants	19	**(6,751,418)**	(5,970,446)
Development grants utilised during the year		**(1,012,535)**	(3,321,871)
At 31 March		**3,087,240**	6,164,849
Development grants utilised comprise:			
Manpower and staff welfare		**72,122**	243,166
Books, periodicals and serials		**464,152**	1,687,706
General and administrative expenses		**169,525**	825,730
Maintenance and other property expenses		**84,334**	196,949
Agency and other professional services		**140,660**	172,375
Rental expenses		**2,860**	580
Other expenses		**78,882**	195,365
		1,012,535	3,321,871

The development grants of $4,695,203 (2013/2014: $11,577,713) received during the year were disbursed by the Ministry of Communications and Information.

19. DEFERRED CAPITAL GRANTS

	Note	Group and Board	
		2014/2015 $	2013/2014 $
At 1 April		**230,639,856**	233,919,463
Amount transferred from development grants	18	**6,751,418**	5,970,446
Amount transferred from operating grants	21	**4,633,498**	6,749,259
Operating grants transferred from other statutory board		**488,788**	-
		242,513,560	246,639,168
Less: Deferred capital grants amortised during the year		**(20,001,473)**	(15,999,312)
At 31 March		**222,512,087**	230,639,856
Comprised:			
Current		**17,449,771**	16,543,834
Non-current		**205,062,316**	214,096,022
		222,512,087	230,639,856

20. MANPOWER AND STAFF WELFARE

	Group		Board	
	2014/2015	2013/2014	**2014/2015**	2013/2014
	$	$	**$**	$
Board members' allowances	**203,060**	185,630	**202,242**	180,000
Wages and salaries	**75,888,497**	78,323,587	**75,079,624**	77,908,151
Employer's contribution to Central Provident Fund	**8,756,329**	9,428,084	**8,628,654**	9,355,465
Retirement benefits	**119,000**	216,000	**119,000**	216,000
Other employee benefits	**3,881,781**	3,917,746	**3,866,946**	3,920,251
	88,848,667	92,071,047	**87,896,466**	91,579,867

21. OPERATING GRANTS

		Group and Board	
	Note	**2014/2015**	2013/2014
		$	$
Operating grants received during the year		**207,731,630**	208,697,037
Operating grant receivables as at 31 March		**2,835,761**	2,756,780
Less: Amount transferred to deferred capital grants	19	**(4,633,498)**	(6,749,259)
Less: Amount refunded		**(1,487,234)**	(1,790)
Operating grants utilised during the year		**204,446,659**	204,702,768

The operating grants of $204,446,659 (2013/2014: $204,702,768) utilised during the year were disbursed by Ministry of Communications and Information and Ministry of Culture, Community and Youth.

22. INVESTMENT INCOME/(LOSS) - NET

The following items have been included in arriving at the investment income/(loss) for the year:

	Group		Board	
	2014/2015	2013/2014	**2014/2015**	2013/2014
	$	$	**$**	$
Interest income from				
- Fund manager's fixed deposits and bank deposits	**14,309**	4,051	**14,309**	4,051
- Quoted debt securities	**1,053,656**	1,376,391	**1,053,656**	1,376,391
Dividend income from quoted equity securities	**314,028**	459,730	**314,028**	459,730
Gain/(loss) from sale of investments				
- Quoted equity securities	**1,175,712**	(259,665)	**1,175,712**	(259,665)
- Quoted debt securities	**(283,198)**	(12,147)	**(283,198)**	(12,147)
Net gain/(loss) from financial assets at fair value through profit or loss[1]	**2,929,435**	(1,603,340)	**2,907,565**	(1,591,987)
Foreign exchange loss - net[2]	**(362,971)**	(460,484)	**(362,971)**	(460,484)
	4,840,971	(495,464)	**4,819,101**	(484,111)

[1] Net gain/(loss) from financial assets through profit or loss includes $1,474,898 gain (2013/2014: $248,007 loss) relating to The Library Fund.

[2] Foreign exchange loss – net includes unrealised exchange loss on quoted equity and debt securities of $73,400 (2013/2014: $34,716 loss) relating to The Library Fund.

