



ANNUAL REPORT 2014/2015

ONE SEAB | ONE HEARTBEAT



INTEGRITY
VALUE PEOPLE
COMMITMENT
PROFESSIONALISM
TEAMWORK





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OUR VISION, MISSION, VALUES AND STRATEGIC THRUSTS

Our Vision

A trusted authority in examinations and assessment, recognised locally and internationally.

Our Mission

We assess educational performance so as to certify individuals, uphold national standards and advance quality in assessment worldwide.

Our Values

Integrity: We act with honesty at all times.

Professionalism: We live by high standards of work and conduct. We learn continuously to improve our knowledge and skills.

Commitment: We give of our best at all times to meet the needs of our customers.

Teamwork: We combine our talents and effort for superior outcomes. Together, each achieves more.

Value People: We respect and care for our people. Each one makes a unique contribution to our organisation.

Our Strategic Thrusts

Enhance National Examinations

Develop New Products and Services

Provide Training, Consultancy and Certification

Build an Excellent and Innovative Organisation





CHAIRMAN'S MESSAGE



Photo: Ministry of Education

2015 celebrates Singapore's 50th birthday. It also marks SEAB's 11th year as a Statutory Board.

Over the ten years, SEAB has established itself well as a strong and trusted examinations and assessment board through maintaining a fair examination system and rigorous examination processes. SEAB is well recognised for consistently developing and delivering trusted standards of assessments at the PSLE and Singapore-Cambridge GCE examinations.

SEAB's culture is characterised by a constant drive for innovation and improvement. This was evident from the beginning with the work of its pioneer generation. With limited resources, SEAB's veterans sought continuous improvement in their work. Turning the clock to the present, the current SEAB team continues the tradition of innovation and improvement, and have made significant headway through the effective use of technology. In 2014, the mid-year GCE O-Level and A-Level Mother Tongue Language B (MTLB) was conducted with the newly developed SEAB eExam System where electronic test papers were authored and delivered online to about 2,000 candidates in more than 100 schools. Candidate responses were collected via the new system and marked on-screen. The use of the e-system not only enhances the security of examinations; it improves efficiency of exam processes, for example, by reducing administrative load on examination personnel in the distribution of test papers and collection of answer scripts. Leveraging on technology platforms has also enabled SEAB to collect data for further analysis and research, hence bringing about innovations in assessment that could not have been achieved with the pen and paper assessment mode.

2014 also marked the first year of the use of video clip as a stimulus in assessing Oral Interaction in the GCE O-Level and A-Level MTLB Oral Examinations. The video stimulus provided candidates with more engaging and authentic contexts for conversation. The examinations were conducted successfully for more than 2,000 school candidates. Moving forward, SEAB is committed to continuing the conduct of research studies on the use of technology in assessment and building its capability to support technology-based assessment.



The past year has also been significant for SEAB in establishing its international and regional presence. In May 2014, SEAB successfully organised and hosted the 40th International Association for Educational Assessment (IAEA) Conference, which saw a record attendance of 600 delegates from more than 40 countries. The Conference, which facilitated the sharing of assessment innovations and practices, received excellent reviews from both local and international participants.

SEAB also hosted the inaugural 16th Academic Forum on English Language Testing in Asia (AFELTA) Conference in May 2014. The Conference promoted the exchange of ideas and mutual understanding among member organisations to further the development of English Language testing and teaching in Asia. Positive feedback was received on the organisation of the conference and the quality of papers presented. Through hosting these conferences, SEAB has branded itself as a trusted and forward-looking authority in examinations and assessment among the international fraternity.

To learn from Singapore's experiences in assessment, several overseas and local organisations visited SEAB in the past year. Delegates from countries such as Finland, Oman, Pakistan, Thailand and Vietnam visited SEAB to learn about Singapore's national examination system and processes. As part of SEAB's mandate to share its assessment expertise with other government agencies, the organisation also played host to local agencies such as the institutions of higher learning and the Singapore Accountancy Council. Over the years, SEAB has increasingly committed itself to raising the assessment literacy of our educators. To this end, SEAB has trained more than 3,000 through workshops and consultancy services. SEAB also conducted workshops on assessment and test setting for SMRT line trainers and the Institute of Banking and Finance.

The will to create an organisation of excellence is deeply entrenched in SEAB. I am pleased to see SEAB's continuing efforts in working towards organisational excellence, as evidenced from the attainment of several awards. The latest standard that SEAB has embraced is the ISO22301 for Business Continuity Management. The successful attainment of this certification signifies the robust processes that SEAB has in place to ensure the successful conduct of national examinations. Together with the Singapore Quality Class, People Developer Award, ISO27001 for Information Security Management and Eco-Office Label certifications, these validate the organisation as a trusted authority.

As an organisation committed to the total well-being of staff as well as developing and growing all staff professionally, SEAB completed its implementation of its human resource and development framework in 2014. With a compensation and benefits scheme that is tied to competency, as well as structured training and development, SEAB staff can be assured of fair rewards and recognition, as well as professional growth and meaningful career development.

The many achievements and milestones of SEAB would not have been possible without the contributions of its staff, both past and present. People are at the heart of SEAB's work. As SEAB journeys onward, the Board is assured that the commitment and competency of its staff will see the agency continue its good work in the conduct of national examinations and the delivery of innovative assessment products and services in the years to come.

Ms Ho Peng
Chairman, Singapore Examinations and Assessment Board

OUR GOVERNING BOARD

Chairperson



Ms Ho Peng

Members



Mr Don Yeo Yong Kiang
Deputy Chief Executive Officer
(Policy & Corporate Development)
& Chief Operating Officer
Central Provident Fund Board



Mr Yuen Djia Chiang Jonathan
Partner
Rajah & Tann LLP



Professor Bernard Tan
Vice-Provost (Education)
National University of Singapore



**Mr Ahsanul Kalam
Bin Mohamed Sani**
Global Bid Manager
Dimension Data
Asia Pacific Pte Ltd



DC Lim Kok Thai
Deputy Commissioner (Policy)
Singapore Police Force



Mr Wong Siew Hoong
Director-General of Education
Ministry of Education



Mr Ngien Hoon Ping
Deputy Secretary (Performance)
Ministry of Finance



Ms Tan Lay Choo
Chief Executive
Singapore Examinations
and Assessment Board



CORPORATE GOVERNANCE

Audit Committee

The Audit Committee provides guidance on the financial governance of SEAB. Its purpose is to ensure the adequacy of the Board's financial reporting process, including the internal control structure and procedures for financial reporting, and monitor the integrity and appropriateness of SEAB's financial statements.

Chairman: Mr Ngien Hoon Ping
Members: DC Lim Kok Thai
Mr Don Yeo Yong Kiang

Establishment Committee

The Establishment Committee provides guidance on overall human resource strategies to support the Board's performance. Its purpose is to ensure that SEAB has an effective organisational structure and appropriate manpower establishment, and that sound human resources and competitive compensation policies and practices are in place.

Chairman: Ms Ho Peng
Members: Professor Bernard Tan
Mr Wong Siew Hoong
Ms Tan Lay Choo

Business Committee

The Business Committee provides guidance on building the business capabilities of SEAB.

Chairman: Mr Ahsanul Kalam Bin Mohamed Sani
Members: Mr Yuen Djia Chiang Jonathan
Ms Tan Lay Choo



SENIOR MANAGEMENT



Left to Right: Mr Lee Ah Huat, Ms Yeo Su-Lin Selena, Mr Pang Chong Han, Ms Tan Lay Choo, Mr Yue Lip Sin, Mrs Cheah Mei Ling, Mr Toh Poh Guan

Chief Executive

Ms Tan Lay Choo

Assessment Planning and Development Division

Plan and develop tests and assessment instruments

Mr Yue Lip Sin, Director

Mr Lee Ah Huat, Director

Research and Development Division

Conduct assessment research, measurement and analytics

Mrs Cheah Mei Ling, Director

Exam Operations Division

Plan and administer the conduct of national examinations

Mr Pang Chong Han, Director

Corporate Services Division

Provide strategic corporate services for the staff and the Board

Ms Yeo Su-Lin Selena, Director

Assessment Services Division

Develop and deliver SEAB's assessment products and services

Mr Toh Poh Guan, Director



YEAR IN REVIEW

April 2014

- ISO22301 Business Continuity Management certification

May 2014

- International Association for Educational Assessment (IAEA) 2014 Conference
- 16th Academic Forum on English Language Testing in Asia (AFELTA) Conference

June 2014

- SEAB Seminar

July 2014

- *i*PSLE. 7 to 18 July
- 2014 SDEA graduation ceremony

August 2014

- SEAB Active Day
- Visit by the Ministry of Education, Sultanate of Oman

September 2014

- Visit by the Management and Leadership in Schools Programme, NIE, Singapore
- Visit by the Office of the Ombudsman, Thailand
- GCE N(A)- and N(T)-Levels. 15 September to 15 October
- PSLE. 25 September to 1 October

October 2014

- GCE O-Level. 7 October to 14 November
- GCE A-Level. 13 October to 2 December
- Admissions Exercise for International Students (AEIS)
- School Placement Exercise for Returning Singaporeans – Secondary (SPERS-Sec)

