

NATIONAL UNIVERSITY OF SINGAPORE AND ITS SUBSIDIARIES

(INCORPORATED IN SINGAPORE. REGISTRATION NUMBER: 200604346E)

FULL FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021



NATIONAL UNIVERSITY OF SINGAPORE AND ITS SUBSIDIARIES

TRUSTEES' STATEMENT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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TRUSTEES' STATEMENT

The Trustees are pleased to present their statement to the members together with the audited consolidated financial statements of the National University of Singapore ("the Company") and its subsidiaries (collectively, "the Group") and statement of financial position, statement of comprehensive income and statement of changes in funds and reserves of the Company, as of and for the financial year ended 31 March 2021.

OPINION OF THE TRUSTEES

In the opinion of the Trustees,

- a) the consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in funds and reserves of the Company are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 March 2021, and of the consolidated financial performance, consolidated changes in funds and reserves and consolidated cash flows of the Group and the financial performance and changes in funds and reserves of the Company for the financial year then ended; and
- b) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

TRUSTEES

The Trustees of the Company in office at the date of this report are:

Mr Hsieh Fu Hua – Chairman
Professor Tan Eng Chye
Ambassador Chan Heng Chee
Dr Cheong Koon Hean
Ms Chew Gek Khim
Mr Goh Choon Phong
Mr Peter Ho Hak Ean
Professor Ho Teck Hua
Professor Timothy L. Killeen
Mr Lai Chung Han
Mr Lee Ming San

Mr Andrew Lim Ming-Hui
Mr Loh Chin Hua
Mr Chaly Mah Chee Kheong
Mr Ng Wai King
Ms Tan Hooi Ling
Ms Jeanette Wong Kai Yuan
Ms Elaine Yew Wen Suen
Mr Forrest Li Xiaodong (*Appointed on 1 April 2021*)
Dr Sudha Nair (*Appointed on 1 April 2021*)
Mr Bahren Shaari (*Appointed on 1 June 2021*)

ARRANGEMENTS TO ENABLE TRUSTEES TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the Trustees of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

TRUSTEES' STATEMENT

TRUSTEES' INTERESTS IN SHARES OR DEBENTURES

The Company is a public company limited by guarantee and does not have a share capital.

At the end of the financial year, the Trustees of the Company have no interest in the share capital (including any share options) and debentures of the Company and related corporations as recorded in the register of the directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act.

AUDITOR

Deloitte & Touche LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Trustees



MR HSIEH FU HUA
Trustee

5 August 2021



PROFESSOR TAN ENG CHYE
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NATIONAL UNIVERSITY OF SINGAPORE

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of National University of Singapore ("the Company") and its subsidiaries (collectively, "the Group"), which comprise the statements of financial position of the Group and the Company as at 31 March 2021, the statements of comprehensive income and statements of changes in funds and reserves of the Group and the Company and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 8 to 84.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in funds and reserves of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Group and the Company as at 31 March 2021 and of the consolidated financial performance, consolidated changes in funds and reserves and consolidated cash flows of the Group and the financial performance and changes in funds and reserves of the Company for the year ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditor's Report Thereon

Management is responsible for other information. The other information comprises the Trustees' statement but does not include the financial statements and our auditor's report thereon.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NATIONAL UNIVERSITY OF SINGAPORE

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(cont'd)*

Responsibilities of Management and Trustees for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the provisions of the Act, the Charities Act and Regulations, and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Trustees' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional 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 Group'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 TRUSTEES OF NATIONAL UNIVERSITY OF SINGAPORE

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(cont'd)*

Auditor's Responsibilities for the Audit of the Financial Statements *(cont'd)*

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Trustees 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.

We also provide the Trustees with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

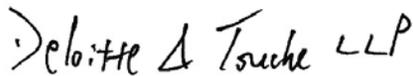
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NATIONAL UNIVERSITY OF SINGAPORE

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act and the Charities Act and Regulations.

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

- a) the Company has not used the donation monies in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- b) the Company has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



Public Accountants and
Chartered Accountants

Singapore

5 August 2021

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2021

	Note	GROUP		COMPANY	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
		S\$000	S\$000	S\$000	S\$000
NON-CURRENT ASSETS					
Subsidiary companies	5	–	–	128	128
Associated companies	6	162,238	160,335	63,112	65,290
Fixed assets	8	3,108,968	3,186,923	3,106,628	3,184,911
Right-of-use assets	9	273,036	298,174	273,036	298,174
Investment properties	10	43,846	45,874	43,846	45,874
Intangible assets	11	14,031	11,533	14,031	11,533
Investments at fair value through other comprehensive income (FVTOCI)	12	57,697	2,204	1,341	1,596
Investments at fair value through income or expenditure (FVTIE)	13	973	–	973	–
Student loans	15	4,262	3,139	4,262	3,139
Long-term loan to subsidiary company	16	–	–	5,000	5,000
Prepayments	18	3,246	3,129	3,246	3,129
Total Non-Current Assets		3,668,297	3,711,311	3,515,603	3,618,774
CURRENT ASSETS					
Student loans	15	797	1,745	797	1,745
Debtors	17	506,982	685,212	501,749	676,246
Consumable stores		489	509	298	307
Deposits and prepayments	18	245,661	37,037	245,263	36,512
Amounts owing from subsidiary companies	16	–	–	–	4
Investments at fair value through income or expenditure (FVTIE)	13	12,473,666	10,059,710	12,473,666	10,059,710
Derivative financial instruments	14	5,613	6,888	5,613	6,888
Cash and cash equivalents	19	117,743	169,726	70,798	136,246
Total Current Assets		13,350,951	10,960,827	13,298,184	10,917,658
TOTAL ASSETS		17,019,248	14,672,138	16,813,787	14,536,432

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

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2021

	Note	GROUP		COMPANY	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
		S\$000	S\$000	S\$000	S\$000
CURRENT LIABILITIES					
Creditors and accrued expenses	20a	360,625	335,395	358,260	333,108
Provisions for employee leave liability	20b	146,360	118,840	143,411	116,066
Lease liabilities	21	6,683	21,404	6,683	21,404
Grants received in advance	22	379,566	359,384	374,327	357,975
Sinking fund	22	26,653	37,044	26,653	37,044
Deferred tuition and other fees		96,083	87,686	96,062	87,654
Derivative financial instruments	14	39,540	90,211	39,540	90,211
Amounts owing to subsidiary companies	16	–	–	39,104	28,294
Borrowings	23	116,722	416,722	116,722	416,722
Total Current Liabilities		1,172,232	1,466,686	1,200,762	1,488,478
NON-CURRENT LIABILITIES					
Borrowings	23	776,454	593,176	776,454	593,176
Lease liabilities	21	34,488	38,541	34,488	38,541
Deferred capital grants	24	1,547,789	1,715,158	1,545,457	1,713,163
Sinking fund	22	90,862	88,840	90,862	88,840
Total Non-Current Liabilities		2,449,593	2,435,715	2,447,261	2,433,720
TOTAL LIABILITIES		3,621,825	3,902,401	3,648,023	3,922,198
NET ASSETS		13,397,423	10,769,737	13,165,764	10,614,234
FUNDS AND RESERVES					
ACCUMULATED SURPLUS					
– Designated General Funds	25	6,215,509	3,225,908	6,056,361	3,091,027
– Other Restricted Funds	25	1,139,265	1,040,792	1,139,265	1,040,792
		7,354,774	4,266,700	7,195,626	4,131,819
Endowment Funds	26	5,950,993	6,466,821	5,930,681	6,442,704
Fair Value Reserve	25	50,141	(5,304)	(2,006)	(1,752)
Revaluation Reserve	25	41,463	41,463	41,463	41,463
Translation Reserve	25	52	57	–	–
TOTAL FUNDS AND RESERVES		13,397,423	10,769,737	13,165,764	10,614,234
Funds managed on behalf of the Government Ministry	27	367,436	307,411	367,436	307,411
Represented by:					
Net assets managed on behalf of the Government Ministry	27	365,529	307,955	365,529	307,955
Amount payable to (receivable from) Government Ministry	27	1,907	(544)	1,907	(544)
		367,436	307,411	367,436	307,411