23. INCOME TAXES

(a) Income tax expense

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

	Group		Board	
	2014/2015	2013/2014	**2014/2015**	2013/2014
	$	$	**$**	$
Tax expense attributable to profit is made up of:				
- current income tax	**-**	-	**-**	-
- over provision in prior years	**-**	(497)	**-**	-
	-	(497)	**-**	-
Reconciliation of effective tax rate				
Surplus/(deficit) before tax	**2,838,615**	(4,970,999)	**2,682,239**	(5,191,022)
Tax calculated at tax rate at 17%	**482,565**	(845,070)	**455,981**	(882,474)
Effects of:				
- (surplus)/deficit exempted from tax	**(461,867)**	880,867	**(455,981)**	882,474
- non-deductible expenses	**2,280**	1,932	**-**	-
- statutory stepped income exemption	**(8,482)**	(18,639)	**-**	-
- income not subject to tax	**(6,864)**	(1,302)	**-**	-
- utilisation of previously unrecognised tax losses	**(7,632)**	(17,788)	**-**	-
	-	-	**-**	-

As at balance sheet date, a subsidiary has unutilised tax losses amounting to $595,616 (2014: $640,510) available for offsetting against future taxable profits. As at 31 March 2015 and 2014, deferred income tax assets were not recognised in respect of the unutilised tax losses as there are no probable future profits. The utilisation of these tax losses are subject to provision in the Income Tax Act and agreement by the Inland Revenue Authority of Singapore.

(b) Movement in current income tax liabilities

	Group	
	2014/2015	2013/2014
	$	$
Beginning of financial year	**-**	-
Income tax refund	**-**	497
Over provision in prior financial years	**-**	(497)
	-	-

24. INVESTMENTS WITH FUND MANAGERS AND UNIT TRUSTS

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

As part of its risk management activities, the fund managers use currency forwards and swaps for hedging purposes. They are not used for speculative purposes.

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

		Group and Board	
	Note	**2014/2015 $**	2013/2014 $
Financial assets at fair value through profit or loss			
- Quoted debt securities	11	**26,731,517**	41,995,912
- Quoted equity securities	11	**11,763,766**	9,720,034
Cash balances	15	**746,345**	2,359,981
Fixed deposits	15	**499,565**	6,296,503
Net other (payable)/receivable relating to investment transactions		**(328,417)**	768,239
Currency forwards and swaps	14	**75,442**	97,696
		39,488,218	61,238,365
Financial assets at fair value through profit or loss			
- Quoted unit trusts	11	**61,813,663**	38,999,368
		101,301,881	100,237,733

The investments with fund managers and unit trusts that are designated at fair value through profit or loss are investments that the Group intends to hold for the medium term. These investments are designated at fair value through profit or loss as the Group manages such investments based on their fair value in accordance with the Group's documented investment strategy.

Investments with fund managers include quoted debt securities issued by statutory boards and organs of states of $7,149,378 (2013/2014: $11,490,603).

Sales and redemption of debt securities, and purchases of investments carried out by the fund managers with statutory boards, educational institutions and other government agencies amounted to $36,128,220 (2013/2014: $30,781,389) and $31,750,167 (2013/2014: $35,614,397) respectively.

25. COMMITMENTS

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

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

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

	Group and Board	
	2014/2015 $	2013/2014 $
Not later than one year	**10,138,962**	9,822,304
Between one and five years	**17,795,334**	13,732,648
Later than five years	**14,196,104**	12,315,407
	42,130,400	35,870,359

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

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

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

	Group and Board	
	2014/2015 $	2013/2014 $
Not later than one year	**4,484,800**	3,762,983
Between one and five years	**7,959,018**	5,925,710
Later than five years	**-**	493,809
	12,443,818	10,182,502

(c) Collection commitment

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

	Group and Board	
	2014/2015 $	2013/2014 $
Amount approved and contracted	**83,207**	1,731,359

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2015

25. COMMITMENTS (continued)

(d) Capital commitments

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

	Group and Board	
	2014/2015 **$**	2013/2014 $
Amount approved and contracted	**379,500**	1,453,877