November 2014

- Release of Results for *i*PSLE
- Release of Results for PSLE

December 2014

- Visit by the Matriculation Examination Board, Finland
- Visit by Pakistan education agencies
- Supplementary Placement Exercise (SPE)
- Release of Results for GCE N(T)- and N(A)-Levels

**January 2015**

- Visit by the Aga Khan University Examination Board, Pakistan
- Visit by the Ministry of Education and Training, Vietnam
- Release of Results for GCE O-Level

February 2015

- Announcement on the release of past PSLE papers in examination format
- Visit by the Singapore Accountancy Commission
- Supplementary Admissions Exercise for International Students (S-AEIS)

March 2015

- Release of Results for GCE A-Level
- Visit by Workgroup 4 of the Committee on ICT-Enabled Learning (CIEL)

YEAR IN REVIEW - NATIONAL EXAMINATION STATISTICS

Level	No. of Candidates*			No. of Subjects			
	Year of Exam	2012	2013	2014	2012	2013	2014
PSLE		48,825	43,524	42,798	25	25	25
GCE N(T)-Level		6,186	5,810	5,281	15	16	17
GCE N(A)-Level		13,143	13,022	11,640	23	24	27
GCE O-Level		62,418	57,074	52,212	68	70	88
GCE A-Level		30,184	29,969	29,394	98	101	92
Grand Total		160,756**	149,399**	141,325**	229	236	249

Level	No. of Papers			No. of Scripts			
	Year of Exam	2012	2013	2014	2012	2013	2014
PSLE		71	71	71	545,394	485,401	477,507
GCE N(T)-Level		42	46	49	92,826	87,605	80,404
GCE N(A)-Level		61	65	78	209,797	219,972	197,044
GCE O-Level		214	224	284	865,111	818,473	747,481
GCE A-Level		241	263	250	257,494	252,657	252,105
Grand Total		629	669	732	1,970,622	1,864,108	1,754,541

*Refers to the number of candidates who register for at least one subject in the respective examination level.

**This figure refers to the total number of candidates who registered for one or more level of examinations. For example, candidates in the N(A) course may also register for subjects at the O-Level.



Level		Results	
PSLE (percentage qualified for secondary course)		Express	66.4%
		N(A) – Level	20.0%
		N(T) – Level	11.2%
		Not Posted	2.4%
GCE N(T) – Level (percentage awarded certificate)		97.5%	
GCE N(A) – Level (percentage awarded certificate)		99.7%	
GCE O – Level	Percentage with at least 3 O-level passes	95.9%	
	Percentage with at least 5 O-level passes	83.3%	
GCE A – Level (Percentage with at least 3H2 Passes, with a pass in GP or KI)		91.4%	



Photo: Ministry of Education





YEAR IN REVIEW - NATIONAL EXAMINATIONS

2014 Primary School Leaving Examinations (PSLE)

The 2014 PSLE written examinations were conducted from 25 September to 1 October 2014. The results were released on 21 November 2014.

2014 Singapore-Cambridge GCE Normal (Technical) and Normal (Academic)-Levels Examinations

The 2014 GCE N(T)- and N(A)-Level written examinations were conducted from 15 September to 15 October 2014. The results were released on 18 December 2014.

The GCE N(A)-Level certificate is awarded to candidates who obtain a pass grade of Grade 5 or better in at least one N(A)-Level subject. For the GCE N(T)-Level certificate, it is awarded to a candidate who obtains a pass grade of Grade D or better in at least one N(T)-Level subject.

2014 Singapore-Cambridge GCE O-Level Examinations

The 2014 GCE O-Level written examinations were conducted from 7 October to 14 November 2014. The results were released on 12 January 2015.

The GCE O-Level certificate is awarded to candidates who obtain at least a Grade 6 or better in one or more subjects.

2014 Singapore-Cambridge GCE A-Level Examinations

The 2014 GCE A-Level written examinations were conducted from 13 October to 2 December 2014. The results were released on 2 March 2015.

The GCE A-Level certificate is awarded to candidates who obtain at least Grade O or better in one or more subjects in the GCE A-Level examination or candidates who obtain at least Grade E or better in one or more subjects at H1-Level or H2-Level.

Release of PSLE Past Years' Papers in Examination Format

Starting from 2015, SEAB has released the past three years' PSLE papers in examination format, for both the standard and foundation levels for all subjects. Released via appointed publishers on an annual basis, members of the public would be able to get a copy of these examination papers in major bookstores. This enhancement aims to provide students and parents with greater clarity on the overall standard and expectations of the PSLE.



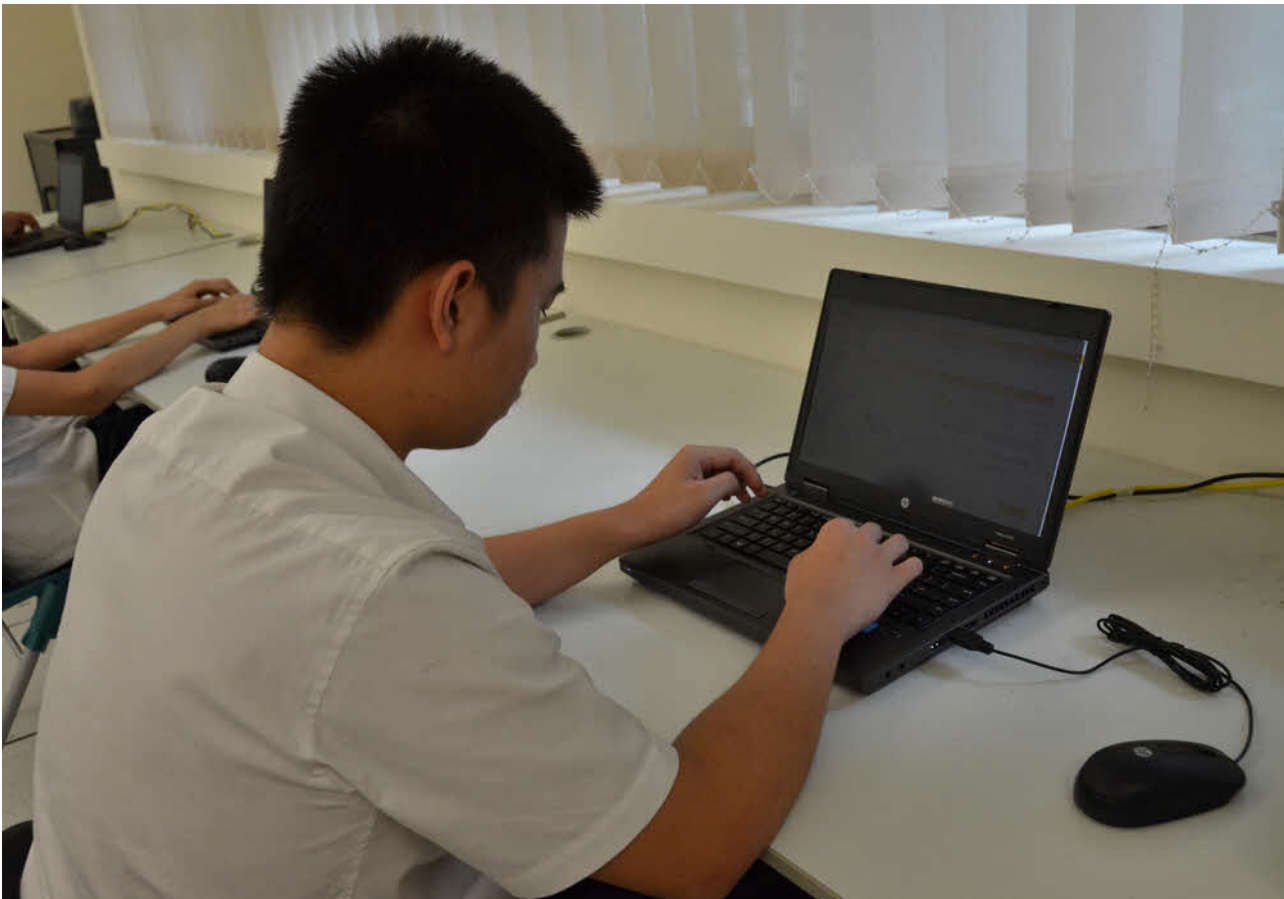
2014 GCE O-Level and A-Level Mother Tongue Language (MTL) Syllabus B Examinations

About 350 junior college candidates and 2,000 secondary school candidates sat for the computer-based written component of the 2014 GCE A-Level and O-Level Mother Tongue Language (MTL) Syllabus B examinations, respectively. Candidates were required to compose an email response and either a blog entry (GCE A-Level) or a picture composition (GCE O-Level), and key in their responses on laptops.

The MTL B examinations were conducted using the SEAB eExam System. Electronic test papers were delivered online to candidates, and candidates' typed responses were submitted via the System. These responses were marked on-screen for the first time in June 2014.

Introduction of Video Stimulus in Oral Examinations

The use of video clips as stimulus for assessing oral interaction was introduced in the 2014 GCE A-Level and O-Level MTL B Oral Examinations for more than 2,300 school candidates. The video clips provided candidates with engaging and realistic contexts for conversation.





