



PUSHING BOUNDARIES TOWARDS DIGITALISATION



ANNUAL REPORT 2020/21
For period ending 31 March 2021



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CHAIRPERSON'S MESSAGE

Crises spur innovation. This is what I saw in the work of SEAB in 2020/2021, a year that will long be remembered for the pandemic wrought by the COVID-19 virus. As a relatively young organisation, SEAB has moved nimbly to harness technology wherever feasible. It has scaled up its digitalisation efforts, edging many initiatives into fruition in the Year 2020/2021. This has created new and better value for students and teachers.

One notable achievement is moving all GCE-Level locally marked scripts to onscreen marking (OSM) a year ahead of schedule. This is a significant achievement as the number of subjects that are now marked onscreen has grown from five in Year 2019 to about twenty in Year 2020. There have been massive payoffs in manpower savings, increased marking efficiency and accuracy, and enhanced assessment literacy that can be reaped from OSM. Administrative and operational processes such as counting and transportation of scripts are no longer needed, thus greatly enhancing security and operational efficiency. There is a rich pool of data that arises from the use of technology, and SEAB will mine this to inform policy, practices, and professional development. I am also pleased to note that SEAB has transited some PSLE subjects to the OSM this year.

Another achievement is the digital submission of marks and outcomes implemented for all locally moderated or marked coursework subjects. e-Moderation and e-Marking of these subjects have proceeded smoothly, and examination personnel were delighted with the system. More notably is the removal of the need to transport bulky 3D works and large A3 preparatory cardboard sheets to and from schools and SEAB. This has helped to reduce labour-intensive processes at the schools' end, thus freeing examination personnel to focus on moderation and marking.

SEAB has been agile in ensuring the safe conduct of the 2020 national examinations in an unpredictable pandemic environment. Working very closely with the Ministry of Education and schools, several examination processes were painstakingly created or adjusted, all with the single objective of safeguarding the well-being and safety of our examination candidates and personnel. The strong partnership,



nimble and careful planning and execution with the Ministry and schools have resulted in the smooth conduct of the national examinations.

These achievements would not have been so quickly possible without a solid home ground. SEAB moved into its new building at 298 Jalan Bukit Ho Swee in Year 2020, just in time for all examination operations to be consolidated in a single site. I am delighted to share that the new building has been accorded the Green Mark Platinum (Super Low Energy) status by the Building and Construction Authority in 2020. Some of the green features include the use of a hybrid cooling system where air-conditioning is complemented with fans, the use of rainwater-harvesting to reduce water usage and the use of greenery as thermal buffer zones.

I congratulate SEAB on the outstanding work done in the Year 2020/2021. There are still uncertainties that lie ahead. Nevertheless, I am of the firm belief that SEAB will weather these well because of the clear sense of purpose and mission by its management team and staff.

In closing, I would like to express my deepest appreciation to every SEAB staff for going the extra mile in an unprecedentedly challenging year. I am especially cheered to see the strong spirit of resilience and unity among them. My special thanks to all Board members for their constant support and wise guidance so generously given.

MS HO PENG

Chairperson

Singapore Examinations and Assessment Board

GOVERNING BOARD



Chairperson
Ms Ho Peng
Advisor
Ministry of Education

MEMBERS



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



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



Mr Jonathan Yuen
Partner
Rajah & Tann Singapore LLP



Mr Richard Hoo
Deputy Chief Executive Officer,
Infrastructure Planning
Urban Redevelopment Authority
Chief Infrastructure
Planning Officer
Ministry of National Development



Mr Chan Cheow Hoe
Government Chief Digital
Technology Officer /
Deputy Chief Executive
Government Technology Agency



Mr Jason Chen
Deputy Secretary (Workplaces)
Ministry of Manpower



Ms Juthika Ramanathan
Chief Executive
(Office of the Chief Justice)
Supreme Court of Singapore



Mr Chin Chi Leong
Deputy Chief Executive Officer
(Building Control) /
Commissioner of Buildings
Building and Construction Authority



Mr Yue Lip Sin
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 Jonathan Yuen

Members: Mr Chan Cheow Hoe
Mr Jason Chen

HUMAN RESOURCE COMMITTEE

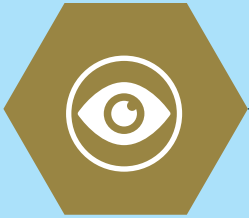
The Human Resource Committee provides guidance on overall human resource strategies to support the Board's performance. Its purpose is to ensure that SEAB has an effective organisational structure and appropriate manpower establishment, and that sound human resources and competitive compensation policies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

Chairman: Mr Wong Siew Hoong

Members: Professor Bernard Tan
Mr Richard Hoo
Mr Yue Lip Sin



CORPORATE PROFILE



VISION

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



MISSION

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



CORE VALUES

Integrity

We act with honesty at all times.

Value People

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

Commitment

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

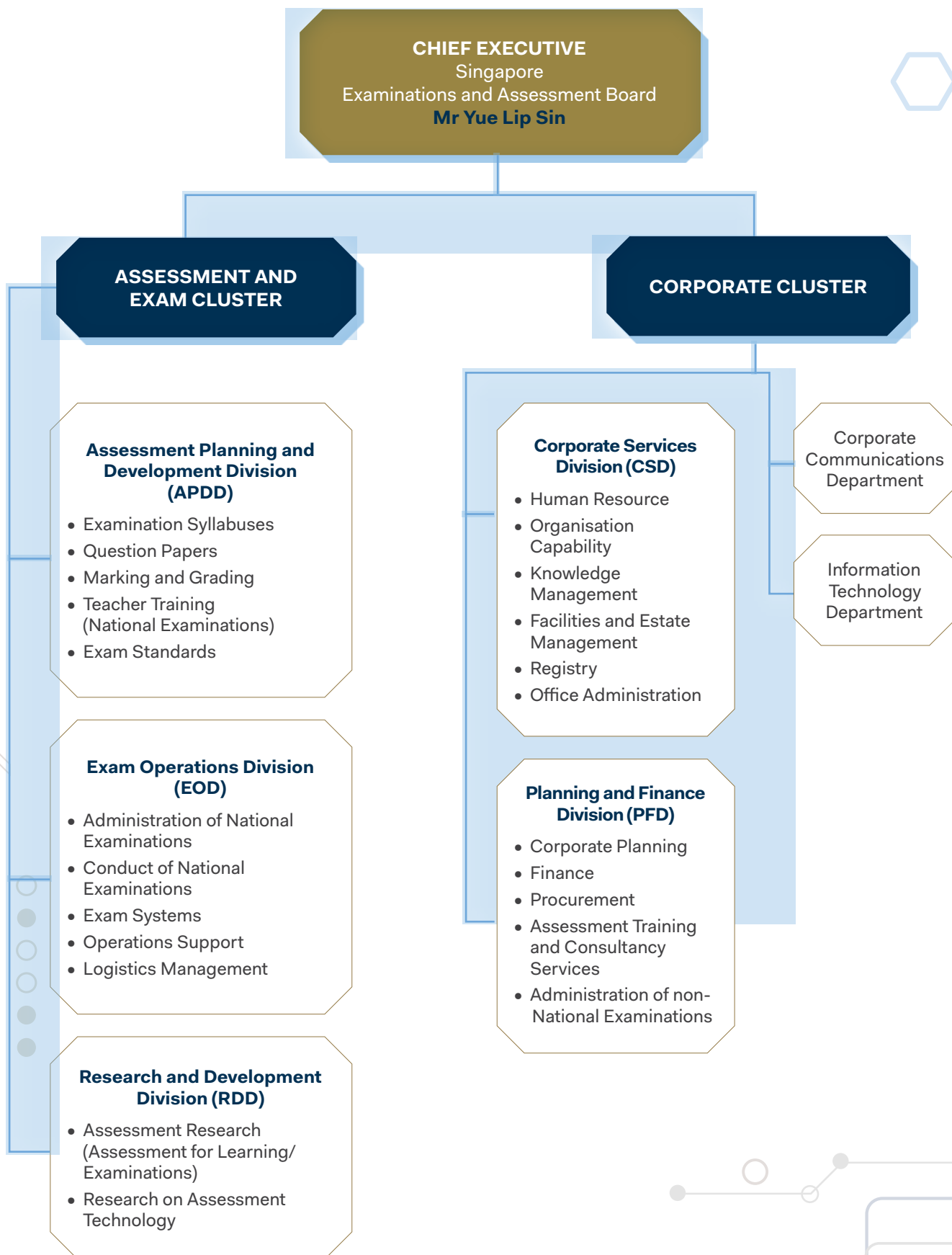
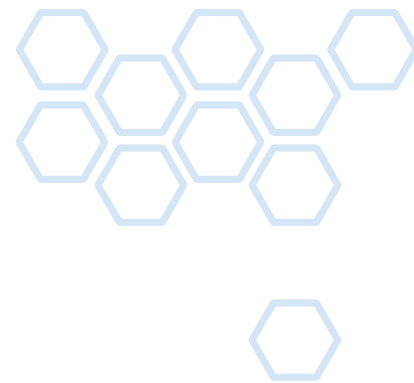
Professionalism