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

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2021

GROUP		DESIGNATED GENERAL FUNDS		ENDOWMENT FUNDS		OTHER RESTRICTED FUNDS		TOTAL		
		2021	2020	2021	2020	2021	2020	2021	2020	
Note		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
OPERATING INCOME										
	Tuition and other fees	29	586,087	548,572	–	–	7,981	7,421	594,068	555,993
	Less: Scholarship expenses		(14,311)	(12,154)	(33,163)	(29,105)	(54,260)	(57,629)	(101,734)	(98,888)
	Net tuition and other fees		571,776	536,418	(33,163)	(29,105)	(46,279)	(50,208)	492,334	457,105
	Other income	30	197,784	249,044	19	9	85,211	152,224	283,014	401,277
			769,560	785,462	(33,144)	(29,096)	38,932	102,016	775,348	858,382
OPERATING EXPENDITURE										
	Expenditure on manpower	31	1,003,187	988,931	66,150	76,117	348,428	356,873	1,417,765	1,421,921
	Depreciation and amortisation expenditure	8, 9, 11	96,269	96,977	5,141	5,053	265,592	268,868	367,002	370,898
	Other operating expenditure		461,209	527,628	79,574	89,566	328,473	325,181	869,256	942,375
			1,560,665	1,613,536	150,865	170,736	942,493	950,922	2,654,023	2,735,194
	Operating deficit		(791,105)	(828,074)	(184,009)	(199,832)	(903,561)	(848,906)	(1,878,675)	(1,876,812)
	Net operating investment income	33	703,235	27,851	350,196	245,607	103,040	12,505	1,156,471	285,963
	Share of results (net of tax) of associated companies	6	5,358	17,887	(3,805)	2,285	–	–	1,553	20,172
	(Deficit) surplus before Grants	34	(82,512)	(782,336)	162,382	48,060	(800,521)	(836,401)	(720,651)	(1,570,677)
GRANTS										
	Operating Grants:									
	Government	35a	869,614	704,376	–	–	532,598	551,419	1,402,212	1,255,795
	Others	35b	35,417	36,079	–	–	211,684	219,032	247,101	255,111
	Deferred capital grants amortised	24	35,609	46,084	–	–	260,713	265,745	296,322	311,829
			940,640	786,539	–	–	1,004,995	1,036,196	1,945,635	1,822,735
SURPLUS FOR THE YEAR BEFORE NON-OPERATING INVESTMENT INCOME (LOSS) AND INCOME TAX										
			858,128	4,203	162,382	48,060	204,474	199,795	1,224,984	252,058
	Non-operating investment income (loss)	33	1,044,809	–	–	(171,395)	–	–	1,044,809	(171,395)
	Income tax	36	73	(28)	–	–	–	–	73	(28)
	SURPLUS (DEFICIT) FOR THE YEAR	37	1,903,010	4,175	162,382	(123,335)	204,474	199,795	2,269,866	80,635
OTHER COMPREHENSIVE INCOME (LOSS):										
	Items that will not be reclassified subsequently to income or expenditure:									
	Change in fair value of equity instruments designated as FVTOCI		67,496	(4,021)	(254)	(807)	–	–	67,242	(4,828)
	Items that may be reclassified subsequently to income or expenditure:									
	Exchange differences on translating foreign operations		(5)	10	–	–	–	–	(5)	10
	OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR, NET OF TAX		67,491	(4,011)	(254)	(807)	–	–	67,237	(4,818)
	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		1,970,501	164	162,128	(124,142)	204,474	199,795	2,337,103	75,817

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

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2021

COMPANY

	Note	DESIGNATED GENERAL FUNDS		ENDOWMENT FUNDS		OTHER RESTRICTED FUNDS		TOTAL	
		2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
OPERATING INCOME									
Tuition and other fees	29	579,856	542,661	–	–	7,981	7,421	587,837	550,082
Less: Scholarship expenses		(12,421)	(10,272)	(33,163)	(29,105)	(54,260)	(57,629)	(99,844)	(97,006)
Net tuition and other fees		567,435	532,389	(33,163)	(29,105)	(46,279)	(50,208)	487,993	453,076
Other income	30	195,512	244,144	19	9	85,211	152,224	280,742	396,377
		762,947	776,533	(33,144)	(29,096)	38,932	102,016	768,735	849,453
OPERATING EXPENDITURE									
Expenditure on manpower	31	981,547	966,183	66,150	76,117	348,428	356,873	1,396,125	1,399,173
Depreciation and amortisation expenditure	8,9,11	95,749	96,424	5,141	5,053	265,592	268,868	366,482	370,345
Other operating expenditure		453,089	525,233	79,574	89,566	328,473	325,181	861,136	939,980
		1,530,385	1,587,840	150,865	170,736	942,493	950,922	2,623,743	2,709,498
Operating deficit		(767,438)	(811,307)	(184,009)	(199,832)	(903,561)	(848,906)	(1,855,008)	(1,860,045)
Net operating investment income	33	697,207	25,526	350,196	245,607	103,040	12,505	1,150,443	283,638
(Deficit) surplus before Grants	34	(70,231)	(785,781)	166,187	45,775	(800,521)	(836,401)	(704,565)	(1,576,407)
GRANTS									
Operating Grants:									
Government	35a	846,615	679,137	–	–	532,598	551,419	1,379,213	1,230,556
Others	35b	34,242	34,810	–	–	211,684	219,032	245,926	253,842
Deferred capital grants amortised	24	35,105	45,576	–	–	260,713	265,745	295,818	311,321
		915,962	759,523	–	–	1,004,995	1,036,196	1,920,957	1,795,719
SURPLUS (DEFICIT) FOR THE YEAR BEFORE NON-OPERATING INVESTMENT INCOME (LOSS) AND INCOME TAX									
		845,731	(26,258)	166,187	45,775	204,474	199,795	1,216,392	219,312
Non-operating investment income (loss)	33	1,044,809	–	–	(171,395)	–	–	1,044,809	(171,395)
Income tax	36	–	–	–	–	–	–	–	–
SURPLUS (DEFICIT) FOR THE YEAR	37	1,890,540	(26,258)	166,187	(125,620)	204,474	199,795	2,261,201	47,917
OTHER COMPREHENSIVE LOSS:									
Items that will not be reclassified subsequently to income or expenditure:									
Change in fair value of equity instruments designated as FVTOCI		–	–	(254)	(807)	–	–	(254)	(807)
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX		–	–	(254)	(807)	–	–	(254)	(807)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		1,890,540	(26,258)	165,933	(126,427)	204,474	199,795	2,260,947	47,110

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

STATEMENTS OF CHANGES IN FUNDS AND RESERVES

For the financial year ended 31 March 2021

GROUP

	Note	ACCUMULATED SURPLUS					Translation Reserve	Total
		Designated General Funds	Other Restricted Funds	Endowment Funds	Fair Value Reserve	Revaluation Reserve		
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Balance at 1 April 2020		3,225,908	1,040,792	6,466,821	(5,304)	41,463	57	10,769,737
Surplus for the year		1,903,010	204,474	162,382	–	–	–	2,269,866
Other comprehensive income (loss)		–	–	–	67,242	–	(5)	67,237
Total comprehensive income (loss) for the year		1,903,010	204,474	162,382	67,242	–	(5)	2,337,103
Matching grants received/accrued	26	–	–	194,924	–	–	–	194,924
Donations received	26	–	–	95,659	–	–	–	95,659
Transfer upon disposal of equity designated as FVTOCI		11,797	–	–	(11,797)	–	–	–
Total recognised gains and losses for the year		1,914,807	204,474	452,965	55,445	–	(5)	2,627,686
Transfer between Designated General Funds, Endowment Funds and Other Restricted Funds	28	1,074,794	(106,001)	(968,793)	–	–	–	–
Balance at 31 March 2021		6,215,509	1,139,265	5,950,993	50,141	41,463	52	13,397,423
Balance at 1 April 2019		3,105,324	954,981	6,375,282	(476)	41,463	47	10,476,621
Surplus (deficit) for the year		4,175	199,795	(123,335)	–	–	–	80,635
Other comprehensive (loss) income		–	–	–	(4,828)	–	10	(4,818)
Total comprehensive income (loss) for the year		4,175	199,795	(123,335)	(4,828)	–	10	75,817
Matching grants received/accrued	26	–	–	186,781	–	–	–	186,781
Donations received	26	–	–	30,215	–	–	–	30,215
Gain on equity instruments designated as FVTOCI		303	–	–	–	–	–	303
Total recognised gains and losses for the year		4,478	199,795	93,661	(4,828)	–	10	293,116
Transfer between Designated General Funds, Endowment Funds and Other Restricted Funds	28	116,106	(113,984)	(2,122)	–	–	–	–
Balance at 31 March 2020		3,225,908	1,040,792	6,466,821	(5,304)	41,463	57	10,769,737