YEAR IN REVIEW - ASSESSMENT PRODUCTS AND SERVICES

2014 International Primary School Examinations (iPSLE)

The 2014 iPSLE was conducted from 7 to 18 July 2014. There were 2,400 candidates from 16 overseas appointed examination centres who registered for the examinations. 2,246 candidates sat for the examinations.

2014 School Placement Exercise for Returning Singaporeans – Secondary (SPERS-Sec) and Admissions Exercise for International Students (AEIS)

The 2014 AEIS and SPERS-Sec tests were successfully conducted on 1 and 2 October 2014 for about 2,560 and 340 registered candidates, respectively.

Supplementary Placement Exercise (SPE)

SEAB administered the SPE on 19 December 2014. About 145 candidates sat for the test.

Supplementary Admissions Exercise for International Students (S-AEIS)

The 2015 S-AEIS test was held at the Singapore Expo and Convention Centre on 25 and 26 February 2015. About 1,130 candidates sat the test.

YEAR IN REVIEW - TRAINING, CONSULTANCY AND CERTIFICATION

Specialist Diploma in Education Assessment (SDEA)

12 participants of the 2013 cohort of the SDEA had successfully completed the programme and fulfilled all the requirements prescribed by the Board of Examiners for the award of the SDEA. The graduation ceremony for this cohort was held on 24 July 2014.

The 2014 cohort had commenced their SDEA course on 17 March 2014.

Training and Consultancy Services

SEAB has continuously contributed to raising the assessment literacy among the education fraternity. Between January and December 2014, a total of 63 workshops and 11 consultancy services were conducted for about 3,000 teachers. The workshops include Ideas to Items Workshop, Introduction to Assessment for Beginning Teachers, Introduction to Assessment for Experienced Teachers, P4 Assessment Literacy Workshop, and Secondary Assessment Workshop.

Customised Workshops for SMRT and Institute of Banking and Finance

A customised workshop was also held on 14 April 2014 for participants from the Institute of Banking and Finance.

SEAB also conducted a customised workshop on Assessment for about 70 SMRT Full-Time and Line Trainers on 23 January, 14 February and 14 March 2014.

YEAR IN REVIEW - ORGANISATIONAL EXCELLENCE

40th International Association for Educational Assessment (IAEA) Conference

SEAB successfully organised the IAEA Conference from 25 to 30 May 2014 at the Grand Copthorne Waterfront Hotel. The theme of the Conference was "Assessment Innovations for the 21st Century". Minister for Education, Mr Heng Swee Keat, graced the Opening Ceremony on 26 May 2014 as the Guest-of-Honour.

A total of about 600 delegates attended the conference, with about half from more than 40 other countries. A total of 160 papers from more than 30 countries were presented. SEAB presented a total of eight research papers covering e-Examinations, Project Work and Language Assessment.

Positive feedback from both local and international Conference delegates were received.

Assessment Symposium and Assessment Seminars

SEAB organised an Assessment Symposium for about 300 school leaders, which ran parallel to the 2014 IAEA Conference. In addition, two Assessment Seminars were also organised for about 750 school teachers during the IAEA.

16th Academic Forum on English Language Testing in Asia (AFELTA) Conference

SEAB hosted the 16th AFELTA Conference, "Trends in English Language Testing and Assessment", for the first time on 30 and 31 May 2014. About 40 delegates attended the conference, with 10 international delegates representing all the AFELTA member organisations.



Corporate Visits

From August 2014 to March 2015, SEAB hosted a total of nine corporate visits from both local and overseas agencies. The organisations had visited SEAB to learn about Singapore's national examination systems and processes.

The list of organisations which SEAB hosted is below:

International

1. The Ministry of Education of the Sultanate of Oman
2. Office of Ombudsman, Thailand
3. The Matriculation Examination Board, Finland
4. Various education agencies from different parts of Pakistan
5. Aga Khan University Examination Board, Pakistan
6. Ministry of Education and Training, Vietnam

Local

7. Participants from NIE's Management and Leadership in Schools Programme
8. Singapore Accountancy Council
9. Committee on ICT-Enabled Learning - Workgroup 4, comprising representatives from the five polytechnics and ITE

Completion of Organisation Review

SEAB embarked on an Organisation Review in 2012 to support the growth of SEAB and facilitate the attraction, development, and retention of talents. The review was completed in 2014 with a revamp of SEAB's organisation structure and a review of our headcount. The research and development arm was re-structured as a full-fledged division to drive innovations in assessment. The organisation was also sized from 154 to 221 officers to enable SEAB to grow its capabilities.

The organisation review project also culminated in the implementation of a new compensation and benefits scheme, and competency framework, so that staff can be assured of fair rewards and recognition, as well as professional growth and meaningful career development.

10th SEAB Anniversary Celebration

SEAB celebrated its 10th anniversary on 1 April 2014. The theme chosen for the celebration was "Celebrating Our Past, Creating Our Future". In line with the theme, the celebrations focused on our achievements for the past decade and our aspirations, as the solid foundations laid would pave the way for SEAB's exciting future.





2014 SEAB Seminar

The 2014 SEAB Seminar was held on 27 June 2014. The theme of the seminar was “Values-based Innovation: Our Future Depends On It”. The seminar provided a forum for staff to discuss SEAB’s key priorities and desired outcomes, based on the concept that innovations should be based on SEAB’s core values.

2014 Active Day cum National Day Celebrations

As part of the National Day celebrations, SEAB staff took part in the annual Active Day on 8 August 2014 which was held in River Safari. Staff from different divisions was allocated into teams to complete a series of challenges as part of team building.

ISO Certification for Business Continuity Management (BCM)

SEAB embarked on the BCM journey in March 2011, to assure that SEAB’s systems and processes are sound and robust, and to build public trust and confidence in the integrity of the national examinations.

In 2014, the ISO 22301 was adopted as the standards for the BCM, and an audit certification was held in April 2014. SEAB was awarded the BCM: ISO22301 standard on 30 April 2014.

SEAB Wellness Programmes

Workplace health programmes such as Hatha Yoga, Tai Chi and Abs, Buns and Thighs were organised for staff in the past year. These programmes provide a variety of choice workouts for different fitness interests and levels. Various health talks, such as Knowing Your Vitamins and Minerals, Take Charge of Your Anger, Stress and Insomnia were also organised.

The annual SEAB Health Screening Exercise was also conducted on 15 and 24 April 2014. Staff were provided with complimentary tests for a number of health indicators.





Performance, Competency and Rewards (PCR) Workshops

With the launch of the Aspire, Cultivate and Enrich (A.C.E) Competency Framework in 2013, four sessions of the Performance, Competency and Rewards workshops were organised for officers in 2014. The workshops were conducted to familiarise staff with the A.C.E framework, its application, and how it integrates with the SEAB Performance and Rewards frameworks.

Revamp of SEAB Corporate Website

SEAB's corporate website was revamped in 2014 and the new website was launched on 6 November 2014. The navigation, layout, colour and images were refreshed to help SEAB portray a professional and forward-looking image. Monitoring tools were also implemented for the revamped website to enhance its security and protect the website against defacement.

2014 National Day Award

Mr Yue Lip Sin, Director, Assessment Planning and Development Division, was conferred the Long Service Medal in 2014.

2014 Excellent Service Award

Mdm Sharifah Mufidah Bte Syed Mohamed Aljunied, Assessment Specialist (Humanities), was conferred with the Gold award of the Excellent Service Award in 2014. On 21 November 2014, SEAB was presented with a commemorative award for supporting the Excellent Service movement for the last five or more years at the award's 20th Anniversary celebratory event.

Financial Statements
**Singapore Examinations and Assessment Board
and its subsidiary**

31 March 2015

Board information

Registered office	298 Jalan Bukit Ho Swee Singapore 169565
Chairperson	Ms Ho Peng Retired as Director-General of Education, Ministry of Education on 1 April 2015
Members	Mr Ahsanul Kalam Bin Mohamed Sani Global Bid Manager, Dimension Data Asia Pacific Pte Ltd DC Lim Kok Thai Deputy Commissioner (Policy), Singapore Police Force Mr Ngien Hoon Ping Deputy Secretary (Performance), Ministry of Finance Professor Tan Cheng Yian Bernard Vice-Provost (Education), National University of Singapore Ms Tan Lay Choo Chief Executive, Singapore Examinations & Assessment Board Mr Wong Siew Hoong Appointed Director-General of Education, Ministry of Education on 1 April 2015 Mr Don Yeo Yong Kiang Deputy Chief Executive Officer (Policy & Corporate Development) & Chief Operating Officer, Central Provident Fund Board Mr Yuen Djia Chiang Jonathan Partner, Rajah & Tann LLP
Banker	DBS Bank Ltd 12 Marine Boulevard, Marine Bay Financial Centre Tower 3 Singapore 018982
Independent auditor	Foo Kon Tan LLP Public Accountants and Chartered Accountants 47 Hill Street #05-01 Singapore Chinese Chamber of Commerce & Industry Building Singapore 179365

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Statement by the Singapore Examinations and Assessment Board

for the financial year ended 31 March 2015

In our opinion,

- (i) the accompanying financial statements of the Singapore Examinations and Assessment Board (the “Board”) and its subsidiary (collectively known as the “Group”) as set out on pages 4 to 30 are properly drawn up in accordance with the provisions of the Singapore Examinations and Assessment Act, Chapter 299A and Statutory Board Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Board and of the Group as at 31 March 2015 and of the results, changes in equity of the Board and of the Group and cash flows of the Group for the financial year ended on that date;
- (ii) at the date of this statement, there are reasonable grounds to believe that the Board will be able to pay its debts as and when they fall due; and
- (iii) the receipts, expenditure, and investment of moneys and the acquisition and disposal of assets by the Board during the financial year have been in accordance with the provisions of the Act.