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

Teamwork

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

ORGANISATION STRUCTURE



SENIOR MANAGEMENT



Chief Executive
Mr Yue Lip Sin



Senior Director
Ms Selena Yeo
Corporate Cluster



Director
Mrs Cheah Mei Ling
Assessment Planning and
Development Division



Director
Mr Lee Ah Huat
Assessment Planning and
Development Division



Director
Mr Pang Chong Han
Exam Operations Division



Director
Ms Tay Lai Ling
Research and Development Division



Director
Ms Ong Ai-Di
Corporate Services Division

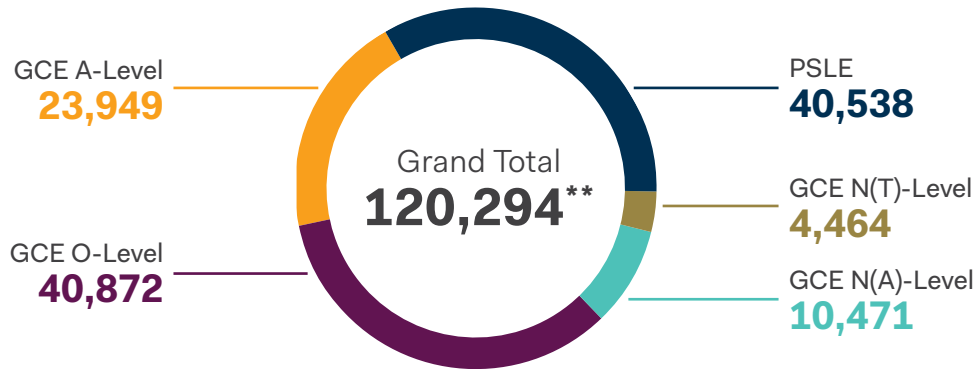


2020
NATIONAL EXAMINATIONS
STATISTICS

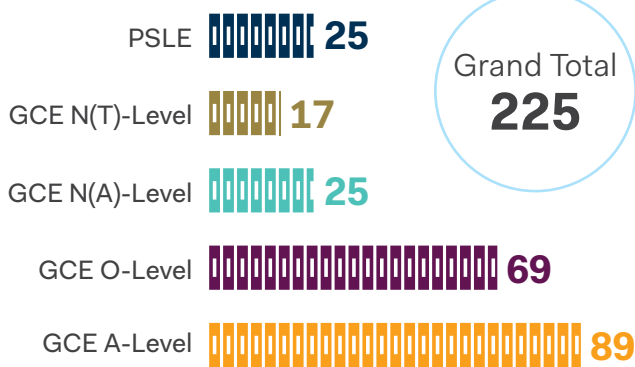


2020 National Examinations Statistics

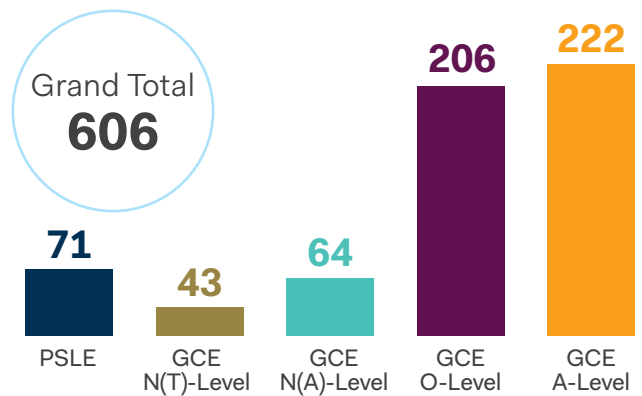
No. of candidates*



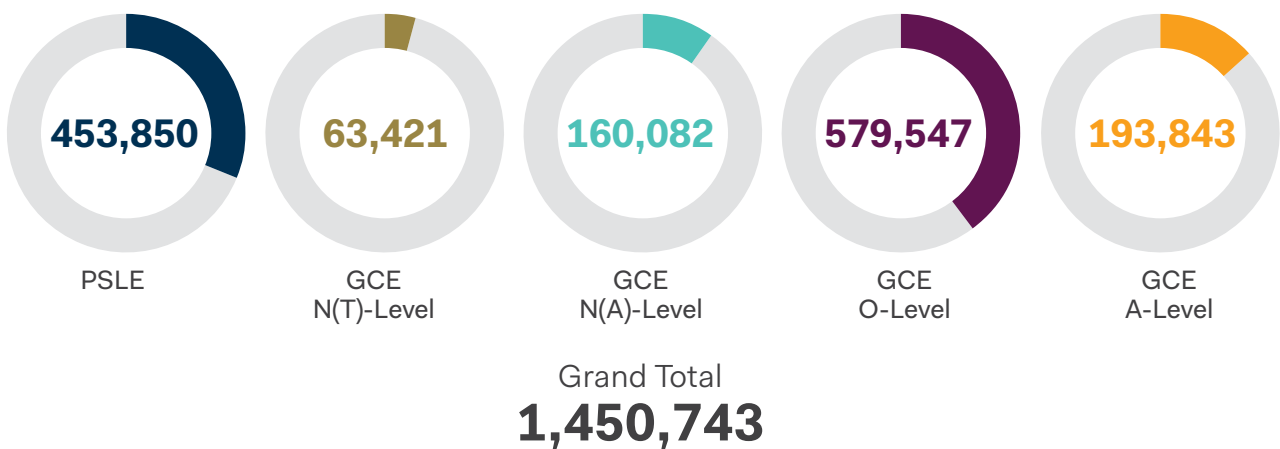
No. of subjects



No. of papers



No. of scripts



* 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.



2020 National Examinations Results by Levels



Examination Level



Results

PSLE (percentage qualified for secondary course)	Express	66.3%
	N(T) – Level	11.0%
	N(A) – Level	21.2%
	Not Posted	1.6%
GCE N(T) – Level (percentage awarded certificate)		98.5%
GCE N(A) – Level (percentage awarded certificate)		99.7%
GCE O – Level	Percentage with at least 3 O-level passes	96.8%
	Percentage with at least 5 O-level passes	85.4%
GCE A – Level (Percentage with at least 3H2 Passes, with a pass in GP or KI)		93.6%



YEAR IN REVIEW

KEY HIGHLIGHTS





KEY NATIONAL EXAMINATIONS ACTIVITIES

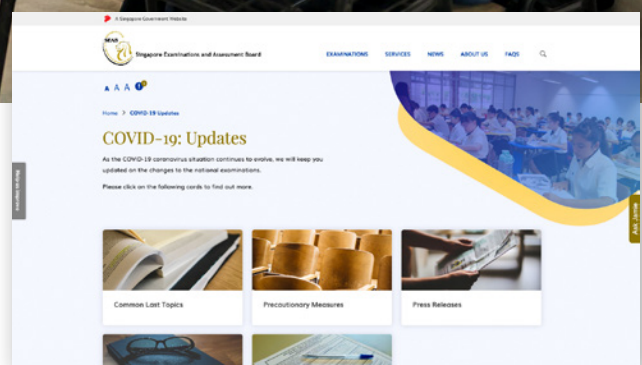


SAFE CONDUCT OF NATIONAL EXAMINATIONS

The COVID-19 pandemic presented several challenges to the conduct of the national examinations which are high-stake examinations for the purpose of educational progression.

To ensure the safety of all candidates and examination personnel, and to provide a fair assessment for candidates, the Singapore Examinations and Assessment Board (SEAB) made several changes to the conduct of examinations. These included:

- a) Removing Common Last Topics from national examinations;
- b) Reducing coursework requirements and changes to submission deadlines;
- c) Rescheduling GCE O- and A-Level Mid-Year Mother Tongue Language and H3 Autonomous University (AU) taught subjects;



- d) Putting in place precautionary measures for oral, performing, science practical examinations and written examinations;
- e) Providing special arrangements for year-end written examinations for the various categories of candidates who were affected by COVID-19; and
- f) Releasing 2020 national examinations' results electronically.

Press announcements were made to communicate the key changes ahead of the examinations.



2020 PRIMARY SCHOOL LEAVING EXAMINATION (PSLE)

The 2020 PSLE written examinations were conducted from 1 to 7 October 2020. The examination results were released on 25 November 2020.



2020 SINGAPORE-CAMBRIDGE GCE N(T)-LEVEL AND N(A)-LEVEL EXAMINATIONS

The GCE N(T)-Level and N(A)-Level written examinations were conducted from 14 September to 16 October 2020. The examination results were released on 17 December 2020.

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. The GCE N(T)-Level certificate is awarded to candidates who obtain a pass grade of Grade D or better in at least one N(T)-Level subject.



2020 SINGAPORE-CAMBRIDGE GCE O-LEVEL EXAMINATION

The GCE O-Level written examinations were conducted from 7 October to 12 November 2020. The examination results were released on 11 January 2021.

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



2020 SINGAPORE-CAMBRIDGE GCE A-LEVEL EXAMINATION

The GCE A-Level written examinations were conducted on 26 October, and from 2 November to 2 December 2020. The examination results were released on 19 February 2021.

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



ZONAL DISTRIBUTION HUB FOR COLLECTION OF QUESTION PAPERS

Prior to Year 2020, examination personnel would report at SEAB's Question Paper (QP) issuing centre located in the then Tiong Bahru Examination Centre (TBEC) before dawn to collect the QPs for their respective centres during each year's year-end written examination period.

As the then TBEC was the only QP issuing centre, it was usually congested with vehicles and human traffic. For most of the examination personnel who were not staying near, they had to start their day as early as 5am to collect the QPs from TBEC before travelling to their assigned examination centre to prepare for the examinations. This was the routine for the entire GCE-Level written examinations that spanned over 40 days.

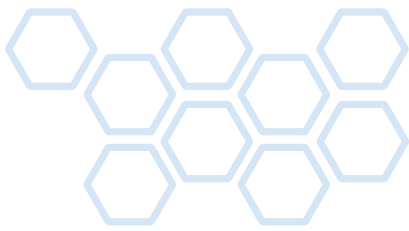
The zonal distribution hub model was introduced for the collection of question papers for 2020 GCE N(A)/N(T)/O-level examinations. In addition to SEAB premises at Jalan Bukit Ho Swee, six schools were used as collection hubs for nearby schools. This new model not only reduced congregation at SEAB premises but also reduced the travelling by the examination personnel.



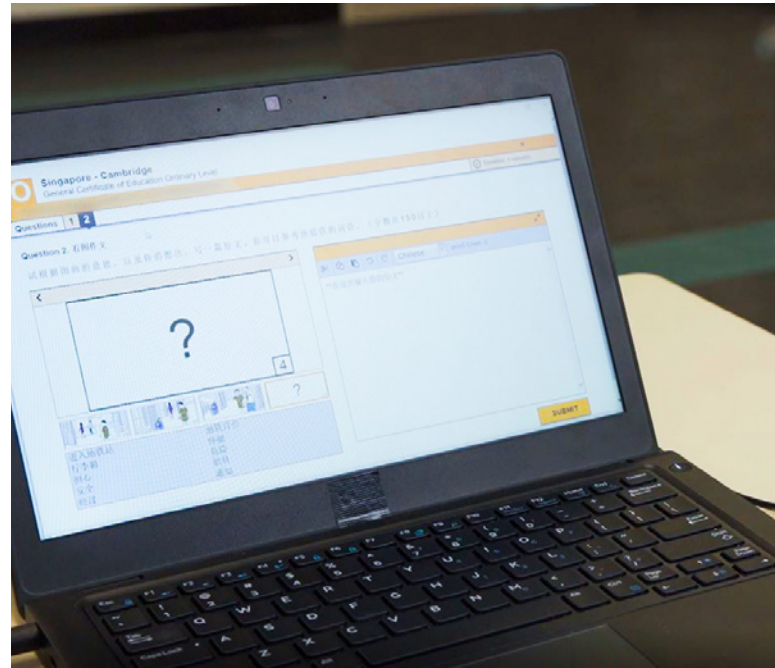
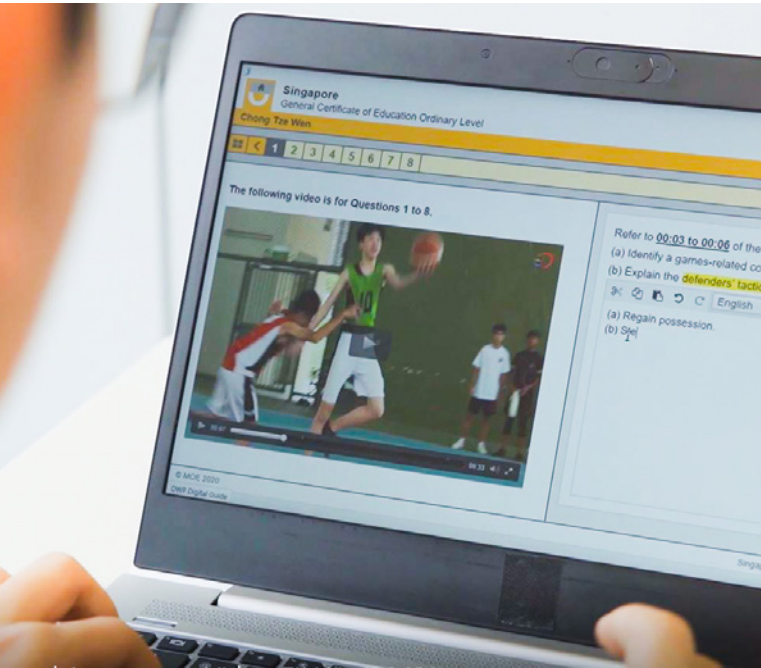
This was also a timely initiative during the current COVID-19 situation, as decentralising the QP collection allowed for safe distancing by reducing the congregation of examination personnel at SEAB. These helped to mitigate the risks of mass community transmission with smaller groups of examination personnel at the zonal hubs.

ELECTRONIC RELEASE OF EXAMINATION RESULTS

In the light of the COVID-19 pandemic, candidates were able to view their 2020 national examination results electronically.



e-EXAMINATIONS







PSLE


6
e-Oral examinations


18
Listening Comprehension examinations
(via e-Broadcast mode)

GCE-Level

 10 e-Written examinations	 26 e-Oral examinations
 3 Computer-based practical examinations	 23 Listening Comprehension examinations (via e-Broadcast mode)

GCE A-Level Computing Paper 2 was conducted electronically for the first time in September 2020. 250 school candidates sat for the paper. All candidates' electronic responses were digitally collected via the system and downloaded by Cambridge Assessment International Education for marking.