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

STATEMENTS OF CHANGES IN FUNDS AND RESERVES

For the financial year ended 31 March 2021

COMPANY

	Note	ACCUMULATED SURPLUS					Total S\$'000
		Designated General Funds S\$'000	Other Restricted Funds S\$'000	Endowment Funds S\$'000	Fair Value Reserve S\$'000	Revaluation Reserve S\$'000	
Balance at 1 April 2020		3,091,027	1,040,792	6,442,704	(1,752)	41,463	10,614,234
Surplus for the year		1,890,540	204,474	166,187	–	–	2,261,201
Other comprehensive loss		–	–	–	(254)	–	(254)
Total comprehensive income (loss) for the year		1,890,540	204,474	166,187	(254)	–	2,260,947
Matching grants received/accrued	26	–	–	194,924	–	–	194,924
Donations received	26	–	–	95,659	–	–	95,659
Total recognised gains and losses for the year		1,890,540	204,474	456,770	(254)	–	2,551,530
Transfer between Designated General Funds, Endowment Funds and Other Restricted Funds	28	1,074,794	(106,001)	(968,793)	–	–	–
Balance at 31 March 2021		6,056,361	1,139,265	5,930,681	(2,006)	41,463	13,165,764
Balance at 1 April 2019		3,000,876	954,981	6,353,450	(945)	41,463	10,349,825
(Deficit) surplus for the year		(26,258)	199,795	(125,620)	–	–	47,917
Other comprehensive loss		–	–	–	(807)	–	(807)
Total comprehensive (loss) income for the year		(26,258)	199,795	(125,620)	(807)	–	47,110
Matching grants received/accrued	26	–	–	186,781	–	–	186,781
Donations received	26	–	–	30,215	–	–	30,215
Gain on equity instruments designated as FVTOCI		303	–	–	–	–	303
Total recognised gains and losses for the year		(25,955)	199,795	91,376	(807)	–	264,409
Transfer between Designated General Funds, Endowment Funds and Other Restricted Funds	28	116,106	(113,984)	(2,122)	–	–	–
Balance at 31 March 2020		3,091,027	1,040,792	6,442,704	(1,752)	41,463	10,614,234

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2021

	Note	2021 S\$'000	2020 S\$'000
Cash flows from operating activities:			
Deficit before Grants		(720,651)	(1,570,677)
Adjustments for:			
Depreciation of fixed assets	8	333,731	338,336
Depreciation of right-of-use assets	9	28,633	28,621
Amortisation of intangible assets	11	4,638	3,941
Donated artifacts and other donated assets additions	26	(790)	(411)
Net operating investment income	33	(1,156,471)	(285,963)
Borrowing costs expensed off	34	16,118	19,132
Loss on disposal of fixed and intangible assets	34	3,436	2,600
Bad debts and loss allowance	34	1,305	1,026
Exchange differences arising on translation of foreign subsidiary		(5)	10
Loss (gain) on revaluation of investment properties	10	2,028	(1,005)
Share of results (net of tax) of associated companies		(1,553)	(20,172)
Operating cash flows before working capital changes		(1,489,581)	(1,484,562)
Change in operating assets and liabilities:			
Increase in debtors, consumable stores, deposits and prepayments		(111,914)	(4,415)
Increase in creditors and accrued expenses, provisions and deferred tuition and other fees		59,428	67,927
Cash used in operations		(1,542,067)	(1,421,050)
Other grants received, net of refund		297,349	297,080
Donations received for endowment funds	26	95,659	30,215
Student loans granted		(772)	(1,052)
Student loans repaid		603	2,133
Interest on lease liabilities		(1,172)	(1,422)
Net cash outflow from operating activities		(1,150,400)	(1,094,096)
Cash flows from investing activities:			
Payments for purchase of fixed assets	8	(255,756)	(327,303)
Payments for purchase of intangible assets	11	(7,220)	(4,867)
Proceeds from disposal of fixed assets and intangible assets		124	582
Investment in associated companies		(350)	(400)
Net purchase of investments		(383,660)	(318,773)
Proceeds on disposal of equity instruments designated as FVTOCI		11,932	50
Interest and dividend received		97,442	121,578
Net foreign currency exchange gains (losses)	33	27,295	(28,816)
Net cash outflow from investing activities		(510,193)	(557,949)
Cash flows from financing activities:			
Government grants received, net of refund		1,536,753	1,520,728
Government grants received for endowment funds		226,983	188,505
Net funds received for funds and net assets managed on behalf of the Government Ministry		3,005	1,997
Repayment of lease liabilities		(22,269)	(22,263)
Interest paid		(19,140)	(17,673)
Proceeds from issue of fixed rate note	23	300,000	–
Fixed rate term loan and note repaid	23	(416,722)	(10,102)
Net cash inflow from financing activities		1,608,610	1,661,192
Net (decrease) increase in cash and cash equivalents		(51,983)	9,147
Cash and cash equivalents at the beginning of the year		169,726	160,579
Cash and cash equivalents at the end of the year	19	117,743	169,726

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

1 GENERAL

The company (Registration Number 200604346E) is incorporated in Singapore as a public company limited by guarantee and its registered office and place of business is located at 21 Lower Kent Ridge Road Singapore 119077.

The Company is principally engaged in the advancement and dissemination of knowledge, and the promotion of research and scholarship.

The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements.

The consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in funds and reserves of the Company as of and for the year ended 31 March 2021 were authorised for issue in accordance with a resolution of the Trustees on 5 August 2021.

2 SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below and are drawn up in accordance with the provisions of the Singapore Companies Act, the Charities Act and Singapore Financial Reporting Standards ("FRSs"). The financial statements are presented in Singapore dollars (S\$) and all values in the table are rounded to the nearest thousand (S\$'000) as indicated.

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

ADOPTION OF NEW AND REVISED STANDARDS – In the current financial year, the Group has adopted all the new and revised Financial Reporting Standards in Singapore ("FRSs") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 April 2020. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the financial statements for the current or prior years.

NEW/REVISED STANDARDS AND IMPROVEMENTS TO THE STANDARDS NOT YET ADOPTED – At the date of authorisation of these financial statements, the following new/revised FRS relevant to the Group which are issued but not effective:

Effective for annual periods beginning on or after 1 April 2022

- Amendments to FRS 16: *Property, Plant and Equipment – Proceeds before Intended Use*
- Annual Improvements to FRSs 2018 – 2020

Effective for annual periods beginning on or after 1 April 2023

- Amendments to FRS 1: *Classification of Liabilities as Current or Non-current*

Management anticipates that the adoption of the above amendments to FRSs in future periods will not have a material impact on the financial statements of the Group and the Company in the period of their initial adoption.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

b) BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

Changes in the Company's ownership interest of a subsidiary that do not result in a loss of control are accounted for as equity transactions. If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest;
- derecognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in income or expenditure; and
- reclassifies the Group's share of components previously recognised in other comprehensive income to income or expenditure or retained earnings, as appropriate.

c) SUBSIDIARIES AND ASSOCIATES

i) Subsidiaries

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

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

c) SUBSIDIARIES AND ASSOCIATES *(cont'd)*

ii) Associates

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group accounts for its investments in associates using the equity method from the date on which it becomes an associate.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted for as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. The income or expenditure reflects the share of results of the operations of the associates. Distributions received from associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associate are eliminated to the extent of the interest in the associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in income or expenditure.

Net assets of the associates are included in the consolidated financial statements under the equity method based on their latest audited financial statements. Where their financial periods do not end on 31 March, management accounts to 31 March are used. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group. In any case, the difference between the end of the reporting period of the associate and that of the investor shall be no more than three months. The length of the reporting periods and any difference between the ends of the reporting periods shall be the same from period to period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

d) JOINT ARRANGEMENTS

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

Joint operations

The Group recognises in relation to its interest in a joint operation,

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the accounting policies applicable to the particular assets, liabilities, revenues and expenses.

e) FINANCIAL INSTRUMENTS

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through income or expenditure) are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through income or expenditure are recognised immediately in income or expenditure.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

e) FINANCIAL INSTRUMENTS *(cont'd)*

i) Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

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

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through income or expenditure (FVTIE).

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTIE if doing so eliminates or significantly reduces an accounting mismatch.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

e) FINANCIAL INSTRUMENTS *(cont'd)*

i) Financial assets *(cont'd)*

Amortised cost and effective interest method

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

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

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

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

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve. The cumulative gain or loss will not be reclassified to income or expenditure on disposal of the equity investments, instead, they will be transferred to accumulated surplus.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

e) FINANCIAL INSTRUMENTS *(cont'd)*

i) Financial assets *(cont'd)*

*Equity instruments designated as at FVTOCI *(cont'd)**

The Group has designated all investments in equity instruments that are not held for trading as at FVTOCI.

Dividends on these investments in equity instruments are recognised in income or expenditure when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

Financial assets at FVTIE

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTIE. Specifically:

- Investments in equity instruments are classified as at FVTIE, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTIE. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTIE upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTIE are measured at fair value as at each reporting date, with any fair value gains or losses recognised in income or expenditure to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in income or expenditure includes any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 4(b)(vi).

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on debt instruments that are measured at amortised cost or investments at FVTOCI, student loans, debtors and deposits. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for student loans and debtors. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

e) FINANCIAL INSTRUMENTS *(cont'd)*

i) Financial assets *(cont'd)*

Impairment of financial assets *(cont'd)*

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

The Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

e) FINANCIAL INSTRUMENTS *(cont'd)*

i) Financial assets *(cont'd)*

Impairment of financial assets *(cont'd)*

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in income or expenditure.

Measurement and recognition of expected credit losses

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

ii) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank balances and fixed deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

e) FINANCIAL INSTRUMENTS *(cont'd)*

iii) Financial liabilities

Financial liabilities are classified as either financial liabilities “at fair value through income or expenditure” or other financial liabilities.