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

On behalf of the Board



.....
HO PENG
Chairman



.....
TAN LAY CHOO
Chief Executive

Dated: 8 July 2015

Independent auditor's report to the member of Singapore Examinations and Assessment Board

Report on the Financial Statements

We have audited the accompanying financial statements of Singapore Examinations and Assessment Board ("the Board") and its subsidiary ("the Group"), which comprise the statements of financial position, statements of comprehensive income and statements of changes in equity of the Board and the Group as at 31 March 2015 and consolidated 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

The Board's management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Examinations and Assessment Act, Chapter 299A and Statutory Board Financial Reporting Standards ("SB-FRS") and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 of 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 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 Board's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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 and Statutory Board Financial Reporting Standards so as to present fairly, in all material respects, the states of affairs of the Group and the Board as at 31 March 2015 and the results, changes in equity of the Group and the Board and the cash flows of the Group for the financial year then ended on that date.

Other matters

The financial statements for the financial year ended 31 March 2014 were audited by another firm of certified public accountants whose report dated 31 July 2014 expressed an unqualified opinion on those financial statements.

Independent auditor's report to the member of Singapore Examinations and Assessment Board (Cont'd)

Report on Other Legal and Regulatory Requirements

Management's Responsibility for Compliance with Legal and Regulatory Requirements

The Board's 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 whether purchased, donated or otherwise.

FooKonTanLLP

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants
Singapore
8 July 2015

Statements of financial position as at 31 March 2015

	Note	The Board		The Group	
		31 March 2015 \$	31 March 2014 \$	31 March 2015 \$	31 March 2014 \$
ASSETS					
Non-Current					
Plant and equipment	3	4,304,929	2,670,059	4,304,929	2,670,059
Investment in a subsidiary	4	-	2	-	-
		4,304,929	2,670,061	4,304,929	2,670,059
Current					
Trade and other receivables	5	1,753,371	2,909,161	1,753,371	2,934,162
Prepayments		9,885	194,439	9,885	196,018
Amount owing by a subsidiary (trade)	6	-	22,530	-	-
Cash and cash equivalents	7	66,972,152	64,107,273	66,972,152	65,133,409
		68,735,408	67,233,403	68,735,408	68,263,589
Total assets		73,040,337	69,903,464	73,040,337	70,933,648
EQUITY AND LIABILITIES					
Capital and Reserve					
Capital account	8	11,627,679	10,064,920	11,627,679	10,064,920
Accumulated surplus		50,392,922	48,245,251	50,392,922	49,267,598
Other losses		(1,002,415)	-	(1,002,415)	-
Total equity		61,018,186	58,310,171	61,018,186	59,332,518
Liabilities					
Non-current					
Obligations in respect of pension scheme	9	5,183,394	4,433,892	5,183,394	4,433,892
Current					
Trade and other payables	10	6,124,383	5,729,755	6,124,383	5,734,069
Income received in advance		664,853	1,160,891	664,853	1,160,891
Grants received in advance	11	45,780	268,755	45,780	268,755
Provision for contribution to Consolidated Fund	15	3,741	-	3,741	-
Current tax payable		-	-	-	3,523
		6,838,757	7,159,401	6,838,757	7,167,238
Total equity and liabilities		73,040,337	69,903,464	73,040,337	70,933,648

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Statements of comprehensive income for the financial year ended 31 March 2015

	Note	The Board		The Group	
		Year ended 31 March 2015 \$	Year ended 31 March 2014 \$	Year ended 31 March 2015 \$	Year ended 31 March 2014 \$
Revenue					
Examination fees		31,604,648	33,038,047	31,604,648	33,038,047
Other operating income	12	9,321,527	7,728,205	8,314,811	7,800,762
		40,926,175	40,766,252	39,919,459	40,838,809
Cost and operating expenses					
Examination and outsourcing fees		(21,856,843)	(20,946,940)	(21,856,843)	(20,946,940)
Staff costs	13	(25,059,592)	(24,609,583)	(25,059,592)	(24,609,583)
Depreciation of plant and equipment	3	(1,020,708)	(2,634,816)	(1,020,708)	(2,634,816)
Other operating expenses	14	(27,474,850)	(25,393,273)	(27,492,202)	(25,402,559)
Total operating expenses		(75,411,993)	(73,584,612)	(75,429,345)	(73,593,898)
Operating deficit		(34,485,818)	(32,818,360)	(35,509,886)	(32,755,089)
Non-operating income					
Interest income - fixed deposits		680,240	372,238	681,961	373,173
Deficit before grants and contribution to consolidated fund and taxation		(33,805,578)	(32,446,122)	(34,827,925)	(32,381,916)
Operating grants	11	35,956,990	30,316,714	35,956,990	30,316,714
Surplus/(deficit) before contribution to consolidated fund and taxation		2,151,412	(2,129,408)	1,129,065	(2,065,202)
Contribution to consolidated fund	15	(3,741)	-	(3,741)	-
Taxation	16	-	-	-	(1,403)
Net surplus/(deficit) for the year		2,147,671	(2,129,408)	1,125,324	(2,066,605)
Other comprehensive income					
Item that may be reclassified subsequently to surplus or deficit					
Cash flow hedges		-	646,573	-	646,573
Items that will not be reclassified subsequently to surplus or deficit					
Re-measurement of defined benefit obligations	9	(1,002,415)	-	(1,002,415)	-
Total comprehensive income/(loss) for the year		1,145,256	(1,482,835)	122,909	(1,420,032)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Statement of changes in equity

for the financial year ended 31 March 2015

The Board	Note	Capital account \$	Accumulated surplus \$	Hedging reserve \$	Other losses \$	Total \$
Balance at 1 April 2013		9,626,713	51,082,659	(646,573)	-	60,062,799
Net deficit for the year		-	(2,129,408)	-	-	(2,129,408)
Net movement on cash flow hedges		-	-	646,573	-	646,573
Total comprehensive income for the year		-	(2,129,408)	646,573	-	(1,482,835)
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Issue of shares	8	438,207	-	-	-	438,207
Dividend paid	17	-	(708,000)	-	-	(708,000)
Balance at 31 March 2014		10,064,920	48,245,251	-	-	58,310,171
Net surplus for the year		-	2,147,671	-	-	2,147,671
Net actuarial losses arising during the year	9	-	-	-	(1,002,415)	(1,002,415)
Total comprehensive surplus for the year		-	2,147,671	-	(1,002,415)	1,145,256
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Issue of shares	8	1,562,759	-	-	-	1,562,759
Balance at 31 March 2015		11,627,679	50,392,922	-	(1,002,415)	61,018,186

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Statement of changes in equity

for the financial year ended 31 March 2015

The Group	Note	Capital account \$	Accumulated surplus \$	Hedging reserve \$	Other losses \$	Total \$
Balance at 1 April 2013		9,626,713	52,042,203	(646,573)	-	61,022,343
Net deficit for the year		-	(2,066,605)	-	-	(2,066,605)
Net movement on cash flow hedges		-	-	646,573	-	646,573
Total comprehensive expense for the year		-	(2,066,605)	646,573	-	(1,420,032)
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Issue of shares	8	438,207	-	-	-	438,207
Dividend paid	17	-	(708,000)	-	-	(708,000)
Balance at 31 March 2014		10,064,920	49,267,598	-	-	59,332,518
Net surplus for the year		-	1,125,324	-	-	1,125,324
Net actuarial losses arising during the year	9	-	-	-	(1,002,415)	(1,002,415)
Total comprehensive income for the year		-	1,125,324	-	(1,002,415)	122,909
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Issue of shares	8	1,562,759	-	-	-	1,562,759
Balance at 31 March 2015		11,627,679	50,392,922	-	(1,002,415)	61,018,186

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated statement of cash flows for the financial year ended 31 March 2015

The Group	Note	Year ended 31 March 2015 \$	Year ended 31 March 2014 \$
Cash Flows from Operating Activities			
Deficit before grants and contribution to consolidated fund and taxation		(34,827,925)	(32,381,916)
Adjustments for:			
Depreciation of plant and equipment	3	1,020,708	2,634,816
Obligations in respect of pension scheme	9	246,619	267,115
Income received from assets transferred	3	(130,896)	-
Gain on disposal of plant and equipment	14	(1,271)	(1,977)
Interest income		(681,961)	(373,173)
Operating deficit before working capital changes		(34,374,726)	(29,855,135)
Decrease/(increase) in trade and other receivables		1,432,427	(1,609,440)
Decrease in prepayments		186,133	69,928
Increase/(decrease) in trade and other payables		390,314	(6,982,205)
(Increase)/decrease in income received in advance		(496,038)	341,512
Cash used in operations		(32,861,890)	(38,035,340)
Payment of pension scheme	9	(499,532)	(311,546)
Interest received		430,325	370,151
Payment to consolidated fund	15	-	(514,522)
Income tax paid		(3,523)	(3,360)
Net cash flows used in operating activities		(32,934,620)	(38,494,617)
Cash Flows from Investing Activities			
Purchase of plant and equipment		(2,524,682)	(1,985,219)
Proceeds from disposal of plant and equipment		1,271	1,977
Net cash flows used in investing activities		(2,523,411)	(1,983,242)
Cash Flows from Financing Activities			
Capital contribution received	8	1,562,759	438,207
Grants received from Government	11	35,734,015	28,868,731
Dividend paid	17	-	(708,000)
Net cash flows generated from financing activities		37,296,774	28,598,938
Net increase/(decrease) in cash and cash equivalents		1,838,743	(11,878,921)
Cash and cash equivalents at beginning of year		65,133,409	77,012,330
Cash and cash equivalents at end of year	7	66,972,152	65,133,409

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Notes to the financial statements

for the financial year ended 31 March 2015

1 General information

The Singapore Examinations and Assessment Board (“SEAB” or the “Board”) was established under the Singapore Examinations and Assessment Board Act 2003 on 1 April 2004 as a statutory board. SEAB, formerly the Examinations Division of the Ministry of Education (“MOE”), was formed to develop and conduct national examinations in Singapore and to provide other examination and assessment services, locally as well as overseas. SEAB will collaborate with MOE on all national examinations.