LEVERAGING TECHNOLOGY FOR EXAM ADMINISTRATION



ONSCREEN MARKING

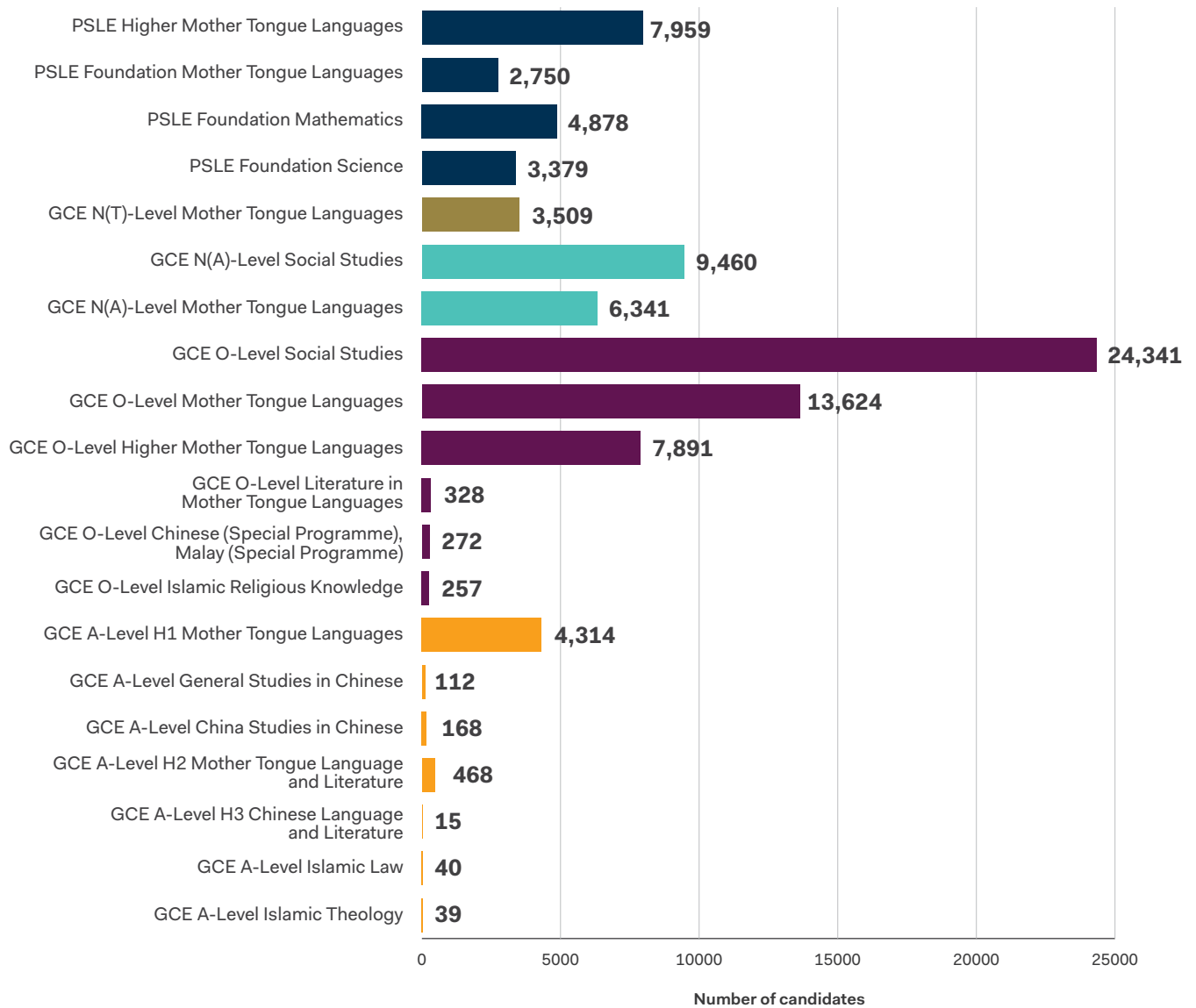
Onscreen Marking (OSM) is the marking of examination scripts digitally on computer screens. It involves the scanning of answer scripts, processing of scanned scripts, and marking using computer devices in a secure network environment. All GCE-Level locally marked scripts were onscreen marked

in 2020. OSM had also been progressively scaled up for PSLE, starting with PSLE Higher Mother Tongue Languages, Foundation Mother Tongue Languages, Foundation Science and Foundation Mathematics. The target is to have all PSLE scripts marked onscreen by 2022.



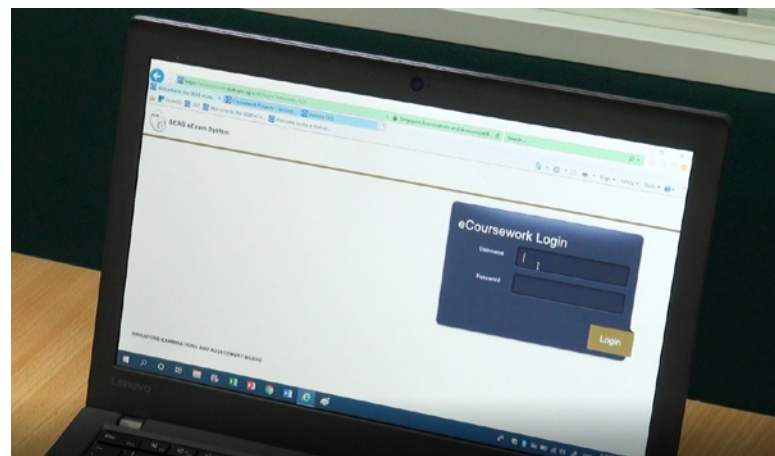


OSM was successfully carried out for the following subjects in 2020:



COURSEWORK E-MODERATION AND E-MARKING

Digital submission of coursework marks and outcomes was implemented for all locally moderated or marked subjects. The e-Moderation and/or e-Marking of all coursework subjects proceeded smoothly at the new SEAB building with safe management measures in place. Examination personnel generally reported that the system was easy to use, and the elimination of managing bulky 3D works and other physical works submission like large A3 preparatory cardboard sheets helped to enhance the focus on moderation and/or marking.

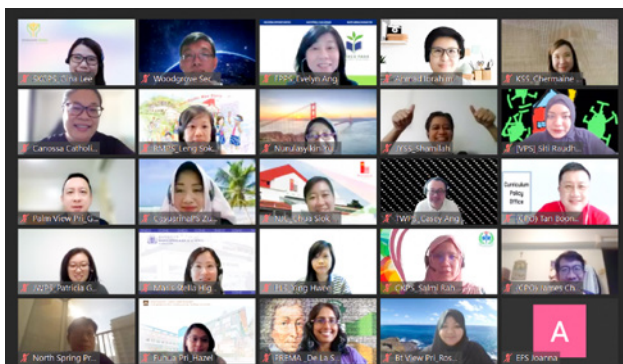
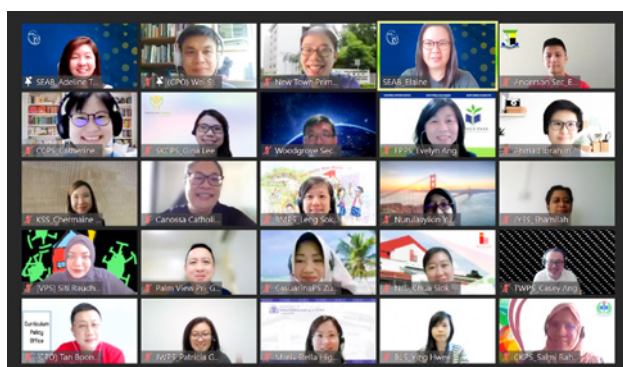




ASSESSMENT SERVICES AND PRODUCTS

TRAINING SERVICES

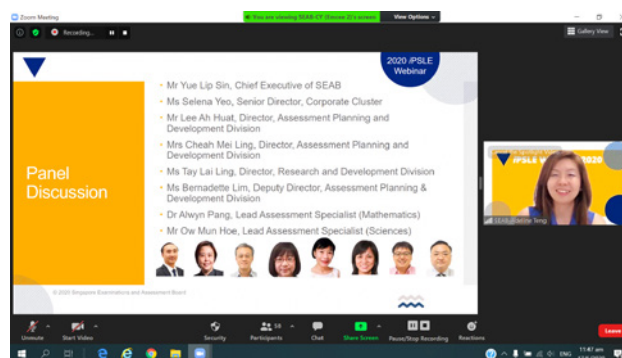
Between April 2020 and March 2021, a total of 61 workshops were conducted for 1,908 participants. Held virtually, the workshops included modules from Certificate in Examination and Assessment in Education (CEA in Edn), Introduction to Assessment Literacy for Primary and Secondary levels, and Designing P4 Assessment for Selected Primary Schools. The workshops were well received as they helped to clarify teachers' queries about assessment practices and principles.



AEIS/SPERS-SECONDARY TESTS

The Admissions Exercise for International Students (AEIS) and School Placement Exercise for Returning Singaporeans – Secondary (SPERS-Sec) were administered from 22 to 25 September 2020. A total of 2,017 candidates sat for both tests.

SEAB also successfully conducted the Supplementary Placement Exercise (SPE) test for 87 candidates in December 2020 and the Supplementary Admissions Exercise for International Students (S-AEIS) in February 2021 for 1,360 candidates.



SINGAPORE INTERNATIONAL PRIMARY SCHOOL EXAMINATION (iPSLE)

SEAB organised the inaugural *iPSLE* Webinar on 17 June 2020 with over 40 overseas participants from Maldives, Myanmar, Indonesia and Thailand. The key objective of the webinar was to present the new *iPSLE* scoring system that would be implemented in 2022. The new *iPSLE* scoring system would take reference from the new PSLE scoring system that would be implemented in 2021. The webinar was well-received by the participants.

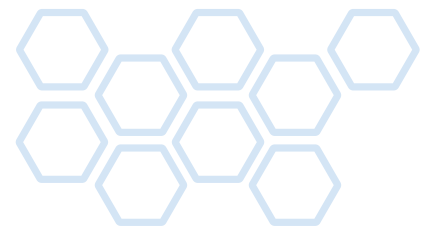
Due to the COVID-19 situation, the 2020 *iPSLE* took place from 3 to 12 November 2020, instead of the usual July/August period. A total of 819 candidates from nine centres sat for the examination.

CONDUCT OF MID-TERM ASSESSMENT FOR HOME-SCHOOLERS AT PRIMARY 4

Mid-term assessment for home-schoolers at primary four was administered in September 2020. 37 candidates took the test.

ORGANISATIONAL EXCELLENCE





SEAB BUILDING AWARDED BCA GREEN MARK PLATINUM (SUPER LOW ENERGY)

SEAB building was awarded the BCA Green Mark Platinum (Super Low Energy) in April 2020. A Green Mark Platinum (Super Low Energy) building deploys both passive strategies and active technologies to cut energy consumption by at least 30%. The SEAB building incorporates good architectural design that interacts with the environment to reap optimal savings in consumption which are also derived from the smart deployment of mechanical and electrical systems such as the hybrid cooling systems, the air conditioning system, mechanical ventilation, sensors, and the rainwater harvesting system.

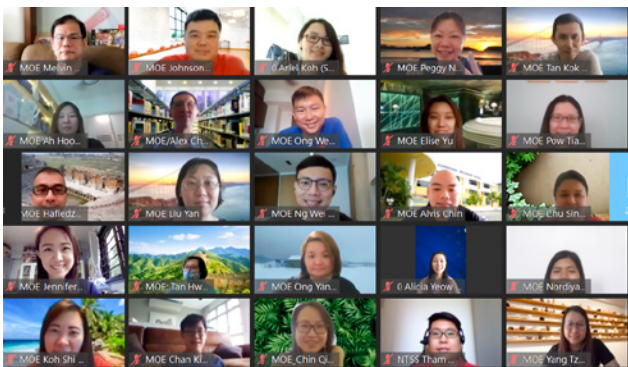
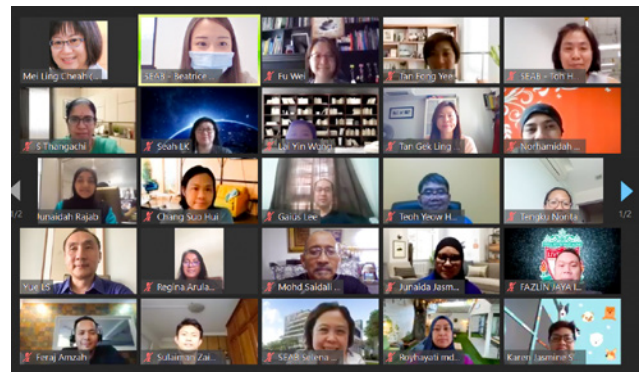
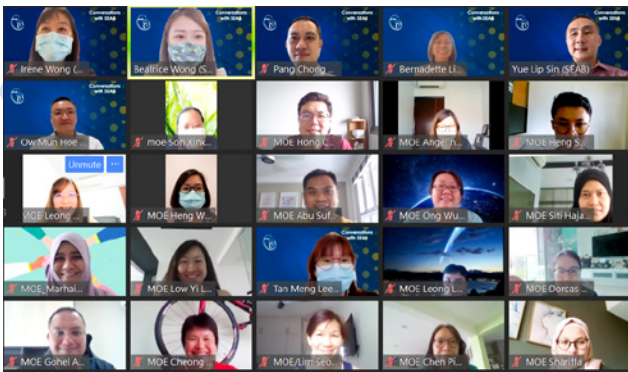
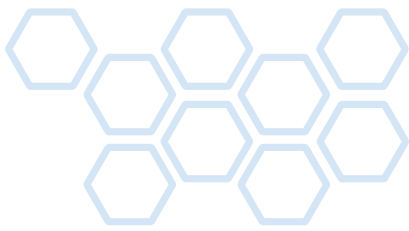
SEAB HERITAGE GALLERY

Completed in August 2020, the specially curated exhibition at the SEAB Heritage Gallery is divided into five sections and tells the rich history and heritage of examinations in Singapore. The Gallery describes

- how examinations were administered during the British colonial period and the Japanese Occupation;



- the evolution of the examination system over the years since Singapore's independence; and
- how examinations are now designed for the needs of Singapore and our students.