26. RELATED PARTY TRANSACTIONS

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

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

	Group	
	2014/2015 **$**	2013/2014 $
Consultancy service income	**6,741,016**	8,184,029
Professional service income	**3,992,279**	3,666,777
Rental expenses	**(12,908,346)**	(13,974,619)
IT services	**(1,933,260)**	(1,819,410)

(b) Transactions with subsidiaries

	Board	
	2014/2015 **$**	2013/2014 $
Consultancy and other services	**75,428**	200,980
Professional library services	**261,916**	541,126
Rental income	**53,965**	44,354
Other income	**428**	1,274
General and administrative expenses	**(2,656)**	-
Disbursement of grant	**(671,069)**	-

26. RELATED PARTY TRANSACTIONS (continued)

(c) Key management personnel compensation

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

The key management personnel compensation is as follows:

	Group		Board	
	2014/2015	2013/2014	**2014/2015**	2013/2014
	$	$	**$**	$
Salaries, bonuses and other short-term benefits	**1,259,394**	1,392,450	**1,070,890**	1,224,861
Employer's contribution to defined contribution plans, including Central Provident Fund	**52,230**	42,765	**27,700**	27,875
	1,311,624	1,435,215	**1,098,590**	1,252,736

27. FINANCIAL RISK MANAGEMENT

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

Funds with fund managers

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

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

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

The management of these risks carried out by the fund managers is governed by the mandate set forth in the fund manager agreement approved by the Group's Finance Committee. The mandate provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk, the use of derivative and non-derivative financial instruments which are stipulated below.

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

27. FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk

Credit risk refers to the risk that counterparty to a financial instrument will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and the Board are investment in debt securities, cash and cash equivalents and trade and other receivables.

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

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

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

Credit exposure to fund managers are restricted by credit policies in place and based on ongoing credit evaluation.

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

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

(b) Liquidity risk

The Board has minimal exposure to liquidity risk as its operations are funded by government grants. The Group has ensured sufficient liquidity through the holding of highly liquid assets in the form of cash and cash equivalents at all times to meet its financial obligations.

(c) Market risk

(i) Price risk

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

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group's Finance Committee.

The overall market position of these equity investments is monitored on a daily basis by the fund managers and is reviewed on a semi-annual basis by the Finance Committee. Compliance with the Group's fund management mandate is reported to the Finance Committee on a monthly basis.

27. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(i) Price risk (continued)

A 6% (2013/2014: 5%) increase/decrease in the underlying equity and 3% (2013/2014: 3%) increase/decrease in the underlying unit trust prices at the balance sheet date would increase/decrease portfolio gains and the fair value of the equity securities and unit trusts in profit or loss by the following amounts:

	Group and Board	
	Net surplus for the year	
	2014/2015	2013/2014
	$	$
Financial assets at fair value through profit or loss		
- Quoted equity securities	**705,826**	486,002
- Quoted unit trusts	**1,854,410**	1,169,981

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

(ii) Interest rate risk

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

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

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

	Group		Board	
	Carrying amount		Carrying amount	
	2014/2015	2013/2014	**2014/2015**	2013/2014
	$	$	**$**	$
Fixed rate instruments				
Fixed deposits managed by fund managers	**499,565**	6,296,503	**499,565**	6,296,503
Fixed deposits at bank	**956,500**	951,000	**-**	-
Quoted debt securities	**27,513,887**	42,756,412	**26,731,517**	41,995,912
	28,969,952	50,003,915	**27,231,082**	48,292,415

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

27. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

Fair value sensitivity analysis for fixed rate instruments

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

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

Therefore, an increase of 50 (2013/2014: 50) basis points in interest would decrease the fair value of debt securities and net surplus as follows:

	Group		Board	
	Carrying amount		Carrying amount	
	2014/2015	2013/2014	**2014/2015**	2013/2014
	$	$	**$**	$
Debt securities	**137,569**	213,782	**133,658**	209,980

(iii) Currency risk

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

27. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iii) Currency risk (continued)