The accounting policies adopted for specific financial liabilities are set out below.

Creditors and accrued expenses

Creditors and accrued expenses are measured at fair value, and are subsequently measured at amortised cost, using effective interest method.

Fixed rate notes and term loan

Fixed rate notes and term loan are initially recognised at fair value incurred and subsequently stated at amortised cost, using the effective interest rate method.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its currency risk. It does not apply hedge accounting.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently valued to their fair value at the end of each reporting period. The resulting gain or loss is recognised in income or expenditure immediately.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group’s obligations are discharged, cancelled or they expire.

f) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group are presented in Singapore dollars, which is the functional currency of the Company.

In preparing the financial statements of the individual entities, transactions are recorded at the prevailing exchange rates on the date of the transaction. Monetary items and non-monetary items carried at fair value, denominated in foreign currencies are translated at the prevailing exchange rates at the end of the reporting period. Non-monetary items that are measured in terms of historical costs in foreign currency are not retranslated.

Exchange gains or losses arising on the settlement and translation of monetary items, are included in income or expenditure for the period. When exchange gains or losses on the non-monetary items included in income or expenditure or other comprehensive income, the exchange gains and losses are recognised in income or expenditure or other comprehensive income respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

f) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION *(cont'd)*

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign subsidiaries (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the reporting period. Income and expenditure items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in the Group's translation reserve in equity. Such translation differences will be reclassified from equity to income or expenditure, as a reclassification adjustment, in the period in which the foreign subsidiary is disposed of.

g) REVENUE RECOGNITION

The Group recognises income from the following major sources:

- Tuition and other fees
- Non-endowed donations
- Rental income
- Dividend income
- Interest income

Income is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises income when it transfers control of a product or when service is rendered to a customer.

Tuition and other fees

Income from tuition and other fees comes from the provision of tuition services to undergraduate or postgraduate students. It includes the provision of course and conference fees and clinical and consultancy fees rendered to the students over the academic period. Tuition and other fees are recognised as the courses are rendered and satisfied over time. Payments received from students for tuition and other fees in which the courses have not been rendered is recognised as a deferred income until the courses have been rendered to the students.

The Group has reduced income from tuition and other fees based on the scholarships given to students. These scholarships are offset against tuition and other fees to reflect the net consideration received by the Group.

Non-endowed donations

Non-endowed donations are recognised at the point in time when they are received.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

g) REVENUE RECOGNITION *(cont'd)*

Rental income

Rental income is mainly from the rental of hostels and apartments and is recognised on a straight-line basis over the term of the relevant lease in accordance with FRS 116 *Leases*.

Dividend income

Dividend income is recognised when the right to receive payment is established.

Interest income

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

h) BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are charged to income or expenditure.

i) GRANTS

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

Government grants and contributions from other organisations for the purchase of fixed assets or to finance capital projects are taken to the grants received in advance in the first instance. They are taken to the deferred capital grants account upon utilisation of the grants for the purchase of assets which are capitalised, or to income or expenditure for purchases of assets which are expensed off. Donated tangible fixed assets, with the exception of non-depreciable fixed assets donated for use by the Group, are valued and taken to deferred capital grants and the debit taken to the relevant fixed asset category. Donated non-depreciable assets are taken to income or expenditure.

Deferred capital grants are recognised in the income or expenditure over the periods necessary to match the depreciation of the assets purchased with the related grants. Upon the disposal of the fixed assets, the balance of the related deferred capital grants is recognised in income or expenditure to match the net book value of fixed assets disposed of.

Government and other grants in respect of the current year's operating expenses are recognised as income in the same year. Such grants which are received but not utilised are included in the grants received in advance account.

Grants are accounted for on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

j) FUNDS

Designated General Funds

Income and expenditure of the Group are generally accounted for under Designated General Funds in the Group's statement of comprehensive income. Designated General Funds include funds set aside for specific or committed purposes such as planned operational activities of faculties, departments and halls of residences, and self-financing activities of the Group. Although set aside for specific or committed purposes, such funds may at the discretion of the Board of Trustees, be used for other purposes. Income and expenditure relating to these funds are accounted for directly in the funds to which they relate.

Endowment Funds

Endowed donations received and Government matching grants received/receivable during the year, which are required to be kept intact as capital, are taken directly to the Endowment Funds. Income and expenditure arising from the management of the Endowment Funds are taken to the statement of comprehensive income of the Endowment Funds.

Other Restricted Funds

The income and expenditure relating to funds that are subject to legal or grantor/donor imposed stipulation are accounted for under Other Restricted Funds in the Group's statement of comprehensive income. The following are classified under Other Restricted Funds:

- i) funds created from non-endowed donations for specific purposes; and
- ii) external grants received from grantors as they are received for restricted purpose specified by grantors.

k) FIXED ASSETS AND DEPRECIATION

Fixed assets are stated at cost less accumulated depreciation and any accumulated impairment loss.

Capital work-in-progress consists of construction costs and related expenses incurred during the period of construction.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income or expenditure.

Depreciation is computed on a straight line basis over the shorter of period of leases or their estimated useful lives, on the following bases:

	No. of years
Buildings	30
Leasehold improvements	10
Infrastructure	30 to 90
Equipment, furniture and fittings and library materials	3 to 10

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

k) FIXED ASSETS AND DEPRECIATION *(cont'd)*

Depreciation is not provided for capital work-in-progress as the assets are not yet available for use. Artifacts and freehold land have infinite useful life and are not depreciated.

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

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.

An asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in income or expenditure in the year the asset is derecognised.

l) INVESTMENT PROPERTIES

Investment properties are properties that are either owned by the Group or leased under a finance lease that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business.

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in income or expenditure in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in income or expenditure in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for fixed assets set out in Note 2(k) up to the date of change in use.

m) INTANGIBLE ASSETS

Intangible assets acquired separately are recorded at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives, on the following bases:

	No. of years
Computer software	3 to 5
Purchased curriculum	5

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

m) INTANGIBLE ASSETS *(cont'd)*

The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are not amortised. Each period, the useful lives of such assets are reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset.

n) IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group 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 Group makes an estimate of the asset's recoverable amount.

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 groups 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 of continuing operations are recognised in income or expenditure in those expense categories consistent with the function of the impaired asset, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

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. The 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 income or expenditure unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

o) PROVISIONS

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

p) RETIREMENT BENEFIT COSTS

Payments to defined contribution retirement benefit plans are charged as expenditure in the period in which the related services are performed. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligation under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

q) EMPLOYEE LEAVE ENTITLEMENT

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

r) INCOME TAX

The income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in income or expenditure because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in income or expenditure, except when they relate to items recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity, respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

s) RESEARCH EXPENDITURE

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

t) LEASES

Lease

The Group as lessee

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the company uses the incremental borrowing rate specific to the lessee.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

t) LEASES *(cont'd)*

Lease *(cont'd)*

The Group as lessee *(cont'd)*

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

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

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under FRS 37. The costs are included in the related right-of-use assets.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(n).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

t) LEASES *(cont'd)*

Lease *(cont'd)*

The Group as lessee *(cont'd)*

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use assets. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other operating expenditure' in the statement of comprehensive income.

As a practical expedient, FRS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The company has not used this practical expedient. For a contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2, there are no critical judgements, apart from those involving estimates (see below), that Management has made in the process of applying the Group's accounting policies and that have significant effect on the amounts recognised in financial statements.

a) Key sources of estimation uncertainty

i) Fair value estimation

The Group holds unquoted equity securities that are not traded in an active market. The Group has used the net asset value disclosed in the financial statements of the entities (as these pertain mainly to funds whose investments are stated at fair value) and external valuations as the fair value for these financial assets. The carrying amounts of these unquoted securities for Group and Company at the end of the reporting period were S\$9,554,919,000 (2020: S\$6,882,723,000) and S\$9,510,553,000 (2020: S\$6,882,916,000), respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT

a) Categories of financial instruments

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

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Financial Assets				
At FVTIE:				
Investments	12,474,639	10,059,710	12,474,639	10,059,710
Derivative financial instruments	5,613	6,888	5,613	6,888
Sub-total	12,480,252	10,066,598	12,480,252	10,066,598
Loans and receivables at amortised cost:				
– Debtors	506,982	685,212	501,749	676,246
– Student loans	5,059	4,884	5,059	4,884
– Fixed deposits	636	633	636	633
– Cash and bank balances	117,107	169,093	70,162	135,613
– Advances for investment in funds	201,540	–	201,540	–
– Deposits paid	916	691	810	691
– Long-term loan to subsidiary company	–	–	5,000	5,000
– Amounts owing from subsidiary companies	–	–	–	4
Sub-total	832,240	860,513	784,956	823,071
Investments at FVTOCI	57,697	2,204	1,341	1,596
Total	13,370,189	10,929,315	13,266,549	10,891,265
Financial Liabilities				
At FVTIE:				
Derivative financial instruments	39,540	90,211	39,540	90,211
Financial liabilities at amortised cost:				
– Creditors and accrued expenses	360,625	335,395	358,260	333,108
– Borrowings	893,176	1,009,898	893,176	1,009,898
– Amounts owing to subsidiary companies	–	–	39,104	28,294
Sub-total	1,253,801	1,345,293	1,290,540	1,371,300
Lease liabilities	41,171	59,945	41,171	59,945
Total	1,334,512	1,495,449	1,371,251	1,521,456

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT *(cont'd)*

b) Financial risk management policies and objectives

The Group invests in a variety of assets and market instruments. These are separated into two large categories, namely, bonds and quoted/unquoted equities for reporting. This exposes the Group to a variety of risks from the changes in financial market environment and fluctuations in foreign exchange rates and interest rates. The Group seeks to minimise the potential adverse effects from these exposures to its assets through having a clear investment mandate, risk management strategy, investment policies and an investment framework approved by the Group's Investment Committee.