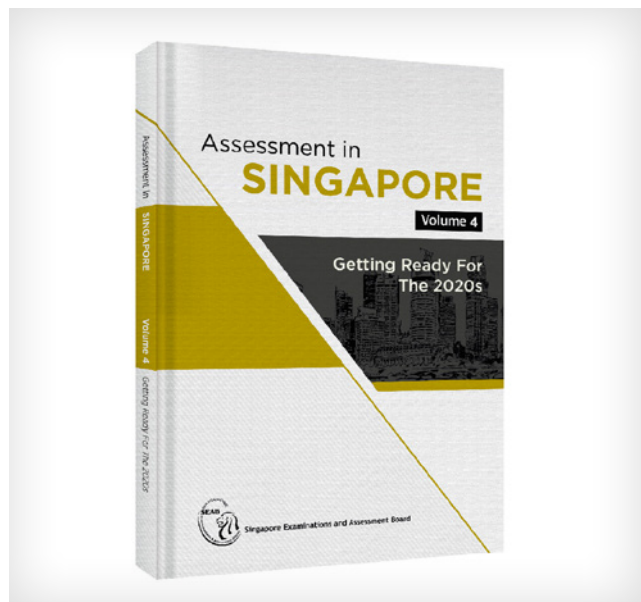
ASSESSMENT IN SINGAPORE: VOLUME 4

“Assessment in Singapore: Volume 4” was published in September 2020. Fronting the publication was the explication of SEAB’s new assessment concept ‘C3R Framework’ to guide educators to hold professional conversations on item demands for various subjects. A total of 19 essays, contributed by various SEAB Assessment Specialists, anchored on the theme of Standards-referenced Assessment with the objective of promoting more accurate pitching of school-based assessment standards. The concluding chapters wrapped up the SEAB academic narratives with the latest developments in e-examinations.

CONVERSATION WITH SEAB: A DIALOGUE BETWEEN SEAB AND PARTICIPANTS OF THE MANAGEMENT AND LEADERSHIP IN SCHOOLS (MLS) AND TEACHER-LEADER PROGRAMMES (TLP)

As part of SEAB’s stakeholder engagement initiatives, SEAB organises yearly Conversation with SEAB sessions with participants of the Management and Leadership in Schools (MLS) Programme and Teacher Leaders Programme (TLP) of the National Institute of Education (NIE).

In 2020, SEAB organised four Conversation sessions, engaging a total of 120 participants from the MLS and TLP programmes. Held virtually, the participants actively discussed various topics such as assessment planning and development, examination processes and e-Examinations with SEAB senior management and assessment specialists





PEOPLE AWARDS

2020 SERVICE EXCELLENCE AWARD

The Service Excellence Award recognises staff for their efforts and initiatives in improving customer relationship management without compromising SEAB's core values and processes. This year, a total of 22 awards were given out.

2020 MOE INNERGY AWARDS

SEAB received awards for the following two projects:

- a) Automated Item Generation in CATalytics (Silver Award): SEAB built an Automatic Item Generation software to meet the steep demands of a large item bank required for Computer Adaptive Testing, which serves to provide assessment information to support and enhance teaching and learning.
- b) Reducing Coursework Administration Workload through Digitalisation (Bronze Award): SEAB adapted the existing eExam System to produce an e-Coursework portal, achieving effective utilisation of current resources and substantial cost-savings over new system development. Apart from enabling students to document their coursework in digital form, the e-Coursework portal allows teachers to submit the coursework marks and outcomes to SEAB electronically, thus eliminating load and errors from manual calculations of marks, as well as the need to submit hardcopy forms for results processing.

2020 DATA ARCADE TOURNAMENT

SEAB participated and emerged as 1st Runner-up in the Data Arcade Tournament, a Whole-of-Government (WOG) visual analytics competition organised by GovTech in November 2020, which saw participation by over 400 teams from 70 agencies. The SEAB team, comprising Ms Ng Siok Leng, Lead Assessment Specialist, Mr Jeff Teo, Assessment Specialist, Ms Joyce Liu, Assessment Officer), used datasets from the Ministry of Health and Workforce Singapore as well as global COVID data to address the problem statement "How has COVID affected Singapore" within a limited timeframe and presented their insights to the panel using Tableau interactive dashboards.

2020 NATIONAL DAY AWARDS

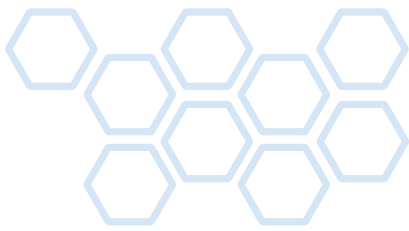
Commendation Medal

- Ms Sharifah Mufidah Bte Syed Mohamed Aljunied
Lead Assessment Specialist (Aesthetics and Humanities)
- Ms Yee Wai Theng Esther
Lead Research Specialist, Assessment Research (Examinations)
- Mr Oh Ek Wah
Senior Assessment Specialist (Chinese Language)
- Mr Ng Teck Kie Anthony
Senior Manager, Exam Systems

Long Service Medal

- Ms Elavarasi Sundararaju
Lead Assessment Specialist (Tamil Language)
- Mr Chew Ying Choy
Manager (Operations Support), Exam Operations and Logistics





LONG SERVICE AWARDS

5 Years	
1.	Ms Ho Yin Teng Rachel <i>Senior Manager (Candidate Services), Exam Planning and Administration</i>
2.	Ms Nur Khairunnisa Binte Jamaludin <i>Manager (Candidate Services), Exam Planning and Administration</i>
3.	Ms Liu Xinle Joyce <i>Assessment Officer, Exam Standards</i>
4.	Mr Muhammad Farith Bin Roslee <i>Executive, Office and Estate Management</i>
5.	Ms Jareena Salih <i>Manager (Candidate Services), Exam Planning and Administration</i>
6.	Mr Tham Chay Yong Gerald <i>Manager (GCE Exam Administration), Exam Planning and Administration</i>
7.	Mr Sim Thiam Keong Titus <i>Assistant Manager (Marking and Moderation), Exam Operations and Logistics</i>
8.	Ms Daphane Tan <i>Assessment Specialist (Sciences)</i>
9.	Ms Tan Sok Ying <i>Executive, Organisation Capability</i>
10.	Ms Tan Yan Qi Sylvia <i>Assistant Manager, Assessment Research (Examinations)</i>
11.	Mr Wang Xinwu <i>Assessment Specialist (Chinese Language)</i>
12.	Ms Wong Sindy <i>Manager (Candidate Services), Exam Planning and Administration</i>
13.	Mr Ying Bing Hao Isaac <i>Assistant Manager, Corporate Communications</i>

10 Years	
1.	Ms Awyong Yvonne Muliana <i>Assessment Officer (Chinese Language)</i>
2.	Ms Chan Kwee Yong <i>Assessment Officer (Sciences)</i>
3.	Ms Kum Lye Peng Christina <i>Manager, Assessment Research (Examinations)</i>
4.	Mr Lim Yuxuan <i>Senior Executive (PSLE), Exam Planning and Administration</i>
5.	Ms Loo Jia Ning <i>Assessment Officer (Mathematics)</i>
6.	Mr Ng Tuan Kiat Jimmy <i>Deputy Director, Exam Operations and Logistics</i>
7.	Mr Pang Chong Han <i>Director, Exam Operations</i>
8.	Mr Tan Lee Sze <i>Senior Assessment Specialist (Sciences)</i>
9.	Ms Tan Ting Ting Sharon <i>Senior Assessment Specialist (Sciences)</i>
10.	Mr Toh Zhi Hao Kelvin <i>Senior Manager, Office and Estate Management</i>
11.	Mr Woo Mun Kong Terence <i>Manager (Marking and Moderation), Exam Operations and Logistics</i>



15 Years	
1.	Ms Luo Xiaojing <i>Assessment Officer (Chinese Language)</i>
2.	Ms Quek Liling Maggie <i>Assessment Officer (Aesthetics and Humanities)</i>
3.	Mr Nordin Salleh <i>Executive (Operations Support), Exam Operations and Logistics</i>
4.	Ms Wong Kai Xin Kerstin <i>Assessment Officer (Languages and Literature)</i>

20 Years	
1.	Mr Chin Sheng Tyng Tony <i>Assistant Director, Exam Operations and Logistics</i>
2.	Ms Nur Suriati Abdul Gani <i>Executive (GCE Exam Administration), Exam Planning and Administration</i>
3.	Ms Ho Sok Wai Noelle <i>Senior Research Specialist, Assessment Research (Assessment for Learning)</i>
4.	Ms Nurasyiqin Jumat <i>Senior Executive (Marking and Moderation), Exam Operations and Logistics</i>
5.	Mr Oliver Junus <i>Senior Assistant Director, Exam Systems</i>
6.	Ms Renu Menon <i>Senior Executive (Marking and Moderation), Exam Operations and Logistics</i>
7.	Ms Evelyn Teo <i>Manager (Operations Support), Exam Operations and Logistics</i>

25 Years	
1.	Mr Lee Kien Meng <i>Assistant Director, Finance and Procurement</i>
2.	Ms Elavarasi Sundararaju <i>Lead Assessment Specialist (Tamil Language)</i>
3.	Ms Tang Kar Tian <i>Assistant Director (GCE Exam Administration), Exam Planning and Administration</i>

30 Years	
1.	Mr Wong Cheow Cher <i>Senior Lead Specialist, Exam Standards</i>



FINANCIAL STATEMENTS

Singapore Examinations and Assessment Board
31 March 2021



Board information

Registered office	298 Jalan Bukit Ho Swee Singapore 169565
Chairperson	Ms Ho Peng Advisor, Ministry of Education
Members	Mr Wong Siew Hoong Director-General of Education, Ministry of Education Mr Chan Cheow Hoe Government Chief Digital Technology Officer / Deputy Chief Executive Government Technology Agency Mr Chen Kong Chee Jason Deputy Secretary (Workplaces) Ministry of Manpower Mr Chin Chi Leong Deputy Chief Executive Officer (Building Control)/ Commissioner of Buildings, Building and Construction Authority Mr Hoo Eng Jek Richard Deputy Chief Executive Officer (Infrastructure Planning), Urban Redevelopment Authority Chief Infrastructure Planning Officer, Ministry of National Development Ms Juthika Ramanathan Chief Executive (Office of the Chief Justice) Supreme Court of Singapore Professor Tan Cheng Yian Bernard Senior Vice-Provost (Undergraduate Education), National University of Singapore Mr Yuen Djia Chiang Jonathan Partner, Rajah & Tann Singapore LLP Mr Yue Lip Sin Chief Executive, Singapore Examinations and Assessment Board
Banker	DBS Bank Ltd 12 Marina Boulevard, Marina Bay Financial Centre Tower 3 Singapore 018982
Independent auditor	KLP LLP Public Accountants and Chartered Accountants 13A Mackenzie Road Singapore 228676

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Statement by the Singapore Examinations and Assessment Board

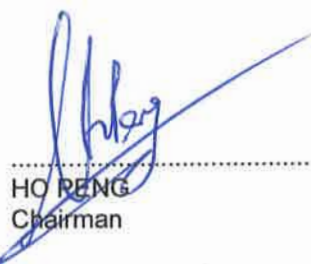
for the financial year ended 31 March 2021

In our opinion,

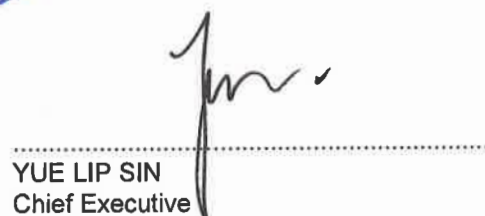
- (i) the accompanying financial statements of the Singapore Examinations and Assessment Board (the "Board") as set out on pages 6 to 37 are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 (the "Public Sector (Governance) Act"), the Singapore Examinations and Assessment Board Act, Chapter 299A (the "Act") and Statutory Board Financial Reporting Standards so as to present fairly the financial position of the Board as at 31 March 2021 and the results, changes in equity and cash flows of the Board 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;
- (iii) proper accounting and other records have been kept, including records of all assets of the Board whether purchased, donated or otherwise, and
- (iv) the receipts, expenditure, 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 Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Board.