The registered office and principal place of operations of the Board is at 298 Jalan Bukit Ho Swee, Singapore 169565.

The primary functions and duties of the Board are:

- (i) To develop and devise national examinations which would support and promote the goals and objectives of Singapore’s education systems;
- (ii) To organise and conduct the national examinations;
- (iii) To serve as the examining authority for any of the national examinations or such modules or components of any of the national examinations as the Board may, in consultation with the Minister, determine;
- (iv) To publish and disseminate information on matters relating to the Board’s functions and duties;
- (v) To provide advisory and consultancy services and training in Singapore or elsewhere on matters relating to the national examinations and assessment generally, and;
- (vi) To carry out such other functions and duties as are imposed upon the Board under the Singapore Examinations and Assessment Board Act 2003 or any other written law.

2(a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Singapore Examinations and Assessment Board Act 2003 and Statutory Board Financial Reporting Standards (“SB-FRS”) as promulgated by the Accountant-General. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements of the Board and the Group are presented in Singapore dollars (“SGD” or S\$).

2(a) Basis of preparation (Cont'd)

Significant accounting estimates and judgements

The preparation of the financial statements in conformity with SB-FRS requires the management to exercise judgements in the process of applying the Group's accounting policies and requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting periods and the reported amounts of revenues and expenses during the financial years. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only the financial year or in the financial year of the revision and future financial years if the revision affects both current and future financial years.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Board and the Group based its assumptions and estimate on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future development however, may change due to market changes or circumstances arising beyond the control of the Board and the Group. Such changes are reflected in the assumption when they occur.

Depreciation of plant and equipment

The cost of plant and equipment is depreciated on a straight-line basis over their useful lives. Management estimates the useful lives of these plant and equipment to be within 3 to 5 years. The carrying amounts of the Board's and the Group's plant and equipment at 31 March 2015 are \$4,304,929 (2014 - \$2,670,059). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

Obligations in respect of Pension Scheme

The provision in respect of pension scheme obligations is subject to actuarial risks such as interest risk, longevity risk and salary risk. A decrease in the bond interest rate will increase the plan liability while the present value of the defined benefit liability is also calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability. In addition, the present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of plan participants will increase the plan's liability.

2(b) Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Board and the Group have adopted all the new and revised SB-FRS and Interpretations to SB-FRS (INT SB-FRS) that are effective for annual periods beginning on or after 1 April 2014.

The adoption of these standards and interpretations did not have any material impact on the Board and the Group's financial statements.

2(c) New or revised accounting standards and interpretations not effective

The following are the new or amended SB-FRS and INT SB-FRS issued in 2014 that are not effective but may be early adopted for the current financial year:

Description	Effective for annual period beginning on or after
Various Improvements to SB-FRSs (January 2014)	1 July 2014

Improvements to SB-FRSs (January 2014)

Improvements to SB-FRS 24 *Related Party Disclosures* clarify that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a related party of the reporting entity. In addition, an entity that uses a management entity is required to disclose the expenses incurred for the management services. The improvements to SB-FRSs (January 2014) SB-FRS 24 *Related Party Disclosures* are effective from annual periods beginning on or after 1 July 2014. As it is a disclosure standard, it will not have any impact on the financial performance or the financial position of the Board and the Group when implemented.

Other than the above, the Board and the Group does not anticipate that the adoption of the above SB-FRS in future periods will have a material impact on the financial statements of the Board and the Group in the period of their initial adoption.

2(d) Summary of significant accounting policies

Consolidation

The financial statements of the Group include the financial statements of the Board and its subsidiary made up to the end of the financial year. Information on its subsidiary is given in Note 4.

All inter-company balances and significant inter-company transactions and resulting unrealised profits or losses are eliminated on consolidation and the consolidated financial statements reflect external transactions and balances only.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Board obtains control and continue to be consolidated until the date that such control ceases. When the Group loses control of a subsidiary, a gain or loss is recognised in the statement of comprehensive income and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SB-FRSs).

Subsidiary

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

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

Subsidiary (cont'd)

Thus, the Board controls an investee if and only if the Board has all of the following:

- power over the investee;
- exposure, or rights or variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns

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

In the Board's separate financial statements, shares in subsidiary are stated at cost less allowance for any impairment losses on an individual subsidiary basis.

Plant and equipment and depreciation

Plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is computed utilising the straight-line method to write off the cost of these assets over their estimated useful life as follows:

Renovation	3 years
Mechanical and electrical equipment	5 years
Furniture and fittings	5 years
Office equipment	5 years
Personal computers and software	3 years
Audio visual equipment	5 years
Computer and communication systems	5 years

Development project-in-progress is not depreciated until assets are completed and ready for use.

The cost of plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Subsequent expenditure relating to plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Board and the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

For acquisitions and disposals during the financial year, depreciation is provided from the year of acquisition and no depreciation is provided in the year of disposal respectively. Fully depreciated plant and equipment are retained in the books of accounts until they are no longer in use.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at end of each reporting period as a change in estimates.

Financial assets

Initial recognition and measurement

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

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

Financial assets (cont'd)

Initial recognition and measurement (cont'd)

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

All regular way of purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place concerned.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

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 arise when the Group provide money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the end of the reporting year. These are classified as non-current assets, if any.

Loans and receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any. Any change in their value is recognised in the statement of comprehensive income. Any reversal shall not result in a carrying amount that exceeds what the amortised cost would have been had any impairment loss not been recognised at the date the impairment is reversed. Any reversal is recognised in the statement of comprehensive income.

Loans and receivables include trade and other receivables, amounts owing by a subsidiary and cash and cash equivalents. If there is objective evidence that the asset has been impaired, the financial asset is measured at the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. The impairment or write-back is recognised in the statement of comprehensive income.

De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in the statement of comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the statements of financial position, when and only when, there is a currently enforceable legal right to set-off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to know amount of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

For the purpose of presentation in the financial statements, cash and cash equivalents comprise cash at bank, cash held under Centralised Liquidity Management ("CLM") scheme, fixed deposits with financial institutions and cash balances with the Accountant-General Department which are subject to an insignificant risk of change in value.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Government grants to meet the current year's operating expenses are recognised as income in the financial year in which the operating expenses are incurred.

Where the grant relates to an asset, the fair value is recognised as grant received in advance on the statement of financial position and is amortised and charged in the statements of comprehensive income over the period necessary to match the depreciation of the assets purchased with the related grants. Upon disposal of plant and equipment, the balance of the related deferred capital grants is recognised in the statement of comprehensive income to match the net book value of the assets written-off.

Financial liabilities

The Board's and the Group's financial liabilities include trade and other payables.

Financial liabilities are recognised when the Board and the Group become a party to the contractual agreements of the instrument. All interest-related charges are recognised as an expense in "finance cost" in the statement of comprehensive income. Financial liabilities are derecognised if the Board's and the Group's obligations specified in the contract expire or are discharged or cancelled.

Other payables are initially recognised at fair value, and subsequently measured at amortised cost, using the effective interest method.

Provisions

Provisions are recognised when the Board and the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Present obligations arising from onerous contracts are recognised as provisions.

The Board and the Group reviews the provisions annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of the time is recognised as finance costs in the statement of comprehensive income.

Leases

Operating leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

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

Leases (cont'd)

Operating leases (cont'd)

Rentals on operating leases are charged to the statement of comprehensive income on a straight-line basis over the lease term. Lease incentives, if any, are recognised as an integral part of the net consideration agreed for the use of the leased asset. Penalty payments on early termination, if any, are recognised in the statement of comprehensive income when incurred.

Employee benefits

Defined contribution plans

The Board contributes to the Central Provident Fund (“CPF”), a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The Board’s contributions to CPF are charged to statement of comprehensive income in the year to which the contributions relate.