The Group's overall risk management strategy is to firstly ensure adequate diversification across its investments through its long-term asset allocation policy. Having a structured and detailed due diligence process and closely tracking the Group's investment and deviation from the policy target helps to further manage the risks.

The long-term asset allocation policy is the long-term asset mix of the Group's portfolio of investments and defines the assets that the Group is able to invest in. The long-term asset allocation policy is the central tenet of endowment risk management. It sets the acceptable risk for the funds and ensures adequate diversification across asset classes. Deviation from the policy targets changes the risk and returns profile of the endowment fund, and increases the risk that the objectives of the endowment will not be met. Furthermore, any deviation from the policy targets for one asset class will result in a deviation in policy targets for another asset class.

During the year ended 31 March 2021, the Board of Trustees approved a long-term risk tolerance in the management of the funds. The risk tolerance provides clarity on the investment risk to be assumed in the portfolio and ensures that any investment decision or deviation from the policy targets is consistent with the risk tolerance of the Board of Trustees. There has been no significant change to the Group's exposure to these financial risks.

i) Market risk – price risk management

The Group is exposed to price risk arising from the investments, invested either directly or through externally managed funds in the various asset classes under the long-term asset allocation policy. The Group manages its price risk through having a diversified portfolio and target weights, thus monitoring and controlling exposure risk. The performance of the managed funds is regularly reviewed by the Investment Office, which manages the portfolio.

In respect of quoted and unquoted equity securities, a +/-5% change in investment value as at 31 March 2021 will result in a S\$539,002,000 (2020: +/- S\$399,425,000) gain / loss in net surplus for the Group and Company. This analysis has been performed with all other variables constant.

The above sensitivity has been disclosed in accordance with the requirements of FRS 107. In Management's opinion, the sensitivity analysis is not fully representative of the risk considerations for its investments. The Group's investments are regularly assessed with a larger spectrum of risk considerations included in the long-term asset allocation policy.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT *(cont'd)*

b) Financial risk management policies and objectives *(cont'd)*

ii) Interest rate risk management

The Group's investments are subject to interest rate risk as the Group invests in fixed income securities. The Group monitors interest rates regularly to ensure excess funds are invested at competitive rates.

Both market and interest rate movements will affect the target weights of asset class in the long-term asset allocation policy. The sensitivity analysis below has been determined based on exposures to price and interest rate risks at the reporting date.

In respect of the quoted and unquoted Government bonds and debt securities, a +/-1% change in interest rates as at 31 March 2021 will result in a +/- S\$56,004,000 (2020: +/- S\$106,584,000) loss / gain in net surplus for the Group and Company. Similarly this analysis was performed with all other variables constant. The correlation of the other variables has been assumed to be constant.

The above sensitivity has been disclosed in accordance with the requirements of FRS 107. In Management's opinion, the sensitivity analysis is not fully representative of the risk considerations for its investments. The Group's investments are regularly assessed with a larger spectrum of risk considerations included in the long-term asset allocation policy.

iii) Foreign exchange risk management

Some of the Group's transactions and investments are conducted in foreign currencies, including United States dollars, Euro and Japanese Yen, and therefore is exposed to foreign exchange risk. The Group manages its currency exposure by hedging its foreign currency investments through currency swap contracts as stipulated in the Group's foreign currency hedging policy.

a) Investments

The Group's foreign currency exposure for investments as at end of each reporting period are as follows:

	GROUP AND COMPANY			
	2021		2020	
	Investments at FVTIE S\$'000	Derivatives Financial Instruments S\$'000	Investments at FVTIE S\$'000	Derivatives Financial Instruments S\$'000
United States Dollars	9,418,074	(36,088)	6,926,777	2,884
Other Currencies	887,423	2,160	648,232	(4,710)

If the United States dollars were to change by 1% against the Singapore dollar, the Group's surplus will increase/decrease by S\$62,459,000 (2020: increase/decrease by S\$48,573,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT *(cont'd)*

b) Financial risk management policies and objectives *(cont'd)*

iii) Foreign exchange risk management *(cont'd)*

a) Investments *(cont'd)*

The Group's operation is not exposed to significant foreign exchange risk as most of its transactions are transacted in Singapore dollars.

At the end of each reporting period, the amounts of monetary assets and monetary liabilities (other than investments) denominated in foreign currencies at 31 March are mainly in United States Dollars and are as follows:

	GROUP				COMPANY			
	ASSETS		LIABILITIES		ASSETS		LIABILITIES	
	2021	2020	2021	2020	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
United States Dollars	239,568	135,457	2,419	990	239,009	134,769	2,416	979
Other foreign currencies	6,157	9,520	157	881	5,928	9,264	154	787

If the United States dollars were to change by 1% against the Singapore dollar, the Group's and Company's surplus will increase/decrease by S\$2,371,000 and S\$2,366,000 (2020: increase/decrease by S\$1,345,000 and S\$1,338,000 respectively).

iv) Liquidity risk management

The Group manages the liquidity risk by maintaining sufficient cash and cash equivalents and ensuring, the availability of borrowing facilities to fund working capital requirements and capital expenditure, if required.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT *(cont'd)*

b) Financial risk management policies and objectives *(cont'd)*

iv) Liquidity risk management *(cont'd)*

a) Financial liabilities (excluding derivatives)

The following table details the remaining contractual maturity for non-derivative financial liabilities, drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and Company can be required to pay.

GROUP	Weighted average effective interest rate %	On demand or within 1 year S\$'000	Within 2 to 5 years S\$'000	After 5 years S\$'000	Total S\$'000
2021					
Non-interest bearing	–	360,625	–	–	360,625
Interest bearing	1.9	132,366	506,007	321,134	959,507
Lease liabilities	1.8	12,909	28,330	1,384	42,623
Total		505,900	534,337	322,518	1,362,755

2020					
Non-interest bearing	–	335,395	–	–	335,395
Interest bearing	2.1	430,459	614,886	–	1,045,345
Lease liabilities	2.2	22,523	36,171	4,392	63,086
Total		788,377	651,057	4,392	1,443,826

COMPANY	Weighted average effective interest rate %	On demand or within 1 year S\$'000	Within 2 to 5 years S\$'000	After 5 years S\$'000	Total S\$'000
2021					
Non-interest bearing	–	397,364	–	–	397,364
Interest bearing	1.9	132,366	506,007	321,134	959,507
Lease liabilities	1.8	12,909	28,330	1,384	42,623
Total		542,639	534,337	322,518	1,399,494

2020					
Non-interest bearing	–	361,402	–	–	361,402
Interest bearing	2.1	430,459	614,886	–	1,045,345
Lease liabilities	2.2	22,523	36,171	4,392	63,086
Total		814,384	651,057	4,392	1,469,833

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (cont'd)**b) Financial risk management policies and objectives** (cont'd)**iv) Liquidity risk management** (cont'd)**b) Financial assets (excluding derivatives)**

The following table details the expected maturity for non-derivative financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the Group's liquidity risk is managed on a net asset and liability basis.