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

On behalf of the Board



HO RENG
Chairman



YUE LIP SIN
Chief Executive

Dated: 22 July 2021

Independent Auditor's Report to the members of Singapore Examinations and Assessment Board

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Singapore Examinations and Assessment Board (the "Board"), which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 (the "Public Sector (Governance) Act"), Singapore Examinations and Assessment Board Act, Chapter 299A (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the state of affairs of the Board as at 31 March 2021 and the results, changes in equity and cash flows of the Board for the financial year ended on that date.

Basis for Opinion

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

Other Information

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

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

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

Independent Auditor's Report to the members of Singapore Examinations and Assessment Board (continued)

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Act, the Public Sector (Governance) Act and SB-FRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report to the members of Singapore Examinations and Assessment Board (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

Opinion

In our opinion:

- (a) proper accounting and other records have been kept, including records of all assets of the Board whether purchased, donated or otherwise, and
- (b) 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 Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Board.

Basis for Opinion

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

Independent Auditor's Report to the members of Singapore Examinations and Assessment Board (continued)

Management's responsibilities for Compliance with Legal and Regulatory Requirements

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Public Sector (Governance) Act and the Act. This responsibility includes implementing accounting and internal controls as management determines are necessary to enable compliance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Board.

Auditor's Responsibilities for the Compliance Audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Board.

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



KLP LLP
Public Accountants and
Chartered Accountants

Singapore, 22 July 2021

Statement of Financial Position

as at 31 March 2021

	Note	31 March 2021 \$	31 March 2020 \$
ASSETS			
Non-Current			
Property, plant and equipment	4	86,298,173	88,376,305
Intangible assets	5	3,459,062	5,026,038
Trade and other receivables	6	69,093	113,493
Grant receivable from Government	7	890,363	8,596,475
		90,716,691	102,112,311
Current			
Trade and other receivables	6	753,275	1,647,550
Grant receivable from Government	7	978,122	25,344,982
Prepayments		68,955	133,115
Cash and cash equivalents	8	86,383,487	48,579,613
		88,183,839	75,705,260
Total assets		178,900,530	177,817,571
EQUITY AND LIABILITIES			
Capital and Reserve			
Capital account	9	54,902,822	52,850,920
Other reserve		(1,468,039)	(1,316,241)
Accumulated surplus		59,287,260	57,525,306
Total equity		112,722,043	109,059,985
Liabilities			
Non-current			
Obligations in respect of pension scheme	10	3,163,266	3,457,446
Deferred income	11	69,093	113,493
Lease liabilities	14	20,858,498	22,316,556
Deferred capital grant	16	29,560,769	29,993,902
		53,651,626	55,881,397
Current			
Obligations in respect of pension scheme	10	332,818	114,647
Deferred income	11	44,400	44,400
Trade and other payables	12	6,746,646	7,490,454
Contract liabilities	13	1,338,635	1,410,091
Lease liabilities	14	1,458,058	1,742,857
Grants received in advance from Government	15	2,826	567,778
Deferred capital grant	16	1,858,970	1,122,439
Provision for contribution to Consolidated Fund	17	744,508	383,523
		12,526,861	12,876,189
Total liabilities		66,178,487	68,757,586
Total equity and liabilities		178,900,530	177,817,571

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

Statement of Comprehensive Income

for the financial year ended 31 March 2021

	Note	31 March 2021 \$	31 March 2020 \$
Revenue			
Examination fees, recognised at a point in time		8,735,336	9,170,997
Other operating income	18	1,453,938	1,867,580
		10,189,274	11,038,577
Cost and operating expenses			
Examination and outsourcing fees		(18,587,407)	(17,811,186)
Staff costs	19	(26,786,067)	(27,715,661)
Depreciation of property, plant and equipment	4	(5,938,262)	(6,930,517)
Amortisation of intangible assets	5	(1,566,976)	(1,840,779)
Other operating expenses	20	(35,765,440)	(39,168,212)
Finance cost	21	(696,452)	(873,580)
Total operating expenses		(89,340,604)	(94,339,935)
Operating deficit		(79,151,330)	(83,301,358)
Non-operating income			
Interest income – fixed deposits		335,309	900,044
Deficit before grants and contribution to consolidated fund		(78,816,021)	(82,401,314)
Operating grants	15	80,757,235	82,177,204
Deferred capital grants amortised	16	2,438,248	2,480,134
Surplus before contribution to consolidated fund		4,379,462	2,256,024
Contribution to consolidated fund	17	(744,508)	(383,523)
Net surplus for the year		3,634,954	1,872,501
Other comprehensive income:			
<i>Items that will not be reclassified subsequently to surplus or deficit for the year</i>			
Re-measurement of defined benefit obligations, nil tax	10	(151,798)	218,560
Other comprehensive (loss)/income for the year, net of tax		(151,798)	218,560
Total comprehensive income for the year		3,483,156	2,091,061

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 2021

	Note	Capital account \$	Other reserve \$	Accumulated surplus \$	Total equity \$
Balance at 1 April 2019		29,123,566	(1,534,801)	56,299,805	83,888,570
Net surplus for the year		-	-	1,872,501	1,872,501
Other comprehensive income for the year, net of tax	10	-	218,560	-	218,560
Total comprehensive income for the year		-	218,560	1,872,501	2,091,061
Issuance of share capital	9	23,727,354	-	-	23,727,354
Dividend paid	22	-	-	(647,000)	(647,000)
Balance at 31 March 2020		52,850,920	(1,316,241)	57,525,306	109,059,985
Net surplus for the year		-	-	3,634,954	3,634,954
Other comprehensive loss for the year, net of tax	10	-	(151,798)	-	(151,798)
Total comprehensive income for the year		-	(151,798)	3,634,954	3,483,156
Issuance of share capital	9	2,051,902	-	-	2,051,902
Dividend paid	22	-	-	(1,873,000)	(1,873,000)
Balance at 31 March 2021		54,902,822	(1,468,039)	59,287,260	112,722,043

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

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Statement of Cash Flows

for the financial year ended 31 March 2021

	Note	31 March 2021 \$	31 March 2020 \$
Cash flows from operating activities			
Deficit before grants and contribution to consolidated fund		(78,816,021)	(82,401,314)
<i>Adjustments for:</i>			
Bad debts written off - trade receivables	20	2,460	2,590
Accruals written off	18	(7,457)	-
Depreciation of property, plant and equipment	4	5,938,262	6,930,517
Amortisation of intangible assets	5	1,566,976	1,840,779
Current service cost on pension scheme	10	26,339	26,339
Net interest expense on pension scheme	10	78,672	83,335
Loss on disposal of property, plant and equipment	20	856,683	-
Property, plant and equipment written off	20	-	337,407
Interest expense	21	696,452	873,580
Interest income		(335,309)	(900,044)
Operating cash flow before working capital changes		(69,992,943)	(73,206,811)
<i>Changes in working capital:</i>			
Trade and other receivables		936,215	231,988
Grant receivable from Government		32,618,354	(33,596,475)
Prepayments		64,160	(100,322)
Trade and other payables		(735,679)	(3,450,157)
Deferred income		(44,400)	(44,400)
Contract liabilities		(71,456)	(23,464)
Deferred capital grant	16	2,741,646	33,596,475
Cash flows used in operations		(34,484,103)	(76,593,166)
Pension benefits paid	10	(332,818)	(1,638,029)
Interest received		335,309	895,952
Payment to consolidated fund	17	(383,523)	(132,599)
Operating grant received from Government	15	79,646,901	81,527,488
Net cash generated from operating activities		44,781,766	4,059,646
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(4,717,183)	(51,447,956)
Purchase of intangible assets	5	-	(31,750)
Proceeds from disposal of property, plant and equipment		370	-
Net cash used in investing activities		(4,716,813)	(51,479,706)
Cash flows from financing activities			
Proceeds from issuance of shares	9	2,051,902	23,727,354
Payments of principal portion of lease liabilities	14	(1,742,857)	(5,190,548)
Interest paid	14	(696,452)	(873,580)
Dividend paid	22	(1,873,000)	(647,000)
Net cash (used in)/generated from financing activities		(2,260,407)	17,016,226
Net increase/(decrease) in cash and cash equivalents		37,804,546	(30,403,834)
Cash and cash equivalents at beginning of financial year		48,578,941	78,982,775
Cash and cash equivalents at end of financial year	8	86,383,487	48,578,941

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 2021

1 General information

The Singapore Examinations and Assessment Board ("SEAB" or the "Board") was established under the Singapore Examinations and Assessment Board Act, Chapter 299A, 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 organise and conduct any assessment for or on behalf of the Government or any other person or body in Singapore or elsewhere and serve as the examining authority for such assessment;
- (vi) To provide advisory and consultancy services and training to the Government of any other person or body in Singapore or elsewhere on matters relating to the national examinations and assessment generally, and;
- (vii) To carry out such other functions and duties as are imposed upon the Board under the Singapore Examinations and Assessment Board Act, Chapter 299A or any other written law.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Board have been drawn up in accordance with the provisions of the Public Sector (Governance) Act, the Singapore Examinations and Assessment Board Act, Chapter 299A and Statutory Board Financial Reporting Standards in Singapore ("SB-FRS"), including Interpretations of SB-FRS ("INT SB-FRS") and Guidance Notes. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar (\$), which is the Board's functional currency.

2 Summary of significant accounting policies (continued)

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Board has adopted all the new and amended standards which are relevant to the Board and are effective for annual financial periods beginning on or after 1 April 2020. The adoption of these standards did not have any material effect on the financial performance or position of the Board.

2.3 Standards issued but not yet effective

The Board has not adopted the following standards applicable to the Board that have been issued but not yet effective:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to SB-FRS 109 <i>Financial Instruments</i> , SB-FRS 39 <i>Financial Instruments: Recognition and Measurement</i> , SB-FRS 107 <i>Financial Instruments: Disclosures</i> , SB-FRS 104 <i>Insurance Contracts</i> , SB-FRS 116 <i>Leases: Interest Rate Benchmark Reform – Phase 2</i>	1 January 2021
Amendments to SB-FRS 16 <i>Property, Plant and Equipment: Proceeds before Intended Use</i>	1 January 2022
Annual Improvements to SB-FRSs 2018-2020	1 January 2022
Amendments to SB-FRS 1 <i>Presentation of Financial Statements: Classification of Liabilities as Current or Non-current</i>	1 January 2023

The management expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Board and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. 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.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognised in profit or loss.