Defined benefit plans

Certain officers of the Board and the Group are entitled to benefits under the provisions of the Pension Act, Chapter 225 in respect of their services with the Board.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Board’s and the Group’s net obligation in respect of defined benefit pension plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods that benefit is discounted to determine the present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the end of the reporting period on Singapore government bonds that have maturity dates approximating the terms of the Board’s and the Group’s obligations.

The calculation is performed annually by the Board using the projected unit credit method. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Board. An economic benefit is available to the Board and the Group if it is realisable during the life of the plan, or on settlement of the plan liabilities.

The Board and the Group recognises all actuarial gains and losses arising from defined benefit plans in other comprehensive income.

Short-term benefits

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

A liability is recognised for the amount expected to be paid under short-term cash bonus if the Board and the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Key management personnel

Key management personnel of the Board and the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Board and the Group. The Chief Executive Officer and Directors are considered key management personnel.

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

Goods and services tax

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

- (a) where the goods and services tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the goods and services tax is recognised as part of the cost of acquisition of the asset or as part of the expenses item as applicable; and
- (b) receivables and payables that are stated with the amount of goods and services tax included.

The net amount of goods and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Related parties

The Board is established as a statutory board and is an entity related to the Government of Singapore. The Board's related parties refer to Government-related entities including Ministries, Organs of State and other Statutory Boards. The Board applies the exemption in Paragraph 25 of SB-FRS 24 *Related Party Disclosures*, and required disclosures are limited to the following information to enable users of the Board's financial statements to understand the effect of related party transactions on the financial statements:

- (a) the nature and amount of each individually significant transaction with Ministries, Organs of State and other Statutory Boards; and
- (b) for other transactions with Ministries, Organs of State and other Statutory Boards that are collectively but not individually significant, a qualitative or quantitative indication of their extent.

Finance costs

Finance costs comprise unwinding of the discount on provisions. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in surplus or deficit using the effective interest method.

Income taxes

The Board is a tax-exempted Institution under the provisions of the Income Tax Act (Chapter 134, 2008 Revised Edition). The subsidiary of the Board is subject to local income tax legislation, except for those that are tax-exempt under the provisions of the Income Tax Act (Chapter 134, 2008 Revised Edition).

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 end of reporting period.

Impairment of non-financial assets

The carrying amounts of the Board's non-financial assets subject to impairment are reviewed at the end of the reporting year to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

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

Impairment of non-financial assets (cont'd)

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. All assets are subsequently reassessed for the indication that an impairment loss previously recognised may no longer exist.

Any impairment loss is charged to the statement of comprehensive income.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Board and the Group and the revenue and the cost of transactions can be reliably measured, regardless of when the payment is made. No revenue is recognised if there are significant uncertainties regarding recovery of the considerations due, associated costs or the possible return of fee revenue.

The following specific recognition criteria must also be met before revenue is recognised:

Income from examinations fees is recognised in the income statements when the services are rendered. Income that is received in advance of service being rendered is deferred and reflected as revenue received in advance included under other payables.

Interest income is recognised using the effective interest method.

Revenue from professional services is recognised upon rendering such services.

Foreign currencies

Functional currency

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

Transactions and balances

Foreign currency transactions are measured and recorded in the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rates ruling at the respective end of the reporting period. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates on monetary assets and liabilities denominated in foreign currency are recognised in statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items at fair value in foreign currency are translated using the exchange rates at the date when the fair value was determined.

Financial instruments

Financial instruments carried on the statements of financial position include financial assets and financial liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. These are recognised on the Board's balance sheet when the Board becomes a party to the contractual provisions of the instrument.

Disclosures of the Board's financial risk management objectives and policies are provided in Note 20.

3 Plant and equipment

The Board	Renovation	Mechanical and electrical equipment	Furniture and fittings	Office equipment	Personal computers and software	Audio visual equipment	Computer and communication Systems	Development project-in-progress	Total
Cost	\$	\$	\$	\$	\$	\$	\$	\$	\$
At 1 April 2013	1,519,725	1,285,861	491,232	1,612,191	740,312	266,439	9,966,459	-	15,882,219
Additions	40,084	55,969	2,707	148,378	31,676	8,999	1,266,096	431,310	1,985,219
Disposals/written-off	-	(43,971)	-	(23,639)	-	(48,212)	-	-	(115,822)
At 31 March 2014	1,559,809	1,297,859	493,939	1,736,930	771,988	227,226	11,232,555	431,310	17,751,616
Additions	-	65,026	5,680	186,073	2,264	2,590	380,825	2,013,120	2,655,578
Disposals/written-off	-	(81,695)	(11,069)	(18,308)	-	-	(78,612)	-	(189,684)
At 31 March 2015	1,559,809	1,281,190	488,550	1,904,695	774,252	229,816	11,534,768	2,444,430	20,217,510
Accumulated depreciation									
At 1 April 2013	1,348,334	1,171,763	433,086	1,145,705	656,516	180,626	7,626,533	-	12,562,563
Depreciation for the year	117,369	56,341	17,434	275,638	47,664	26,934	2,093,436	-	2,634,816
Disposals/written-off	-	(43,971)	-	(23,639)	-	(48,212)	-	-	(115,822)
At 31 March 2014	1,465,703	1,184,133	450,520	1,397,704	704,180	159,348	9,719,969	-	15,081,557
Depreciation for the year	80,088	43,900	16,250	182,795	42,460	27,343	627,872	-	1,020,708
Disposals/written-off	-	(81,695)	(11,069)	(18,308)	-	-	(78,612)	-	(189,684)
At 31 March 2015	1,545,791	1,146,338	455,701	1,562,191	746,640	186,691	10,269,229	-	15,912,581
Net book value									
At 31 March 2015	14,018	134,852	32,849	342,504	27,612	43,125	1,265,539	2,444,430	4,304,929
At 31 March 2014	94,106	113,726	43,419	339,226	67,808	67,878	1,512,586	431,310	2,670,059

As at 31 March 2015, development project-in-progress relates to progressive billings received for the development of e-Assessment system. Included in computer and communication systems is computer software with carrying amount of \$1.19 million as at 31 March 2015 (2014: \$1.49 million).

3 Plant and equipment (Cont'd)

The Group	Renovation	Mechanical and electrical equipment	Furniture and fittings	Office equipment	Personal computers and software	Audio visual equipment	Computer and communication Systems	Development project-in-progress	Total
Cost	\$	\$	\$	\$	\$	\$	\$	\$	\$
At 1 April 2013	1,519,725	1,285,861	491,232	1,615,183	753,234	266,439	9,968,538	-	15,900,212
Additions	40,084	55,969	2,707	148,378	31,676	8,999	1,266,096	431,310	1,985,219
Disposals/written off	-	(43,971)	-	(23,639)	-	(48,212)	(2,079)	-	(117,901)
At 31 March 2014	1,559,809	1,297,859	493,939	1,739,922	784,910	227,226	11,232,555	431,310	17,767,530
Additions	-	65,026	5,680	186,073	2,264	2,590	380,825	2,013,120	2,655,578
Disposals/written off	-	(81,695)	(11,069)	(21,300)	(12,922)	-	(78,612)	-	(205,598)
At 31 March 2015	1,559,809	1,281,190	488,550	1,904,695	774,252	229,816	11,534,768	2,444,430	20,217,510
Accumulated depreciation									
At 1 April 2013	1,348,334	1,171,763	433,086	1,148,697	669,438	180,626	7,628,612	-	12,580,556
Depreciation for the year	117,369	56,341	17,434	275,638	47,664	26,934	2,093,436	-	2,634,816
Disposals/written off	-	(43,971)	-	(23,639)	-	(48,212)	(2,079)	-	(117,901)
At 31 March 2014	1,465,703	1,184,133	450,520	1,400,696	717,102	159,348	9,719,969	-	15,097,471
Depreciation for the year	80,088	43,900	16,250	182,795	42,460	27,343	627,872	-	1,020,708
Disposals/written off	-	(81,695)	(11,069)	(21,300)	(12,922)	-	(78,612)	-	(205,598)
At 31 March 2015	1,545,791	1,146,338	455,701	1,562,191	746,640	186,691	10,269,229	-	15,912,581
Net book value									
At 31 March 2015	14,018	134,852	32,849	342,504	27,612	43,125	1,265,539	2,444,430	4,304,929
At 31 March 2014	94,106	113,726	43,419	339,226	67,808	67,878	1,512,586	431,310	2,670,059

During the financial year, the Board acquired certain network equipment under the category “computer and communication systems” at a cost of \$130,896 which was paid for by the Government and transferred to the Board under the “Whole-of-Government Information and Communications Technology Infrastructure” arrangement. These additions were borne by the Government as part of the transition out of the Standard Operating Environment program and the corresponding amount has been recognised as “other operating income” in the statement of comprehensive income.

4 Investment in a subsidiary

The Board	2015 \$	2014 \$
Unquoted equity investment, at cost		
At 1 April	2	2
Liquidated during the year	(2)	-
At 31 March	-	2

Details of the subsidiary are:

Name of subsidiary	Principal activities	Country of incorporation	Percentage of equity held	
			2015 %	2014 %
<u>Held by the Board:</u>				
Sigma Assessment Services Pte Ltd ⁽¹⁾	Provision of training, organising workshop and consultancy work	Singapore	Nil	100

⁽¹⁾ Audited by James Chan & Partners, LLP

On 26 September 2014, the subsidiary commenced its members' voluntary winding up process. Management engaged a liquidator to carry out an audit on the Liquidator's Statement of Account for the period from 26 September 2014 to 13 March 2015 in accordance with Section 308(1) of the Companies Act, Cap. 50. A first and final distribution of \$1,006,718 was transferred to the Board on 12 January 2015 following the completion of the members' voluntary winding up process. A gain of \$1,006,716 arising from the winding up of the subsidiary was recognised in the Board's statement of comprehensive income in the financial year.