GROUP	Weighted average effective interest rate %	On demand or within 1 year S\$'000	Within 2 to 5 years S\$'000	After 5 years S\$'000	Total S\$'000
2021					
Non-interest bearing	–	827,267	3,624	–	830,891
Fixed deposits	0.38	638	–	–	638
Overseas Student Programme loans	4.75	79	759	–	838
Investments at FVTIE	–	7,598,095	2,512,622	2,363,922	12,474,639
Investments at FVTOCI	–	56,356	–	1,341	57,697
Total		8,482,435	2,517,005	2,365,263	13,364,703
2020					
Non-interest bearing	–	856,472	2,602	–	859,074
Fixed deposits	1.57	643	–	–	643
Overseas Student Programme loans	4.75	282	639	–	921
Investments at FVTIE	–	6,366,596	1,810,682	1,882,432	10,059,710
Investments at FVTOCI	–	2,153	–	51	2,204
Total		7,226,146	1,813,923	1,882,483	10,922,552
COMPANY	Weighted average effective interest rate %	On demand or within 1 year S\$'000	Within 2 to 5 years S\$'000	After 5 years S\$'000	Total S\$'000
2021					
Non-interest bearing	–	774,983	8,624	–	783,607
Fixed deposits	0.38	638	–	–	638
Overseas Student Programme loans	4.75	79	759	–	838
Investments at FVTIE	–	7,598,095	2,512,622	2,363,922	12,474,639
Investments at FVTOCI	–	–	–	1,341	1,341
Total		8,373,795	2,522,005	2,365,263	13,261,063
2020					
Non-interest bearing	–	814,030	7,602	–	821,632
Fixed deposits	1.57	643	–	–	643
Overseas Student Programme loans	4.75	282	639	–	921
Investments at FVTIE	–	6,366,596	1,810,682	1,882,432	10,059,710
Investments at FVTOCI	–	1,596	–	–	1,596
Total		7,183,147	1,818,923	1,882,432	10,884,502

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT *(cont'd)*

b) Financial risk management policies and objectives *(cont'd)*

iv) Liquidity risk management *(cont'd)*

b) Financial assets (excluding derivatives) *(cont'd)*

Investments at fair value through income or expenditure (FVTIE) are actively managed on a portfolio basis by the Group's Investment Office. The categorisation is in accordance with the disclosure requirements of FRS 107. The Investment Office manages these investments under the long-term asset allocation policy described in Note 4 (b) financial risk management policies and objectives.

c) Derivative financial instruments

The following table details the liquidity analysis for derivative financial instruments. The fair value of the forward exchange contracts is estimated by determining the difference between the contractual forward price and the forward price at the end of the reporting period for the residual period to maturity of the contract.

GROUP AND COMPANY	On demand or within 1 year
	S\$'000
2021	
Forward foreign exchange contracts:	
Assets	4,677
Liabilities	(38,625)
Futures:	
Assets	936
Liabilities	(915)
2020	
Forward foreign exchange contracts:	
Assets	2,327
Liabilities	(88,360)
Options:	
Assets	161
Liabilities	–
Futures:	
Assets	4,400
Liabilities	(1,851)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT *(cont'd)*

b) Financial risk management policies and objectives *(cont'd)*

v) Counterparty and credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The Group uses its own records to rate its major customers and other debtors.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses (ECL)
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL (A simplified approach in measuring loss allowance based on lifetime ECL is allowed for trade receivables)
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
In default	Amount is >180 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Group's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

GROUP	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount S\$'000	Loss allowance S\$'000	Net carrying amount S\$'000
2021						
Debtors	17	(i)	Lifetime ECL (simplified approach)	507,227	(245)	506,982
Student loans	15	(i)	Lifetime ECL (simplified approach)	5,068	(9)	5,059
Deposits paid	18	Performing	12-month ECL	916	–	916
					(254)	
2020						
Debtors	17	(i)	Lifetime ECL (simplified approach)	685,607	(395)	685,212
Student loans	15	(i)	Lifetime ECL (simplified approach)	4,899	(15)	4,884
Deposits paid	18	Performing	12-month ECL	691	–	691
					(410)	

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (cont'd)

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

v) Counterparty and credit risk management (cont'd)

COMPANY	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount S\$'000	Loss allowance S\$'000	Net carrying amount S\$'000
2021						
Debtors	17	(i)	Lifetime ECL (simplified approach)	501,994	(245)	501,749
Student loans	15	(i)	Lifetime ECL (simplified approach)	5,068	(9)	5,059
Deposits paid	18	Performing	12-month ECL	810	–	810
Amount owing from subsidiary companies	16	Performing	12-month ECL	–	–	–
					<u>(254)</u>	
2020						
Debtors	17	(i)	Lifetime ECL (simplified approach)	676,637	(391)	676,246
Student loans	15	(i)	Lifetime ECL (simplified approach)	4,899	(15)	4,884
Deposits paid	18	Performing	12-month ECL	691	–	691
Amount owing from subsidiary companies	16	Performing	12-month ECL	4	–	4
					<u>(406)</u>	

(i) For debtors and student loans, the Group and the Company has applied the simplified approach in FRS 9 to measure the loss allowance at lifetime ECL. The Group and the Company determine the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. Notes 15 and 17 include further details on the loss allowance for these assets respectively.

The Group has no significant concentration of credit risk. Measures are in place to ensure that loans or debts are collected on a timely basis. Cash and fixed deposits are held with creditworthy financial institutions.

For investments, the Group has adopted a risk capital based methodology for limiting counterparty exposure. The Group will only transact with counterparties with a minimum credit rating of at least an A- credit rating by Standard & Poor's and Fitch and A3 credit rating by Moody's.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

The Group has also adopted procedures in extending credit terms to customers and in monitoring its credit risk for miscellaneous sales. The Group only grants credit to creditworthy customers based on the credit evaluation process performed by Management.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT *(cont'd)*

b) Financial risk management policies and objectives *(cont'd)*

v) Counterparty and credit risk management *(cont'd)*

Collateral held

Forwards foreign exchange contracts transactions are entered into under International Derivatives Swap and Dealers Association (ISDA) master netting agreements.

The Group receives and gives collateral in the form of cash and Treasury notes.

The following table shows the fair value of collateral given by the Group as at end of the financial year.

	2021	2020
	S\$'000	S\$'000
Fair value of collateral given out in the form of cash and Treasury Notes	14,843	69,611

The above collateral is subject to the standard industry terms of ISDA's Credit Support Annex (CSA).

vi) Fair value of financial assets and liabilities

The carrying amounts of short-term financial assets and liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

The Group's valuation policy and procedures sets out the valuation methodologies and assumptions to be adopted for all investments. Management reviews for reasonableness of the valuation policy and procedures on a regular basis.

The following describes the hierarchy of inputs used to measure the fair value and the primary valuation methodologies used by the Group for investments measured at fair value on a recurring basis. The three levels of inputs are as follows:

- Level 1 inputs are based on quoted prices (unadjusted) from active markets for identical assets or liabilities that can be accessed at the measurement date. Prices are generally obtained from relevant exchange or dealer markets.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Inputs are obtained from various sources including market participants, dealers, fund managers and brokers.
- Level 3 inputs are unobservable inputs used to derive the value for the asset or liability. Assets included in this category are generally funds, of which the price is unobservable and fair value is based on ownership interest in the net asset value of the total fund determined by the fund managers. Level 3 consists primarily of the Group's ownerships in alternative investments, principally limited partnership interest in private equity, real estate and other similar funds.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT *(cont'd)*

b) Financial risk management policies and objectives *(cont'd)*

vi) Fair value of financial assets and liabilities *(cont'd)*

Financial instruments carried at fair value as at the end of the reporting period:

GROUP	Note	FAIR VALUE HIERARCHY			Total S\$'000
		Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	
2021					
Financial assets:					
Investments at FVTOCI					
Equity securities		11,990	1,341	44,366	57,697
Sub-total	12	11,990	1,341	44,366	57,697
Investments FVTIE					
Government bonds and debt securities		1,747,388	6,718	–	1,754,106
Equity securities		1,869,951	486,898	8,363,684	10,720,533
Sub-total	13	3,617,339	493,616	8,363,684	12,474,639
Derivative financial instruments					
Forward foreign exchange contracts		–	4,677	–	4,677
Futures		936	–	–	936
Sub-total	14	936	4,677	–	5,613
Total		3,630,265	499,634	8,408,050	12,537,949
Financial liabilities:					
Derivative financial instruments					
Forward foreign exchange contracts		–	(38,625)	–	(38,625)
Futures		(915)	–	–	(915)
Total	14	(915)	(38,625)	–	(39,540)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (cont'd)**b) Financial risk management policies and objectives** (cont'd)**vi) Fair value of financial assets and liabilities** (cont'd)**Financial instruments carried at fair value as at the end of the reporting period:** (cont'd)

GROUP	Note	FAIR VALUE HIERARCHY			Total S\$'000
		Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	
2020					
Financial assets:					
Investments at FVTOCI					
Equity securities		801	1,403	–	2,204
Sub-total	12	801	1,403	–	2,204
Investments FVTIE					
Government bonds and debt securities		2,151,840	7,119	–	2,158,959
Equity securities		1,268,051	709,691	5,923,009	7,900,751
Sub-total	13	3,419,891	716,810	5,923,009	10,059,710
Derivative financial instruments					
Forward foreign exchange contracts		–	2,327	–	2,327
Options		161	–	–	161
Futures		4,400	–	–	4,400
Sub-total	14	4,561	2,327	–	6,888
Total		3,425,253	720,540	5,923,009	10,068,802
Financial liabilities:					
Derivative financial instruments					
Forward foreign exchange contracts		–	(88,360)	–	(88,360)
Futures		(1,851)	–	–	(1,851)
Total	14	(1,851)	(88,360)	–	(90,211)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT *(cont'd)*

b) Financial risk management policies and objectives *(cont'd)*

vi) Fair value of financial assets and liabilities *(cont'd)*

Financial instruments carried at fair value as at the end of the reporting period: *(cont'd)*