2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2 Summary of significant accounting policies (continued)

2.5 Property, plant and equipment (continued)

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

	<u>Useful lives</u>
Office building	50 years
Renovation	3 years
Mechanical and electrical equipment	5 years
Furniture and fittings	5 years
Office equipment	5 years
Computer hardware	3-5 years
Audio visual equipment	5 years

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

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

The residual values, useful lives, and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

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

2.6 Intangible assets

Costs directly attributable to the development of computer and system software are capitalised as intangible assets only when technical feasibility of the project is demonstrated, the Board has an intention and ability to complete and use the software and the costs can be measured reliably. Such costs include purchases of materials and services.

After initial recognition, an intangible asset with finite useful is carried at cost less any accumulated amortisation and accumulated impairment losses.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amounts of the assets and is recognised in profit and loss when the asset is derecognised.

The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful life from the point at which the asset is ready for use.

The useful lives of the computer and system software is 3 to 5 years.

2.7 Impairment of non-financial assets

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

2 Summary of significant accounting policies (continued)

2.7 Impairment of non-financial assets (continued)

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

Impairment losses are recognised in profit or loss.

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

2.8 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the Board becomes party to the contractual provisions of the instruments.

At initial recognition, the Board measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Board expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Board's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

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 for debt instruments is recognised in profit or loss.

2 Summary of significant accounting policies (continued)

2.8 Financial instruments (continued)

(b) Financial liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, transaction costs that are directly attributable to the acquisition or issue of the financial liabilities.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.9 Impairment of financial assets

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

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

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

The Board considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Board may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Board. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash held under Centralised Liquidity Management ("CLM") scheme and cash balances with the Accountant-General's Department which are subject to an insignificant risk of change in value.

2 Summary of significant accounting policies (continued)

2.11 Provisions

Provisions are recognised when the Board 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 the amount of the obligation can be estimated reliably.

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

2.12 Contract balances

Contract liabilities

A contract liability represents payments received from school candidates and private candidates before the performance obligations are satisfied.

2.13 Leases

The Board assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Board applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Board recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Board recognises right-of-use assets at the date of initial application (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

	Useful lives
Right-of-use asset – land and building	Over the lease period 177 months

If ownership of the leased asset transfers to the Board at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.7. The Board's right-of-use assets are presented within property, plant and equipment (Note 4).

2 Summary of significant accounting policies (continued)

2.13 Leases (continued)

Lease liabilities

At the commencement date of the lease, the Board recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Board and payments of penalties for terminating the lease, if the lease term reflects the Board exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Board uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Board's lease liabilities are disclosed in Note 14.

Short-term leases and leases of low-value assets

The Board applies the short-term lease recognition exemption to its short-term leases of computers (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of computers that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.14 Grants

Grants from the Government and other government agencies ("Government grants") are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Board will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately in profit or loss.

Government grants and contributions from other parties utilised for the purchase or construction of property, plant and equipment are taken to the deferred capital grants account. These grants and contributions are transferred from grants received in advance when the capital expenditure is incurred and all conditions attached to the grants are complied. Such grants are taken to the deferred capital grants upon utilisation of the grants if the assets are capitalised or to the statement of comprehensive income if the assets are written off in the year of purchase.

Non-monetary grants related to assets are taken at their fair values to the deferred capital grants account.

Deferred capital grants are recognised in the profit or loss over the periods necessary to match the depreciation of the assets purchased or received with the related grants. On disposal of the property, plant and equipment, the balance of the related grants is taken to the profit or loss to match the net book value of the property, plant and equipment disposed.

2 Summary of significant accounting policies (continued)

2.14 Grants (continued)

Grants and contributions received for the purchase or construction of property, plant and equipment but which are not yet utilised are taken to the capital grants received in advance account.

Operating grants whose purpose is to meet the current financial year's operating expenses are recognised as income in the same financial year.

2.15 Revenue

Revenue is measured based on the consideration to which the Board expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

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

Examination fee

The Board collects examination fee of the national exams from the School Candidates and Private Candidates. Examination fee is recognised as revenue when the national exams are conducted.

2.16 Employee benefits

Short-term benefits

Salaries and bonuses are recognised when the services giving rise to the payment obligation have been satisfactorily rendered by the employees.

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 is applicable to the majority of the employees. The contributions to CPF are charged to the profit or loss in the period in which the related service is performed.

Employee leave entitlements

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

Defined benefit plans

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation (derived using a discount rate) at the end of the reporting period.

The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest expense on the defined benefit liability
- Re-measurements of defined benefit obligations

2 Summary of significant accounting policies (continued)

2.16 Employee benefits (continued)

Defined benefit plans (continued)

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognised as expense in profit or loss. Past service costs are recognised when plan amendment or curtailment occurs.

Net interest expense on the defined benefit liability is the change during the period in the defined benefit liability that arises from the passage of time which is determined by applying the discount rate to the defined benefit liability. Interest on the defined benefit liability is recognised as expense or income in profit or loss.

Re-measurements comprising actuarial gains and losses are recognised immediately in other comprehensive income in the period in which they arise. Re-measurements are recognised in other reserve within equity and are not reclassified to profit or loss in subsequent periods.

Key management personnel

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

2.17 Borrowing cost

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

2.18 Goods and Services tax (GST)

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

- (a) where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST 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 GST included.

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

2.19 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 exemptions in Paragraph 25 of SB-FRS 24 Related Party Disclosure, 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.

3 Significant accounting estimates and judgements

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

3.1 Judgements made in applying accounting policies

Determination of functional currency

In determining the functional currency of the Board, judgement is used by the Board to determine the currency of the primary economic environment in which the Board operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting 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 based its assumptions and estimates 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. Such changes are reflected in the assumptions when they occur.

a. Useful lives of property, plant and equipment

The Board depreciates the property, plant and equipment over their estimated useful lives after taking into account of their estimated residual values. The estimated useful life reflects management's estimate of the period that the Board intends to derive future economic benefits from the use of the Board's property, plant and equipment. The residual value reflects management's estimated amount that the Board would currently obtain from the disposal of the asset, after deducting the estimated costs of disposal, as if the asset was already of the age and in the condition expected at the end of its useful life. Changes in the expected level of usage and technological developments could affect the economics, useful lives and the residual values of these assets which could then consequentially impact future depreciation charges. The carrying amount of the Board's property, plant and equipment at 31 March 2021 was \$86,298,173 (2020: \$88,376,305).

b. Provision for expected credit losses of trade receivables

The Board uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Board's historical observed default rates. The Board will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Board's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The carrying amount of the Board's trade receivables as at 31 March 2021 was \$102,081 (2020: \$109,152).

3 Significant accounting estimates and judgements (continued)

3.2 Key sources of estimation uncertainty (continued)

c. Provision for expected credit losses of other receivables (non-trade)

Management determines whether there is significant increase in credit risk of these other receivables (non-trade) amounts since initial recognition. Management considers various areas like credit risk profile as well as historical payment trend. There is no significant increase in credit risk as at 31 March 2021. The carrying amount of the Board's other receivables (non-trade) as at 31 March 2021 is \$720,287 (2020: \$1,651,891).

d. Obligations in respect of pension scheme

The cost of defined benefit pension plans as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed on a yearly basis. The Board's defined benefit pension liability as at 31 March 2021 is \$3,496,084 (2020: \$3,572,093).

In determining the appropriate discount rate, management considers the market yields on government bond as Singapore is not considered to be a country with deep corporate bond market.

The mortality rate is based on publicly available mortality tables for Singapore. Future salary increases are based on historical data.

Further details about the assumptions used are disclosed in Note 10.

e. Leases – estimating the incremental borrowing rate

The Board cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Board would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate therefore reflects what the Board 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Board estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Singapore Examinations and Assessment Board
Notes to the financial statements for the financial year ended 31 March 2021

4 Property, plant and equipment

	Office Building	Renovation	Mechanical and electrical equipment	Furniture and fittings	Office equipment	Computer hardware	Audio visual equipment	Development project-in-progress	Right-of-use assets – Land and building	Total
Cost	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
At 1 April 2019	-	2,202,406	996,880	24,917	1,784,747	2,220,460	382,922	16,408,632	29,249,961	53,270,925
Additions	1,266,691	-	150,085	-	25,001	69,515	-	51,586,239	-	53,097,531
Reclassifications	54,756,303	-	5,261,915	-	362,972	-	-	(65,094,248)	-	(4,713,058)
Adjustments	-	-	-	-	-	-	-	(232,800)	-	(232,800)
Disposals	-	-	-	-	(7,517)	-	(6,506)	-	-	(14,023)
Written off	-	-	-	-	-	-	-	(337,407)	-	(337,407)
At 31 March 2020	56,022,994	2,202,406	6,408,880	24,917	2,165,203	2,289,975	376,416	2,330,416	29,249,961	101,071,168
Additions	-	-	-	-	-	22,883	-	4,694,300	-	4,717,183
Reclassifications	(5,114,233)	352,101	4,581,074	93,541	5,970	533,516	1,757,384	(2,209,353)	-	-
Disposals	-	(2,202,406)	(996,880)	(23,881)	(998,428)	(2,132,317)	(337,941)	-	(4,145,552)	(10,837,405)
At 31 March 2021	50,908,761	352,101	9,993,074	94,577	1,172,745	714,057	1,795,859	4,815,363	25,104,409	94,950,946
Accumulated depreciation										
At 1 April 2019	-	1,548,927	559,802	24,917	1,685,777	1,707,092	251,854	-	-	5,778,369
Depreciation	186,743	490,109	321,212	-	159,250	202,048	42,497	-	5,528,658	6,930,517
Disposals	-	-	-	-	(7,517)	-	(6,506)	-	-	(14,023)
At 31 March 2020	186,743	2,039,036	881,014	24,917	1,837,510	1,909,140	287,845	-	5,528,658	12,694,863
Depreciation	1,001,128	78,245	2,151,317	21,826	100,831	153,784	410,249	-	2,020,882	5,938,262
Disposals	-	(2,039,036)	(700,614)	(23,881)	(996,446)	(1,825,260)	(249,563)	-	(4,145,552)	(9,980,352)
At 31 March 2021	1,187,871	78,245	2,331,717	22,862	941,895	237,664	448,531	-	3,403,988	8,652,773
Net carrying amount										
At 31 March 2020	55,836,251	163,370	5,527,866	-	327,693	380,835	88,571	2,330,416	23,721,303	88,376,305
At 31 March 2021	49,720,890	273,856	7,661,357	71,715	230,850	476,393	1,347,328	4,815,363	21,700,421	86,298,173

During the year, the cash outflow of acquisition of property, plant and equipment amounting to \$4,717,183 (2020 : \$51,447,956). Right-of-use assets acquired under leasing arrangements are presented as above. Details of such leased assets are disclosed in Note 23.

Singapore Examinations and Assessment Board
Notes to the financial statements for the financial year ended 31 March 2021

5 Intangible assets

	Computer and system software
	\$
Cost:	
At 1 April 2019	16,286,491
Additions	31,750
Transfer from plant and equipment – Development project-in-progress (Note 4)	4,713,058
At 31 March 2020	21,031,299
Disposal	(877,084)
At 31 March 2021	20,154,215
Accumulated amortisation	
At 1 April 2019	14,164,482
Amortisation	1,840,779
At 31 March 2020	16,005,261
Amortisation	1,566,976
Disposal	(877,084)
At 31 March 2021	16,695,153
Net carrying amount:	
At 31 March 2020	5,026,038
At 31 March 2021	3,459,062

6 Trade and other receivables

	2021	2020
	\$	\$
Non-current:		
Other receivable – Staff loan	69,093	113,493
Current:		
Trade receivables:		
- Third parties	25,925	41,287
- Related party	76,156	67,865
	102,081	109,152
Fixed deposit interest receivables	76,962	501,865
Staff loan	44,400	44,400
Deposit	29,200	50,670
GST recoverable	-	132,424
Other receivable – Ministry of Education	492,107	808,502
Other receivables	8,525	537
	753,275	1,647,550
	822,368	1,761,043

Trade receivables are unsecured, non-interest bearing and are generally settled on 30 days (2020: 30 days) terms.

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

Singapore Examinations and Assessment Board
Notes to the financial statements for the financial year ended 31 March 2021

6 Trade and other receivables (continued)

Staff loan bears interest at 10% (2020:10%) per annum and is repayable in October 2023.

Trade and other receivables are denominated in Singapore Dollar.