5 Trade and other receivables

	The Board		The Group	
	2015 \$	2014 \$	2015 \$	2014 \$
Trade receivables	949,478	2,493,994	949,478	2,518,995
Fixed deposit interest receivable	389,201	137,565	389,201	137,565
Staff study loans	15,014	25,010	15,014	25,010
Other receivables	399,678	252,592	399,678	252,592
	1,753,371	2,909,161	1,753,371	2,934,162

Trade receivables

Trade receivables are non-interest bearing and are normally settled on 30 days' terms. They are recognised at their original invoiced amounts which represent their fair values at initial recognition. The Board and the Group have significant concentration of credit risk. One debtor constitutes 98% (2014 - 98%) of the total trade receivables. All trade and other receivables are denominated in SGD. Trade receivables are current and not past due and no impairment loss was recognised during the financial year.

6 Amount owing by a subsidiary (trade)

During the financial year, the amount was repaid to the Board. As at 31 March 2014, the amount was unsecured, interest-free and repayable on demand. The amount owing by a subsidiary was denominated in SGD.

7 Cash and cash equivalents

	The Board		The Group	
	2015 \$	2014 \$	2015 \$	2014 \$
Cash and bank balances	172,312	176,454	172,312	397,768
Cash with Accountant-General's Department ("AGD")	12,676,235	5,196,042	12,676,235	5,196,042
Cash held under Central Liquidity Management ("CLM") scheme	54,123,605	58,734,777	54,123,605	58,734,777
Fixed deposits	-	-	-	804,822
	66,972,152	64,107,273	66,972,152	65,133,409

The cash placed with AGD does not earn any interest. The cash placed under the CLM scheme is based on the directive as set out in the Accountant-General Circular's No. 4/2009. These are short-term deposits earning interest ranging from 0.74% to 0.99% (2013/2014: 0.54% to 0.70%) per annum.

Cash and cash equivalents are denominated in the following currencies:

	The Board		The Group	
	2015 \$	2014 \$	2015 \$	2014 \$
Singapore Dollars	66,799,000	63,928,509	66,799,000	64,954,645
Great Britain Pound	173,152	178,764	173,152	178,764
	66,972,152	64,107,273	66,972,152	65,133,409

8 Capital account

The Board	2015	2014	2015	2014
	No. of shares		\$	\$
Issued and paid up				
At 1 April	10,064,920	9,626,713	10,064,920	9,626,713
Issue of ordinary shares	1,562,759	438,207	1,562,759	438,207
At 31 March	11,627,679	10,064,920	11,627,679	10,064,920

The capital account represents capital injections by the Minister of Finance, a body corporate incorporated by the Minister of Finance (Incorporation) Act (Cap. 183), in its capacity as shareholder under the debt-equity framework for statutory boards, implemented with effect from 1 September 2004. Under this framework, capital projects will be partially funded by the Minister of Finance as equity injection, and the remaining through loans or general funds of the Board.

Ministry of Finance is entitled to receive dividends annually, computed based on the cost of equity applied to the Board's equity base and it is capped at statutory board's annual accounting surplus. The shares carry neither rights nor par value.

9 Obligation in respect of pension scheme

The Board operates an unfunded defined benefit plan for certain officers of the Board and they are entitled to benefits under the provisions of the Pension Act, Chapter 225 in respect of their services with the Board.

The present valuation of the defined benefit obligation was carried out at 31 March 2015 by PwC Asia Actuarial Services (Singapore) Pte Ltd. The present value of the defined benefit obligation and the related current service cost were measured using the projected unit credit method.

9 Obligation in respect of pension scheme (cont'd)

The principal assumptions used in respect of the Board's and the Group's obligations in respect of the pension scheme were as follows:

The Board and The Group	2015 %	2014 %
Discount rate	2.1	2.4
Expected rate of salary increases	4.0	2.5
Resignation rate	Nil	Nil

The discount rate is based on the yield of Singapore 12 years government bonds. The retirement age is assumed to be 60 and the employee has completed 10 years of public service or when employee has completed 33.33 years of public service, whichever is earlier. The mortality rates are extracted from the mortality table extracted from Singapore Insured Lives 1997-2002.

Amounts recognised in statement of comprehensive income in respect of these defined benefit plans are as follows:

The Board and The Group	2015 \$	2014 \$
Service cost		
Current service cost	133,424	151,011
Net interest expense	113,195	116,104
Components of defined benefit costs recognised in statement of comprehensive income	246,619	267,115

Changes in the present value of the defined benefit obligation are as follows:

The Board and The Group	2015 \$	2014 \$
Balance at beginning of the financial year	4,433,892	4,478,323
Current service cost	133,424	151,011
Interest cost	113,195	116,104
<i>Re-measurements recognised in other comprehensive income:</i>		
(a) Due to changes in financial assumptions	461,699	-
(b) Due to experience adjustments	540,716	-
	1,002,415	-
Benefits paid	(499,532)	(311,546)
Balance at end of the financial year	5,183,394	4,433,892

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all of the other assumptions constant.

- If the discount rate is 25 basis points higher/(lower), the defined benefit obligation would decrease by \$173,513 (increase by \$182,271);
- If the expected salary growth increases/(decreases) by 0.25%, the defined benefit obligation would increase by \$45,909 (decrease by \$45,518);
- If the life expectancy increases/(decreases) by one year for both men and women, the defined benefit obligation would increase by \$105,940 (decrease by \$110,746)

9 Obligation in respect of pension scheme (cont'd)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the statement of financial position.

There was no change in the methods and assumptions used in the preparing the sensitivity analysis from prior years.

10 Trade and other payables

	The Board		The Group	
	2015 \$	2014 \$	2015 \$	2014 \$
Trade payables	2,232,700	1,764,317	2,232,700	1,764,317
GST payables	116,685	72,145	116,685	72,659
Provision for bonus	1,898,457	1,919,966	1,898,457	1,919,966
Accrued expenses	1,523,243	1,543,070	1,523,243	1,546,870
Other payables	353,298	430,257	353,298	430,257
	6,124,383	5,729,755	6,124,383	5,734,069

Trade and other payables are non-interest bearing. Trade payables are normally settled on 30 to 90 days' terms.

Trade and other payables are denominated in the following currencies:

	The Board		The Group	
	2015 \$	2014 \$	2015 \$	2014 \$
Singapore Dollars	5,742,557	5,432,300	5,742,557	5,436,614
Great Britain Pound	375,915	297,455	375,915	297,455
United States Dollars	5,911	-	5,911	-
	6,124,383	5,729,755	6,124,383	5,734,069

11 Grants received in advance

	2015 \$	2014 \$
The Board and The Group		
At 1 April	268,755	1,716,738
Grants received	35,734,015	28,868,731
Operating grants transferred to statement of comprehensive income during the year	(35,956,990)	(30,316,714)
At 31 March	45,780	268,755
Total grants received since inception of the Board	333,153,843	297,419,828

12 Other operating income

	The Board		The Group	
	2015	2014	2015	2014
	\$	\$	\$	\$
Professional fees	4,317,353	4,604,601	4,317,353	4,644,801
Consultancy fees	1,664,300	1,829,470	1,664,300	1,829,470
Training fees	1,102,988	211,730	1,102,988	413,385
Gain on winding up of subsidiary	1,006,716	-	-	-
Others	1,230,170	1,082,404	1,230,170	913,106
	9,321,527	7,728,205	8,314,811	7,800,762

13 Staff costs

	The Board		The Group	
	2015	2014	2015	2014
	\$	\$	\$	\$
Key management personnel				
Salaries and related costs	1,892,505	1,693,638	1,892,505	1,693,638
CPF contributions	84,606	61,879	84,606	61,879
Pension benefits	3,287	32,888	3,287	32,888
	1,980,398	1,788,405	1,980,398	1,788,405
Other than key management personnel				
Salaries and related costs	20,804,888	20,592,945	20,804,888	20,592,945
CPF contributions	2,030,974	1,994,006	2,030,974	1,994,006
Pension benefits	243,332	234,227	243,332	234,227
	23,079,194	22,821,178	23,079,194	22,821,178
	25,059,592	24,609,583	25,059,592	24,609,583

14 Other operating expenses

	The Board		The Group	
	2015	2014	2015	2014
	\$	\$	\$	\$
Examinations administrative expenses	11,610,134	11,384,415	11,610,134	11,384,859
Maintenance of office premises and information systems	7,021,253	4,731,386	7,021,332	4,731,443
Operating leases expenses	4,091,496	4,280,562	4,091,496	4,280,562
General and administrative expenses	4,751,967	4,996,910	4,769,240	5,005,695
	27,474,850	25,393,273	27,492,202	25,402,559

Included in general and administrative expenses are:

	2015	2014
The Board and The Group	\$	\$
Directors' fees	90,000	90,000
Exchange (gain)/loss	(252,094)	644,117
Gain on disposal of plant and equipment	(1,271)	(1,977)

15 Contribution to consolidated fund

Under Section 13(1)(e) and the First Schedule of the Singapore Income Tax Act, Chapter 134, the income of the Board is exempt from income tax.