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

	SGD $	USD $	Others $	Total $
At 31 March 2015				
Financial assets				
Quoted debt securities	**17,862,452**	**7,792,655**	**1,858,780**	**27,513,887**
Trade and other receivables	**9,408,909**	**598,745**	**35,291**	**10,042,945**
Cash and cash equivalents	**259,407,748**	**260,965**	**33,295**	**259,702,008**
	286,679,109	**8,652,365**	**1,927,366**	**297,258,840**
Financial liabilities				
Trade and other payables	**(49,846,178)**	**(989,030)**	**(133,845)**	**(50,969,053)**
	(49,846,178)	**(989,030)**	**(133,845)**	**(50,969,053)**
Net financial assets	**236,832,931**	**7,663,335**	**1,793,521**	**246,289,787**
Less: Currency forwards and swaps	**-**	**(7,407,151)**	**(1,806,016)**	**(9,213,167)**
Less: Net financial assets in functional currency	**(236,832,931)**	**-**	**-**	**(236,832,931)**
Currency exposure of financial assets/ (liabilities) net of those denominated in the functional currencies	**-**	**256,184**	**(12,495)**	**243,689**

	SGD $	USD $	Others $	Total $
At 31 March 2014				
Financial assets				
Quoted debt securities	24,195,937	14,577,819	3,982,656	42,756,412
Trade and other receivables	17,007,929	237,433	954,279	18,199,641
Cash and cash equivalents	167,947,480	202,995	344,983	168,495,458
	209,151,346	15,018,247	5,281,918	229,451,511
Financial liabilities				
Trade and other payables	(68,093,426)	(998,456)	(576,552)	(69,668,434)
	(68,093,426)	(998,456)	(576,552)	(69,668,434)
Net financial assets	141,057,920	14,019,791	4,705,366	159,783,077
Less: Currency forwards and swaps	-	(14,180,123)	(3,899,669)	(18,079,792)
Less: Net financial assets in functional currency	(141,057,920)	-	-	(141,057,920)
Currency exposure of financial (liabilities)/ assets net of those denominated in the functional currencies	-	(160,332)	805,697	645,365

27. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iii) Currency risk (continued)

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

	SGD $	USD $	Others $	Total $
At 31 March 2015				
Financial assets				
Quoted debt securities	**17,080,082**	**7,792,655**	**1,858,780**	**26,731,517**
Trade and other receivables	**8,915,826**	**598,745**	**35,291**	**9,549,862**
Cash and cash equivalents	**257,216,784**	**93,893**	**33,295**	**257,343,972**
	283,212,692	**8,485,293**	**1,927,366**	**293,625,351**
Financial liabilities				
Trade and other payables	**(49,293,773)**	**(881,663)**	**(133,845)**	**(50,309,281)**
	(49,293,773)	**(881,663)**	**(133,845)**	**(50,309,281)**
Net financial assets	**233,918,919**	**7,603,630**	**1,793,521**	**243,316,070**
Less: Currency forwards and swaps	**-**	**(7,407,151)**	**(1,806,016)**	**(9,213,167)**
Less: Net financial assets in functional currency	**(233,918,919)**	**-**	**-**	**(233,918,919)**
Currency exposure of financial assets/ (liabilities) net of those denominated in the functional currencies	**-**	**196,479**	**(12,495)**	**183,984**

	SGD $	USD $	Others $	Total $
At 31 March 2014				
Financial assets				
Quoted debt securities	23,435,437	14,577,819	3,982,656	41,995,912
Trade and other receivables	16,465,445	149,524	954,279	17,569,248
Cash and cash equivalents	165,759,524	61,045	344,983	166,165,552
	205,660,406	14,788,388	5,281,918	225,730,712
Financial liabilities				
Trade and other payables	(67,463,147)	(921,100)	(576,552)	(68,960,799)
	(67,463,147)	(921,100)	(576,552)	(68,960,799)
Net financial assets	138,197,259	13,867,288	4,705,366	156,769,913
Less: Currency forwards and swaps	-	(14,180,123)	(3,899,669)	(18,079,792)
Less: Net financial assets in functional currency	(138,197,259)	-	-	(138,197,259)
Currency exposure of financial (liabilities)/ assets net of those denominated in the functional currencies	-	(312,835)	805,697	492,862

27. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iii) Currency risk (continued)

If the USD change against SGD by 5% (2013/2014: 5%), with all other variables including interest rates being held constant, the effects arising from the net financial asset/(liability) position will be as follows:

	Increase/(Decrease)	
	2014/2015 $	2013/2014 $
Group		
USD against SGD		
Strengthened	**12,809**	(8,017)
Weakened	**(12,809)**	8,017
Board		
USD against SGD		
Strengthened	**9,824**	(15,642)
Weakened	**(9,824)**	15,642

(d) Fair value measurements

The following table presents financial instruments measured at fair value and classified by level of the following fair value measurement hierarchy:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 $	Level 2 $	Level 3 $	Total $
Group				
At 31 March 2015				
Financial assets at fair value through profit or loss				
- Quoted debt securities	**27,513,887**	**-**	**-**	**27,513,887**
- Quoted equity securities	**11,763,766**	**-**	**-**	**11,763,766**
- Quoted unit trusts	**61,813,663**	**-**	**-**	**61,813,663**
Derivative financial instruments	**-**	**75,442**	**-**	**75,442**
	101,091,316	**75,442**	**-**	**101,166,758**
At 31 March 2014				
Financial assets at fair value through profit or loss				
- Quoted debt securities	42,756,412	-	-	42,756,412
- Quoted equity securities	9,720,034	-	-	9,720,034
- Quoted unit trusts	38,999,368	-	-	38,999,368
Derivative financial instruments	-	97,696	-	97,696
	91,475,814	97,696	-	91,573,510

27. FINANCIAL RISK MANAGEMENT (continued)

(d) Fair value measurements (continued)

	Level 1 $	Level 2 $	Level 3 $	Total $
Board				
31 March 2015				
Financial assets at fair value through profit or loss				
- Quoted debt securities	**26,731,517**	**-**	**-**	**26,731,517**
- Quoted equity securities	**11,763,766**	**-**	**-**	**11,763,766**
- Quoted unit trusts	**61,813,663**	**-**	**-**	**61,813,663**
Derivative financial instruments	**-**	**75,442**	**-**	**75,442**
	100,308,946	**75,442**	**-**	**100,384,388**
31 March 2014				
Financial assets at fair value through profit or loss				
- Quoted debt securities	41,995,912	-	-	41,995,912
- Quoted equity securities	9,720,034	-	-	9,720,034
- Quoted unit trusts	38,999,368	-	-	38,999,368
Derivative financial instruments	-	97,696	-	97,696
	90,715,314	97,696	-	90,813,010

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

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

The fair value of currency forwards is determined using actively quoted forward currency rates at the statement of financial position date. The fair value of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

(e) Financial instruments by category

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

	Group		Board	
	2014/2015 **$**	2013/2014 $	**2014/2015** **$**	2013/2014 $
Loans and receivables	**269,744,953**	186,695,099	**266,893,834**	183,734,800
Financial liabilities at amortised cost	**50,969,053**	69,668,434	**50,309,281**	68,960,799

27. FINANCIAL RISK MANAGEMENT (continued)

(f) Offsetting financial assets and financial liabilities

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

	Related amounts set off in the balance sheet		
	Gross amounts - financial assets (a)	Gross amounts - financial liabilities (b)	Net amounts - financial assets presented in balance sheet (c) = (a)-(b)
	$	$	$
At 31 March 2015			
Currency swaps	**10,751,479**	**(10,676,037)**	**75,442**
Derivative financial instruments	**10,751,479**	**(10,676,037)**	**75,442**
At 31 March 2014			
Currency forwards	76,767	(3,367)	73,400
Currency swaps	6,701,587	(6,677,291)	24,296
Derivative financial instruments	6,778,354	(6,680,658)	97,696

28. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

The Group has not early adopted any mandatory standards, amendments and interpretations to existing standards that have been published but are only effective for the Group's accounting periods beginning on or after 1 April 2015. However, management anticipates that the adoption of these standards, amendments and interpretations will not have a material impact on the financial statements of the Group in the period of their initial adoption.

29. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Members of the Board on 19 June 2015.

National Library Board
Tel +65 6332 3133
Fax +65 6332 3233
100 Victoria Street, #14-01
National Library Building,
Singapore 188064

www.nlb.gov.sg

 ISSN 0217-1546.