Receivables that were past due but not impaired

The Board had trade receivables amounting to \$2,848 (2020: \$33,626) that were past due at the reporting date but not impaired. These receivables were unsecured and the analysis of their aging at the reporting date was as follows:

	<u>2021</u>	<u>2020</u>
	\$	\$
Trade receivables past due but not impaired:		
More than 30 days	-	33,626
More than 60 days	1,596	-
More than 90 days	1,252	-
	2,848	33,626

Expected credit losses ("ECL")

There are no provision for expected credit loss of trade receivables computed based on lifetime ECL.

7 Grant receivable from Government

	<u>2021</u>	<u>2020</u>
	\$	\$
Non-current:		
Grant receivable from Government	890,363	8,596,475
Current:		
Grant receivable from Government	978,122	25,344,982
	1,868,485	33,941,457

Grant receivable from Government comprise development grant receivable by Singapore Examinations and Assessment Board.

The non-current grant receivable from Government is unsecured, interest free and not expected to be received within the next 12 months after the reporting date.

The current grant receivable from Government is unsecured, interest free and is repayable on demand.

Grant receivable from Government is denominated in Singapore Dollar.

8 Cash and cash equivalents

	<u>2021</u>	<u>2020</u>
	\$	\$
Cash with Accountant-General's Department ("AGD")	52,039,747	17,168,605
Cash held under Central Liquidity Management ("CLM") scheme	34,343,740	31,411,008
	86,383,487	48,579,613

Singapore Examinations and Assessment Board
Notes to the financial statements for the financial year ended 31 March 2021

8 Cash and cash equivalents (continued)

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 0.28% to 1.52% (2020 – 1.67% to 2.13%) per annum.

Cash and cash equivalents are denominated in Singapore Dollar.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at the end of reporting date:

	<u>2021</u>	<u>2020</u>
	\$	\$
Cash and cash equivalents	86,383,487	48,579,613
Less: Amount due to banker (Note 12)	-	(672)
	<u>86,383,487</u>	<u>48,578,941</u>

9 Capital account

	<u>No. of shares</u>		<u>Amount</u>	
	2021	2020	2021	2020
			\$	\$
Issued and paid up				
At 1 April	52,850,920	29,123,566	52,850,920	29,123,566
Issue of ordinary shares	2,051,902	23,727,354	2,051,902	23,727,354
At 31 March	<u>54,902,822</u>	<u>52,850,920</u>	<u>54,902,822</u>	<u>52,850,920</u>

The capital account represents capital injections by the Minister for Finance, a body corporate incorporated by the Minister for 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 for Finance as equity injection, and the remaining through loans or general funds of the Board. During the current financial year, the Board has issued 2,051,902 (2020: 23,727,354) shares of one dollar each to the Minister for Finance.

Ministry for 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.

10 Obligations 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 Pensions Act, Chapter 225 in respect of their services with the Board.

The valuation of the defined benefit obligations was carried out as at 31 March 2021 by Milliman Private Limited. The valuation report also disclosed the estimated defined benefit costs, i.e. current service cost and interest expense to be recognised in the statement of comprehensive income for financial year ended/ending 31 March 2021 and 31 March 2022. The present value of the defined benefit obligation and the related current service cost were measured, using the projected unit credit cost method.

Singapore Examinations and Assessment Board
Notes to the financial statements for the financial year ended 31 March 2021

10 Obligations in respect of pension scheme (continued)

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

	<u>2021</u>	<u>2020</u>
	%	%
Discount rate	1.9%	2.0
Expected rate of salary increases	-	-
Resignation rate	Nil	Nil

The discount rate is based on the imputed 13-year Singapore Government Security (SGS) benchmark yields, where SGS benchmark yields at 10-year and 15-year terms were intrapolated and rounded to 10 basis point. This implies a discount rate of 1.9% per annum for 13 year term.

There was no allowance made for pensions to increase in the future other than due to restorations for those who had partially commuted their pensions at retirement. The retirement age is assumed to be 60 and average attained age is 65.9 years. The mortality rates are extracted from the mortality table extracted from Singapore Insured Lives 2004-2008.

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

	<u>2021</u>	<u>2020</u>
	\$	\$
Service cost:-		
Current service cost	26,339	26,339
Net interest expense	78,672	83,335
Components of defined benefit costs included in Staff Costs (Note 19)	105,011	109,674

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

	<u>2021</u>	<u>2020</u>
	\$	\$
Balance at 1 April	3,572,093	5,319,008
Current service cost	26,339	26,339
Net interest expense	78,672	83,335
Re-measurements recognised in other comprehensive income:		
- Due to changes in demographic assumptions	151,798	(218,560)
Benefits paid	(332,818)	(1,638,029)
Balance at 31 March	3,496,084	3,572,093

	<u>2021</u>	<u>2020</u>
	\$	\$
Non-current	3,163,266	3,457,446
Current	332,818	114,647
Balance at 31 March	3,496,084	3,572,093

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.

Singapore Examinations and Assessment Board
Notes to the financial statements for the financial year ended 31 March 2021

10 Obligations in respect of pension scheme (continued)

- If the discount rate is 50 basis points higher/(lower), the defined benefit obligation would decrease by \$212,129/(increase by \$233,443) (2020: decrease by \$372,557/(increase by \$412,798)).
- If the expected salary growth increases/(decreases) by NIL (2020: 50 basis points), the defined benefit obligation would increase/(decrease) by NIL (2020: increase by \$40,068/(decrease by \$42,782)).
- If the life expectancy increases/(decreases) by one year for both men and women, the defined benefit obligation would increase by \$116,659/(decrease by \$118,777) (2020: increase by \$164,620/(decrease by \$172,922)).

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.

Defined benefit obligation liabilities are denominated in Singapore Dollar.

11 Deferred income

	<u>2021</u>	<u>2020</u>
	\$	\$
Non-current:		
Recovery of scholarship fee from an employee	69,093	113,493
Current:		
Recovery of scholarship fee from an employee	44,400	44,400
	113,493	157,893

12 Trade and other payables

	<u>2021</u>	<u>2020</u>
	\$	\$
Trade payables – third parties	1,561,284	2,131,390
Provision for bonus	1,375,605	1,997,690
Accrued expenses	2,020,683	1,653,056
Provision for unutilised leave	1,549,533	1,390,702
Deposit received	60,105	60,105
Amount due to banker	-	672
Other payables	41,628	136,202
GST payables	137,808	120,637
	6,746,646	7,490,454

Trade payables are normally settled on 30 to 90 days (2020: 30 to 90 days) terms.

Singapore Examinations and Assessment Board
Notes to the financial statements for the financial year ended 31 March 2021

12 Trade and other payables (continued)

Trade and other payables are denominated in the following currencies:

	<u>2021</u>	<u>2020</u>
	\$	\$
Singapore Dollar	4,918,167	6,961,881
Great Britain Pound	1,828,479	528,573
	<u>6,746,646</u>	<u>7,490,454</u>

13 Contract liabilities

The Board receives examination fees in advance for examinations that are to be conducted by the Board in future reporting periods. Examination fees received in advance are recognised as revenue in the statement of comprehensive income over the relevant reporting periods only when the examinations are conducted and the services are rendered.

	<u>2021</u>	<u>2020</u>
	\$	\$
Trade receivables (Note 6)	102,081	109,152
Contract liabilities	<u>1,338,635</u>	<u>1,410,091</u>

Set out below is the amount of revenue recognised from:

	<u>2021</u>	<u>2020</u>
	\$	\$
Amounts included in contract liabilities at the beginning of the year	1,410,091	1,433,555
Performance obligations satisfied in previous years	<u>9,170,997</u>	<u>9,054,919</u>

14 Lease liabilities

	<u>2021</u>	<u>2020</u>
	\$	\$
Current	<u>1,458,058</u>	<u>1,742,857</u>
Non-current		
2 – 5 years	7,985,549	7,749,058
More than 5 years	12,872,949	14,567,498
	<u>20,858,498</u>	<u>22,316,556</u>
	<u>22,316,556</u>	<u>24,059,413</u>

Singapore Examinations and Assessment Board
Notes to the financial statements for the financial year ended 31 March 2021

14 Lease liabilities (continued)

A reconciliation of liabilities arising from financing activities is as follows:

	1 April	Principal and interest payment	Non-cash changes		31 March
			Accretion of interests	Other	
	\$	\$	\$	\$	\$
2021					
<u>Lease liabilities</u>					
- Current	1,742,857	(2,439,309)	696,452	1,458,058	1,458,058
- Non-current	22,316,556	-	-	(1,458,058)	20,858,498
	<u>24,059,413</u>	<u>(2,439,309)</u>	<u>696,452</u>	<u>-</u>	<u>22,316,556</u>
2020					
<u>Lease liabilities</u>					
- Current	5,190,548	(6,064,128)	873,580	1,742,857	1,742,857
- Non-current	24,059,413	-	-	(1,742,857)	22,316,556
	<u>29,249,961</u>	<u>(6,064,128)</u>	<u>873,580</u>	<u>-</u>	<u>24,059,413</u>

Lease liabilities are denominated in Singapore Dollars.

15 Grants received in advance from Government

	Operating grant	Development grant	Total
	\$	\$	\$
At 1 April 2019	-	872,512	872,512
Grants received during the financial year	81,527,488	33,941,457	115,468,945
Transfer to deferred capital grant (Note 16)	-	(33,596,475)	(33,596,475)
Transfer from development grant	649,716	-	649,716
Transfer to operating grant	-	(649,716)	(649,716)
Transfer to statement of comprehensive income	(82,177,204)	-	(82,177,204)
As at 31 March 2020 and 1 April 2020	-	567,778	567,778
Grants received during the financial year	79,646,901	3,287,028	82,933,929
Transfer to deferred capital grant (Note 16)	-	(2,741,646)	(2,741,646)
Transfer from development grant	1,110,334	-	1,110,334
Transfer to operating grant	-	(1,110,334)	(1,110,334)
Transfer to statement of comprehensive income	(80,757,235)	-	(80,757,235)
As at 31 March 2021	-	2,826	2,826

The total operating grants received/receivables less transferred to deferred capital grants since inception of the Board are \$784,215,416 (2020: \$704,568,515).

Singapore Examinations and Assessment Board
Notes to the financial statements for the financial year ended 31 March 2021

16 Deferred capital grants

	<u>2021</u>	<u>2020</u>
	\$	\$
At 1 April	31,116,341	-
Amount transferred from development grant (Note 15)	2,741,646	33,596,475
Less: Amortisation of deferred capital grants	(2,438,248)	(2,480,134)
At 31 March	31,419,739	31,116,341
	<u>2021</u>	<u>2020</u>
	\$	\$
Non-current	1,858,970	1,122,439
Current	29,560,769	29,993,902
Balance at 31 March	31,419,739	31,116,341

17 Provision for contribution to Consolidated Fund

Under Section 13(1)(c) 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 319A). The contribution rate and the framework governing such contributions are determined by the Ministry of Finance.

The contribution is based on 17% (2020: 17%) of the surplus for the financial year.

	<u>2021</u>	<u>2020</u>
	\$	\$
At 1 April	383,523	132,599
Payment during the year	(383,523)	(132,599)
Provision for the financial year	744,508	383,523
At 31 March	744,508	383,523

18 Other operating income

	<u>2021</u>	<u>2020</u>
	\$	\$
Training fees	358,420	711,570
International examinations	305,570	399,300
Miscellaneous income	175,431	117,500
Royalties income	163,724	195,853
Appeal for result fee	156,430	142,890
Professional fees	137,000	142,868
Exchange gain (net)	62,322	-
Parking fee	52,760	50,717
Statement of results	34,824	106,882
Accruals written off	7,457	-
	1,453,938	1,867,580

Singapore Examinations and Assessment Board
Notes to the financial statements for the financial year ended 31 March 2021

19 Staff costs

	<u>2021</u>	<u>2020</u>
	\$	\$
Key management personnel		
Salaries and related costs	2,106,008	1,841,133
CPF contributions	114,223	115,114
	<u>2,220,231</u>	<u>1,956,247</u>
Other than key management personnel		
Salaries and related costs	21,833,537	22,977,969
CPF contributions	2,627,288	2,671,771
Pension benefits (Note 10)	105,011	109,674
	<u>24,565,836</u>	<u>25,759,414</u>
	<u>26,786,067</u>	<u>27,715,661</u>

20 Other operating expenses

	<u>2021</u>	<u>2020</u>
	\$	\$
Maintenance of office premises and information systems	13,983,113	14,515,310
Examinations administrative expenses	11,429,283	11,752,039
Professional fee	4,821,857	4,430,429
Irrecoverable GST	2,029,645	5,453,150
General and administrative expenses	1,253,778	1,835,462
Loss on disposal of property, plant and equipment	856,683	-
Development expenditures	664,380	193,063
Operating leases expenses	560,893	451,315
Royalties	163,348	197,447
Bad debts written off – trade receivables	2,460	2,590
Property, plant and equipment written off	-	337,407
	<u>35,765,440</u>	<u>39,168,212</u>

Included in general and administrative expenses are:

	<u>2021</u>	<u>2020</u>
	\$	\$
Board members' allowance	95,625	95,625

21 Finance cost

This is relating to the interest expense on lease liabilities (Note 14).