In lieu of income tax, the Board is required to make contribution to the Government Consolidated Fund if it generates accounting surpluses in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act (Chapter 319 A).

As decided by Ministry of Finance, the applicable rate for contribution for the current financial year is 17% (2014 - 17%). During the current financial year, the Board utilised \$2.13 million of the deficit carried forward from FY 2014 to set-off the Board's current year's operating surplus of \$\$2.15 million before contribution to consolidation fund.

The Board and The Group	2015	2014
	\$	\$
At 1 April	-	514,522
Payment during the year	-	(514,522)
Provision for the financial year	3,741	-
At 31 March	3,741	-

At the end of the financial year, the accumulated deficits to be carried forward are as follows:

The Board	2015	2014
	\$	\$
At 1 April	(2,129,408)	-
Surplus/(Deficit) for the year	2,129,408	(2,129,408)
At 31 March	-	(2,129,408)
Deferred tax assets not recognised at 17% (2014 - 17%)	-	362,000

Benefits in relation to the accumulated deficits were not recognised in the previous financial year due to the unpredictability of future surplus streams.

16 Taxation

The Group	2015	2014
	\$	\$
Current taxation	-	3,523
Overprovision of current taxation in respect of prior years	-	(2,120)
	-	1,403

16 Taxation (cont'd)

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on Group's results as a result of the following:

The Group	2015 \$	2014 \$
Surplus/(Deficit) before taxation	1,129,065	(2,065,202)
Tax at statutory rate of 17%	191,941	(351,085)
Deferred tax assets not recognised	-	362,000
Non-deductible expenses	2,657	-
Utilisation of the Board's prior year's tax losses in the current year	(194,598)	-
Overprovision of current tax in respect of prior years	-	(2,120)
Singapore statutory stepped income exemption	-	(5,882)
Income tax rebate	-	(1,510)
	-	1,403

17 Dividends

The Board declared and paid a final exempt (one-tier) dividend of 7.0 cents amounting to \$708,000 to the Minister of Finance in the previous financial year.

18 Commitments

18.1 Operating lease commitments

At the end of the reporting period, the Board and the Group were committed to making the following rental payments in respect of non-cancellable operating leases of office premises with an original term of more than one year:

The Board and The Group	2015 \$	2014 \$
Not later than one year	3,632,112	2,840,928
Later than one year and not later than five years	5,648,304	1,238,811
	9,280,416	4,079,739

The leases on the Board's and the Group's premises on which rentals are payable will expire latest on 31 December 2017 and the current rent payable on the lease ranges from \$58,991 to \$122,641 per month, respectively which are subject to revision on renewal.

18.2 Other commitments

The Board is given the flexibility to lease for the use of computer equipment under IDA's PC Bulk Tender with no buyback options. The lease will be treated as operating lease and the Board will pay a monthly fee for the use of those equipment. All other IT services will be subscribed via other IDA bulk tenders under the "Whole of Government ICT Infrastructure" arrangement.

19 Significant related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free, repayable on demand and to be settled in cash, unless otherwise stated.

Transactions with government-related entities

The Singapore Government has control over the Board, as well as Ministries, Organs of States and other Statutory Boards.

Collectively, but not individually significant transactions

The Board is a Statutory Board under the Ministry of Education ("MOE"). The Board charges fees for the services provided. Collectively, income generated from the fees received from and provision of training and other services to Ministries, Organs of States and other Statutory Boards constitutes 16% (2014: 13%) of the total operating income. Purchase of supplies and services from Ministries, Organs of States and other Statutory Boards constitutes 12% (2013: 11%) of the total operating expenditure.

These transactions are conducted in the ordinary course of the Board's business on terms comparable to those with other entities that are not government-related.

Nature and amount of individually significant transactions

The Board receives operating grants from the MOE, which is subject to yearly approval. Operating grants from the MOE recognised in the statement of comprehensive income during the year and grants received in advance from MOE are disclosed in Note 11 to the financial statements.

20 Financial risk management objectives and policies

The Board and the Group

The Board's and the Group's financial risk management policies set out their overall strategies and its risk management philosophy. The Board and the Group are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks included market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

The Board's and the Group's overall risk management programme focuses on the unpredictability of foreign exchange, particularly between SGD and GBP and seeks to minimise adverse effect from the unpredictability of currency fluctuation between 2 currencies on the Board's and the Group's financial performance. In the previous year, the Board and the Group used forward foreign exchange contracts to hedge certain risk exposures. Since the end of the previous financial year, management ceased to enter into foreign currency forward contracts to manage exposure to movements in foreign currency exchange rates on specific transactions following revision in the funding arrangement with MOE.

The Board and the Group have written policies and guidelines, which set out its general risk management philosophy. The Board and the Group will continuously review its exposure to these financial risks and the manner in which it manages and measures the risk in line with the funding arrangement with MOE.

20 Financial risk management objectives and policies (cont'd)

20.1 Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Board's and the Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and short-term deposits), the Board and the Group minimise credit risk by dealing exclusively with reputable financial institutions and with the Account-General's Department.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

The carrying amount of cash at bank, fixed deposits and trade and other receivables, represent the Board's and the Group's maximum exposure to credit risk. No other financial assets carrying significant exposures to credit risk except as disclosed above.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and short-term deposits that are neither past due nor impaired are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

Based on historical default rates, the Board and the Group believe that no impairment allowance is necessary in respect of trade receivables not past due or past due but not impaired. These receivables are mainly arising by customers that have a good credit record with the Board and the Group.

20.2 Foreign currency risk

Foreign currency risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the Board's and the Group's functional currency. Currency risk arises mainly from payment due to an overseas examination board. As a result, the Board and the Group is exposed to movements in foreign currency exchange rates arising from normal trading transactions, primarily with respect to Great Britain Pound ("GBP" or "£"). As at the reporting date, the Board and the Group hold cash and bank balances and trade and other payables denominated in GBP.

The Board and the Group

	Note	2015 GBP \$	2014 GBP \$
Cash and cash equivalents	7	173,152	178,764
Trade and other payables	10	(375,915)	(297,455)
		(202,763)	(118,691)

Sensitivity analysis

A 10 per cent strengthening of GBP against Singapore dollars would have decrease surplus before contribution to consolidated fund and taxation by \$20,276 (2014: Increase deficit before contribution to consolidated fund and taxation by \$11,869). A 10 per cent weakening of GBP against Singapore dollars would have had the equal but opposite effect on the statement of comprehensive income. This analysis assumes that all other variables, in particular interest rate remains constant.

20 Financial risk management objectives and policies (cont'd)

20.3 Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Board's and the Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Board's and the Group's objective is to maintain a level of cash and cash equivalents deemed adequate by management to finance the Board operations.

The table below analyses non-derivative financial liabilities of the Board and the Group into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed on the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Note	The Board		The Group	
		2015 \$	2014 \$	2015 \$	2014 \$
Trade and other payables	10	6,124,383	5,729,755	6,124,383	5,734,069

21 Capital management

The Board and the Group's objectives when managing the funds are:

- (a) to safeguard the Board's and the Group's ability to continue as a going concern;
- (b) to support the Board's and the Group's stability and growth; and
- (c) to provide funds for the purpose of strengthening the Board's and the Group's risk management capability.

The Board actively and regularly reviews and manages its capital structure to ensure optimal capital structure, taking into consideration the future capital requirements, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected investments in public sector capability development. The Board defines "capital" to include share capital and accumulated surplus.

The Board is required to comply with the Capital Management Framework for Statutory Boards detailed in Finance Circular Minute M26/2008, including the need to declare annual dividends to the Ministry of Finance ("MOF") in returns for the equity injection. The Group's capital structure is based on the Ministry of Finance recommended debt-equity ratio of 60 to 40.

No changes were made in the objectives, policies or processes during the financial years ended 31 March 2015 and 31 March 2014.

22 Financial instruments

(a) Fair values

The carrying amount of the financial assets and financial liabilities with a maturity of less than one year is assumed to approximate their respective fair values.

(b) Financial instruments by category

The carrying amount of financial assets and financial liabilities by categories at the reporting date are as follows:

The Board	Note	2015 Loans and receivables \$	2014 Loans and receivables \$
Financial assets			
Trade and other receivables	5	1,753,371	2,909,161
Amount owing by a subsidiary	6	-	22,530
Cash and bank balances	7	66,972,152	64,107,273
		Other liabilities carried at amortised cost	Other liabilities carried at amortised cost
Financial liabilities			
Trade and other payables	10	(6,124,383)	(5,729,755)
<hr/>			
The Group	Note	2015 Loans and receivables \$	2014 Loans and receivables \$
Financial assets			
Trade and other receivables	5	1,753,371	2,934,162
Cash and bank balances	7	66,972,152	65,133,409
		Other liabilities carried at amortised cost	Other liabilities carried at amortised cost
Financial liabilities			
Trade and other payables	10	(6,124,383)	(5,734,069)

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