22 Dividends

	<u>2021</u>	<u>2020</u>
	\$	\$
Dividend declared and paid during the year		
Dividends paid in respect of current financial year of 0.0341 cents (2020: 0.0122 cents) per share	1,873,000	647,000

Singapore Examinations and Assessment Board
Notes to the financial statements for the financial year ended 31 March 2021

23 Leases

Board as a lessee

The Board has lease contracts for its land and building. The Board's obligations under these leases are secured by the lessor's title to the leased assets. The Board is restricted from assigning and subleasing the leased assets. The Board also has certain leases of computers with low value and with lease term of 12 months or less. The Board applies the "leases of low-value assets" and "short-term lease" recognition exemptions for these leases.

(a) Carrying amounts of right-of-use assets classified within property, plant and equipment

	Right-of-use asset- land and building
	\$
At 1 April 2019	29,249,961
Depreciation	(5,528,658)
At 31 March 2020	23,721,303
Depreciation	(2,020,882)
At 31 March 2021	21,700,421

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the year are disclosed in Note 14 and the maturity analysis of lease liabilities is disclosed in Note 28.3.

(c) Amount recognised in profit or loss

	2021	2020
	\$	\$
Depreciation of right-of-use assets (Note 4)	2,020,882	5,528,658
Interest expense on lease liabilities (Note 21)	696,452	873,580
Lease expense not capitalised in lease liabilities:		
Expenses relating to – low value assets (included in other operating expenses) (Note 20)	560,893	451,315
Total amount recognised in profit or loss	3,278,227	6,853,553

(d) Total cash outflows

The Board had total cash outflows for leases of \$3,000,202 (2020: \$6,515,443) in 2021.

24 Commitments

24.1 Capital commitments

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	2021	2020
	\$	\$
Amounts approved and contracted for in respect of future capital expenditure but not provided for	2,263,392	1,117,403

24 Commitments (continued)

24.2 Other commitments

The Board is given the flexibility to lease for the use of computer equipment under Government Technology Agency's PC Bulk Tender with no purchase 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 Government Technology Agency's bulk tenders under the "Whole of Government ICT Infrastructure" arrangement.

The Board also entered into contracts with vendors to provide integrated facilities management services and security services for a contracted amount of up to \$1.2 million per annum for the Board's premises. (2020: \$1.5 million).

25 Contingent assets

Performance guarantee

As at the reporting date, the Board has banker's guarantee which have not been provided for in the financial statements.

	2021	2020
	\$	\$
Banker's guarantee	1,189,386	116,053

The banker's guarantee relates to the guarantee issued from bank on behalf on the vendor in supplying the services to the Board.

The financial effects of SB-FRS109 relating to financial guarantee contracts issued by the Bank is not material to the financial statements and are therefore not recognised.

No material losses under these guarantees are expected.

26 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 Board'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 and 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 4% (2020 – 6%) of the total operating income. Purchase of supplies and services from Ministries, Organs of States and other Statutory Boards constitutes 10% (2020 – 13%) of the total operating expenditure.

26 Significant related party transactions (continued)

Collectively, but not individually significant transactions (continued)

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 15 to the financial statements.

27 Fair values of assets and liabilities

Assets and liabilities not measured at fair value

Other receivables, cash and cash equivalents and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

Lease liabilities

The carrying amounts of these balances approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

28 Financial risk management objectives and policies

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

The Board'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 the two currencies on the Board's financial performance.

The Board have written policies and guidelines, which set out its general risk management philosophy. The Board 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.

28.1 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 exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents and grant receivable from Government), the Board minimise credit risk by dealing exclusively with reputable financial institutions and with the Accountant-General's Department and MOE.

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

28 Financial risk management objectives and policies (continued)

28.1 Credit risk (continued)

The carrying amounts of trade and other receivables, grant receivable from Government and cash and cash equivalents, represent the Board's maximum exposure to credit risk. No other financial assets carrying significant exposures to credit risk except as disclosed above.

The Board has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received.

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 Board. 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 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.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Board's performance to developments affecting a particular industry.

Exposure to credit risk

The Board has no significant concentration of credit risk other than those balance with 1 debtor (39%) (2020: 2 debtor (87%)). The Board has credit policies and procedures in place to minimize and mitigate its credit risk exposure.

28.2 Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Board's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Board's financial instruments will fluctuate because of changes in market interest rates. The Board's exposure to interest rate risk arises primarily to lease liabilities.

The Board does not expect any significant effect on the Board's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

28 Financial risk management objectives and policies (continued)

28.2 Market risk (continued)

Foreign currency risk

Foreign currency risk arises when future commercial transactions or recognised assets and liabilities are denominated in currencies other than the Board's functional currency. Currency risk arises mainly from payment due to an overseas examination board. As a result, the Board is exposed to movements in foreign currency exchange rates arising from normal trading transactions, primarily with respect to Great Britain Pound ("GBP"). As at the reporting date, the Board has trade and other payables that are denominated in GBP.

	Note	<u>2021</u>	<u>2020</u>
		\$	\$
Trade and other payables	12	(1,828,479)	(528,573)
		(1,828,479)	(528,573)

Sensitivity analysis

A 10 per cent (2020: 10 per cent) strengthening of GBP against Singapore Dollar (SGD) would have decreased the Board's surplus before contribution to consolidated fund by \$182,848 (2020: Decrease in surplus before contribution to consolidated fund by \$52,857). A 10 per cent weakening of GBP against SGD would have had the equal but opposite effect on the surplus before contribution to consolidated fund. This analysis assumes that all other variables, in particular interest rate remains constant.

28.3 Liquidity risk

Liquidity risk refers to the risk that the Board will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Board's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Board's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Board finances its working capital requirements through a combination of funds generated from operations and grant received from government. The management are satisfied that funds are available to finance the operations of the Board.

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Notes to the financial statements for the financial year ended 31 March 2021

28 Financial risk management objectives and policies (continued)

28.3 Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Board's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount	Contractual cash flows	One year or less	Two to five years	More than five years
	\$	\$	\$	\$	\$
2021					
Financial assets:					
Trade and other receivables	822,368	822,368	753,275	69,093	-
Grant receivable from Government	1,868,485	1,868,485	978,122	890,363	-
Cash and cash equivalents	86,383,487	86,383,487	86,383,487	-	-
Total undiscounted financial assets	89,074,340	89,074,340	88,114,884	959,456	-
Financial liabilities:					
Obligations in respect of pension scheme	3,496,084	3,496,084	145,976	614,261	2,735,847
Trade and other payables	6,746,646	6,746,646	6,746,646	-	-
Lease liabilities	22,316,556	26,899,695	2,109,780	10,548,900	14,241,015
Total undiscounted financial liabilities	32,559,286	37,142,425	9,002,402	11,163,161	16,976,862
Net undiscounted financial assets/(financial liabilities)	56,515,054	51,931,915	79,112,482	(10,203,705)	(16,976,862)
2020					
Financial assets:					
Trade and other receivables	1,761,043	1,761,043	1,647,550	113,493	-
Grant receivable from Government	33,941,457	33,941,457	25,344,982	8,596,475	-
Cash and cash equivalents	48,579,613	48,579,613	48,579,613	-	-
Total undiscounted financial assets	84,282,113	84,282,113	75,572,145	8,709,968	-
Financial liabilities:					
Obligations in respect of pension scheme	3,572,093	3,572,093	115,016	462,869	2,994,208
Trade and other payables	7,490,454	7,490,454	7,490,454	-	-
Lease liabilities	24,059,413	29,339,004	2,439,309	10,548,900	16,350,795
Total undiscounted financial liabilities	35,121,960	40,401,551	10,044,779	11,011,769	19,345,003
Net undiscounted financial assets/ (financial liabilities)	49,160,153	43,880,562	65,527,366	(2,301,801)	(19,345,003)

Singapore Examinations and Assessment Board
Notes to the financial statements for the financial year ended 31 March 2021

29 Financial instruments by category

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	Note	2021 \$	2020 \$
Financial assets measured at amortised cost:			
Trade and other receivables	6	822,368	1,761,043
Grant receivable from Government	7	1,868,485	33,941,457
Cash and cash equivalents	8	86,383,487	48,579,613
		89,074,340	84,282,113
Financial liabilities measured at amortised cost:			
Obligations in respect of pension scheme	10	3,496,084	3,572,093
Trade and other payables	12	6,746,646	7,490,454
Lease liabilities	14	22,316,556	24,059,413
		32,559,286	35,121,960

30 Capital management

The Board's objectives when managing the funds are:

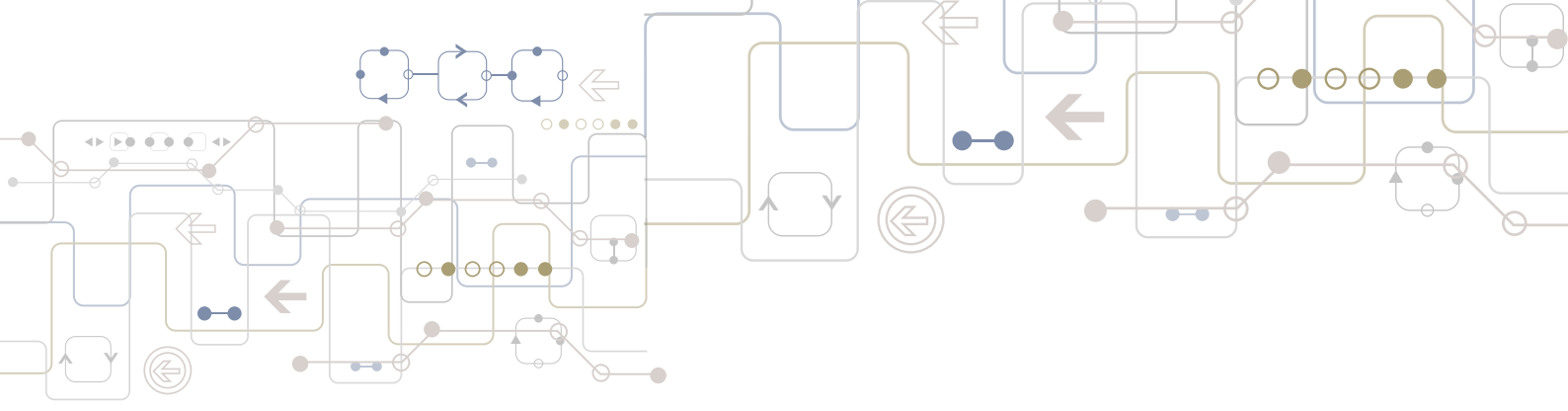
- (a) to safeguard the Board's ability to continue as a going concern;
- (b) to support the Board's stability and growth; and
- (c) to provide funds for the purpose of strengthening the Board's risk management capability.

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.

No changes were made in the objectives, policies or processes during the financial years ended 31 March 2021 and 31 March 2020.

31 Authorisation of financial statements for issue

The financial statements for the financial year ended 31 March 2021 were authorised for issue by the Board on the date of the Statement by the Singapore Examinations and Assessment Board.



Singapore Examinations and Assessment Board

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