COMPANY	Note	FAIR VALUE HIERARCHY			Total
		Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	
2021					
Financial assets:					
Investments FVTOCI					
Equity securities		–	1,341	–	1,341
Sub-total	12	–	1,341	–	1,341
Investments at FVTIE					
Government bonds and debt securities		1,747,388	6,718	–	1,754,106
Equity securities		1,869,951	486,898	8,363,684	10,720,533
Sub-total	13	3,617,339	493,616	8,363,684	12,474,639
Derivative financial instruments					
Forward foreign exchange contracts		–	4,677	–	4,677
Futures		936	–	–	936
Sub-total	14	936	4,677	–	5,613
Total		3,618,275	499,634	8,363,684	12,481,593
Financial liabilities:					
Derivative financial instruments					
Forward foreign exchange contracts		–	(38,625)	–	(38,625)
Futures		(915)	–	–	(915)
Total	14	(915)	(38,625)	–	(39,540)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (cont'd)**b) Financial risk management policies and objectives** (cont'd)**vi) Fair value of financial assets and liabilities** (cont'd)**Financial instruments carried at fair value as at the end of the reporting period:** (cont'd)

COMPANY	Note	FAIR VALUE HIERARCHY			Total S\$'000
		Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	
2020					
Financial assets:					
Investments FVTOCI					
Equity securities		–	1,596	–	1,596
Sub-total	12	–	1,596	–	1,596
Investments at FVTIE					
Government bonds and debt securities		2,151,840	7,119	–	2,158,959
Equity securities		1,268,051	709,691	5,923,009	7,900,751
Sub-total	13	3,419,891	716,810	5,923,009	10,059,710
Derivative financial instruments					
Forward foreign exchange contracts		–	2,327	–	2,327
Options		161	–	–	161
Futures		4,400	–	–	4,400
Sub-total	14	4,561	2,327	–	6,888
Total		3,424,452	720,733	5,923,009	10,068,194
Financial liabilities:					
Derivative financial instruments					
Forward foreign exchange contracts		–	(88,360)	–	(88,360)
Futures		(1,851)	–	–	(1,851)
Total	14	(1,851)	(88,360)	–	(90,211)

The Group reviews its valuation policy yearly.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT *(cont'd)*

b) Financial risk management policies and objectives *(cont'd)*

vi) Fair value of financial assets and liabilities *(cont'd)*

Movements of the Level 3 financial assets during the reporting period

	GROUP	COMPANY
	S\$'000	S\$'000
Fair value as at 1 April 2020	5,923,009	5,923,009
Reclassification from Level 1 to Level 3	78,670	78,670
Total gain on sale – included in income or expenditure	420,887	420,877
Change in fair value – included in income or expenditure	1,507,241	1,452,172
Impairment loss	(135)	–
Purchases during the year	4,022,225	4,021,844
Sales during the year	(3,543,847)	(3,532,888)
Fair value as at 31 March 2021	8,408,050	8,363,684
Fair value as at 1 April 2019	5,849,538	5,847,390
Total loss on sale – included in income or expenditure	(571)	(571)
Change in fair value – included in income or expenditure	(5,034)	(5,034)
Purchases during the year	1,429,695	1,429,451
Sales during the year	(1,350,619)	(1,348,227)
Fair value as at 31 March 2020	5,923,009	5,923,009

Transfer of investments from Level 1 to Level 3 for the year ended 31 March 2021 was S\$78,670,000 (2020: S\$Nil). The unquoted equity securities were transferred from Level 1 into Level 3 as the price used for recording market value was based on the statement provided by the fund's manager. Prior to the transfer, the fair value of the equity securities was based on market price quoted by Bloomberg.

c) Capital risk management policies and objectives

The Group reviews its capital structure at least annually to ensure that the Group will be able to continue as a going concern. The capital structure of the Group comprises reserves as disclosed in Notes 25 and 26 and borrowings disclosed in Note 23. The Group is required to maintain a ratio where the total liabilities to total assets shall not at any time be more than 0.65:1. The Group is in compliance with externally imposed capital requirements for the reporting period ended 31 March 2021 and 2020. The Group's overall strategy remains unchanged from 2020.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

5 SUBSIDIARY COMPANIES

		COMPANY			
		2021	2020		
		S\$'000	S\$'000		
Unquoted equity shares, at cost		228	228		
Impairment loss		(100)	(100)		
Carrying amount		128	128		
Name of company	Principal Activities	Country of incorporation (or registration) and operation	Share Capital S\$	Proportion of ownership interest and voting power held 2021	2020
Singapore University Press Pte Ltd ^(a)	Publisher	Singapore	100,001	100%	100%
NUS Technology Holdings Pte Ltd ^(a)	To carry out research and development, to own and exploit all forms of intellectual property interests and to engage in the acquisition, dissemination and transfer of technologies.	Singapore	2	100%	100%
NUS High School of Mathematics and Science ^(a)	To promote and undertake the advancement of education, with particular emphasis on mathematics and science at secondary and junior college levels and to participate in schemes established to promote research, development and education, in particular in relation to mathematics and science and to a high school for that purpose.	Singapore	#	#	#
NUS America, Inc. ^(c)	This is a non-profit public benefit corporation organised under the Non-profit Public Corporation Law for public and charitable purposes. It performs the functions of or to carry out the purposes of the National University of Singapore.	United States of America	#	#	#
Suzhou NUSRI Management Co Ltd ^(d)	To manage NUS Research Institute (Suzhou)	People's Republic of China	128,380	100%	100%
Singapore International Mediation Institute Limited ^(a)	Set standards and provide accreditation for mediators	Singapore	#	#	#
Graduate Investment Pte Ltd ^(a)	Hold the investments arising from the Graduate Research Innovation Programme (GRIP) on behalf of NUS.	Singapore	10	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

5 SUBSIDIARY COMPANIES (cont'd)

Name of company	Principal Activities	Country of incorporation (or registration) and operation	Share Capital S\$	Proportion of ownership interest and voting power held	
				2021	2020
Held by Subsidiaries					
NUS Press Pte Ltd ^(a)	Publishers	Singapore	100,000	100%	100%
NUS Ventures Pte Ltd ^(a)	Provide mentoring and financial support to start-up companies.	Singapore	100,000	100%	100%
Shanghai NUS Enterprise Services Co Ltd ^(d)	Sourcing of student internship opportunities with Shanghai companies and developing increased research opportunities and forging closer partnerships.	People's Republic of China	237,440	100%	100%
KR Consulting Pte Ltd ^(a)	Provide consulting services	Singapore	1	100%	100%
Star Incubator Sdn Bhd ^{(b),(e)}	Management of incubator activities	Brunei Darussalam	100	100%	100%

These corporations do not have share capital. NUS High School of Mathematics and Science and Singapore International Mediation Institute Limited are companies limited by guarantee.

(a) Audited by Deloitte & Touche LLP, Singapore.

(b) Audited by overseas practices of Deloitte & Touche LLP.

(c) Not required to be audited in country of incorporation.

(d) Audited by other auditors in country of incorporation.

(e) Star Incubator Sdn Bhd is in the process of winding up.

6 ASSOCIATED COMPANIES

	GROUP		COMPANY	
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
Unquoted equity shares at cost	78,280	77,930	78,280	77,930
Share of post-acquisition profits, net of dividend received	83,958	82,405	–	–
Impairment loss	–	–	(15,168)	(12,640)
	162,238	160,335	63,112	65,290

Name of company	Principal Activities	Country of incorporation (or registration) and operation	Proportion of ownership interest and voting power held	
			2021	2020
National University Health System Pte Ltd ^(a)	Clinical service, education and research	Singapore	33%	33%
InVivos Pte Ltd ^(a)	To carry on the business of an animal breeding centre and the provision of related services in support of biomedical research.	Singapore	25%	25%
Dwell Capital Ltd ^(a)	Investment holding in property companies	Singapore	25%	25%
AISG Limited ^(a)	Intellectual property manager and commercialisation entity for research results arising from the AI Singapore Programme	Singapore	20%	–

(a) Audited by other auditors.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

6 ASSOCIATED COMPANIES (cont'd)

Summarised financial information in respect of the Group's largest associate is set out below:

	2021	2020
	S\$'000	S\$'000
National University Health System Pte Ltd		
Total assets	3,413,576	3,143,314
Total liabilities	(2,154,716)	(1,982,694)
Net assets	1,258,860	1,160,620
Total adjusted equity attributable to equity holders	240,876	218,553
Carrying amount of the Group's interest in National University Health System Pte Ltd	80,291	72,851
Adjusted profit after tax for the year attributable to equity holders	22,320	58,476
Share of the Group's interest in National University Health System Pte Ltd	7,440	19,492

Aggregate information about the Group's associated companies that are not individually material is as follows:

	2021	2020
	S\$'000	S\$'000
Total assets	561,677	607,703
Total liabilities	(316,951)	(323,365)
Net assets	244,726	284,338
Total adjusted equity attributable to equity holders	325,390	347,419
Carrying amount of the Group's interest	81,947	87,484
Adjusted (loss) profit after tax for the year attributable to equity holders	(23,427)	2,652
Share of the Group's interest	(5,887)	680

7 INVESTMENT IN JOINT OPERATION

The Company has a joint arrangement with Science and Engineering Institutes (SCEI) to jointly operate The Technology Centre for Offshore and Marine, Singapore Ltd ("TCOMS Ltd"). SCEI is a wholly-owned subsidiary of the Agency for Science, Technology and Research. TCOMS Ltd is incorporated in Singapore as a company limited by guarantee to conduct Research & Development, commercial testing, and manpower training and education in the area of marine and offshore.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

7 INVESTMENT IN JOINT OPERATION *(cont'd)*

Summarised financial information in respect of the Group's joint operation is set out below:

	2021 S\$'000	2020 S\$'000
Total assets	9,134	7,074
Total liabilities	(9,045)	(7,025)
Net assets	89	49
Profit after tax for the year	40	49
Other comprehensive income	–	–
Total comprehensive income	40	49

8 FIXED ASSETS

GROUP

	Freehold Land S\$'000	Buildings S\$'000	Leasehold Improvements S\$'000	Infrastructure S\$'000	Equipment, Furniture and Fittings, Library Materials S\$'000	Artifacts S\$'000	Capital Work-in- Progress S\$'000	Total S\$'000
COST								
At 1 April 2019	2,007	3,535,227	1,305,771	41,330	1,995,044	31,197	224,332	7,134,908
Additions	–	41,590	32,664	–	92,229	161	162,834	329,478
Transfers	–	124,933	13,354	–	30,143	–	(168,430)	–
Disposals	–	(4,730)	(2,394)	–	(74,720)	–	–	(81,844)
Cost adjustment	–	(1)	(281)	–	(28,121)	(30)	(1,676)	(30,109)
At 31 March and 1 April 2020	2,007	3,697,019	1,349,114	41,330	2,014,575	31,328	217,060	7,352,433
Additions	–	11,099	33,117	–	77,627	482	137,498	259,823
Transfers	–	1,769	37,058	–	30,275	–	(69,102)	–
Disposals	–	(4,814)	(629)	–	(62,325)	(4)	–	(67,772)
Cost adjustment	–	–	(13)	–	(54)	(64)	(382)	(513)
At 31 March 2021	2,007	3,705,073	1,418,647	41,330	2,060,098	31,742	285,074	7,543,971
ACCUMULATED DEPRECIATION								
At 1 April 2019	–	1,486,865	862,813	5,471	1,571,085	–	–	3,926,234
Depreciation	–	107,003	83,314	750	147,269	–	–	338,336
Transfers	–	(197)	(483)	–	680	–	–	–
Disposals	–	(4,424)	(2,214)	–	(72,061)	–	–	(78,699)
Cost adjustment	–	–	(30)	–	(20,331)	–	–	(20,361)
At 31 March and 1 April 2020	–	1,589,247	943,400	6,221	1,626,642	–	–	4,165,510
Depreciation	–	109,424	84,534	751	139,022	–	–	333,731
Transfers	–	(1,222)	(125)	–	1,347	–	–	–
Disposals	–	(2,882)	(442)	–	(60,969)	–	–	(64,293)
Cost adjustment	–	–	–	–	55	–	–	55
At 31 March 2021	–	1,694,567	1,027,367	6,972	1,706,097	–	–	4,435,003
CARRYING AMOUNT								
At 31 March 2021	2,007	2,010,506	391,280	34,358	354,001	31,742	285,074	3,108,968
At 31 March 2020	2,007	2,107,772	405,714	35,109	387,933	31,328	217,060	3,186,923

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

8 FIXED ASSETS (cont'd)

COMPANY

	Freehold Land	Buildings	Leasehold Improvements	Infrastructure	Equipment, Furniture and Fittings, Library Materials	Artifacts	Capital Work-in- Progress	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
COST								
At 1 April 2019	2,007	3,534,522	1,304,739	41,330	1,987,373	31,197	224,332	7,125,500
Additions	–	41,590	32,618	–	92,110	161	162,587	329,066
Transfers	–	124,933	13,354	–	30,143	–	(168,430)	–
Disposals	–	(4,730)	(2,394)	–	(74,421)	–	–	(81,545)
Cost adjustment	–	(1)	(281)	–	(28,121)	(30)	(1,676)	(30,109)
At 31 March and 1 April 2020	2,007	3,696,314	1,348,036	41,330	2,007,084	31,328	216,813	7,342,912
Additions	–	10,833	33,117	–	77,045	482	137,498	258,975
Transfers	–	1,769	37,058	–	30,275	–	(69,102)	–
Disposals	–	(4,814)	(629)	–	(62,115)	(4)	–	(67,562)
Cost adjustment	–	–	(13)	–	(54)	(64)	(382)	(513)
At 31 March 2021	2,007	3,704,102	1,417,569	41,330	2,052,235	31,742	284,827	7,533,812
ACCUMULATED DEPRECIATION								
At 1 April 2019	–	1,486,548	861,967	5,471	1,565,039	–	–	3,919,025
Depreciation	–	106,979	83,212	750	146,842	–	–	337,783
Transfers	–	(197)	(483)	–	680	–	–	–
Disposals	–	(4,424)	(2,214)	–	(71,808)	–	–	(78,446)
Cost adjustment	–	–	(30)	–	(20,331)	–	–	(20,361)
At 31 March and 1 April 2020	–	1,588,906	942,452	6,221	1,620,422	–	–	4,158,001
Depreciation	–	109,400	84,467	751	138,593	–	–	333,211
Transfers	–	(1,222)	(125)	–	1,347	–	–	–
Disposals	–	(2,882)	(442)	–	(60,759)	–	–	(64,083)
Cost adjustment	–	–	–	–	55	–	–	55
At 31 March 2021	–	1,694,202	1,026,352	6,972	1,699,658	–	–	4,427,184
CARRYING AMOUNT								
At 31 March 2021	2,007	2,009,900	391,217	34,358	352,577	31,742	284,827	3,106,628
At 31 March 2020	2,007	2,107,408	405,584	35,109	386,662	31,328	216,813	3,184,911

During the financial year, the Group acquired fixed assets amounted to S\$259,823,000 (2020: S\$329,478,000), out of which S\$255,756,000 (2020: S\$327,303,000) was paid by cash. The remaining balance represents donated assets and other non-cash items.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

9 RIGHT-OF-USE ASSETS

GROUP AND COMPANY

	Leasehold Land	Properties	Equipment	Total
	S\$'000	S\$'000	S\$'000	S\$'000
COST				
At 31 March and 1 April 2020	321,174	66,323	15,885	403,382
Additions	–	3,495	–	3,495
Disposals	–	(10,702)	(41)	(10,743)
At 31 March 2021	321,174	59,116	15,844	396,134
ACCUMULATED AMORTISATION				
At 1 April 2019	76,587	–	–	76,587
Additions	6,151	15,815	6,655	28,621
At 31 March and 1 April 2020	82,738	15,815	6,655	105,208
Additions	6,151	15,884	6,598	28,633
Disposals	–	(10,702)	(41)	(10,743)
At 31 March 2021	88,889	20,997	13,212	123,098
CARRYING AMOUNT				
At 31 March 2021	232,285	38,119	2,632	273,036
At 31 March 2020	238,436	50,508	9,230	298,174

The Group leases several assets including leasehold land, properties and equipment. The average lease terms are 55 years for leasehold land, 4 years for properties and 2 years for equipment.

10 INVESTMENT PROPERTIES

GROUP AND COMPANY

	S\$'000
Statement of Financial Position:	
At 1 April 2019	44,869
Fair value changes	1,005
At 31 March and 1 April 2020	45,874
Fair value changes	(2,028)
At 31 March 2021	43,846

GROUP AND COMPANY

	S\$'000	S\$'000
Statement of Comprehensive Income:		
Rental income from investment properties:		
- Minimum lease payments	719	702
	719	702
Direct operating expenses (including repairs and maintenance) arising from:		
- Rental generating expenses	168	202
	168	202

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

10 INVESTMENT PROPERTIES *(cont'd)*

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance or enhancements.

Valuation of investment properties

The fair value measurement for investment properties is categorised under Level 2 of the fair value hierarchy. The valuation of investment properties is based on comparable market transactions that consider sales of similar properties that have been transacted in open market.

11 INTANGIBLE ASSETS

GROUP

	Computer Software	Purchased Curriculum	Total
	S\$'000	S\$'000	S\$'000
COST			
At 1 April 2019	48,493	11,998	60,491
Additions	4,867	–	4,867
Disposals	(671)	–	(671)
Cost adjustment	(8)	–	(8)
At 31 March and 1 April 2020	52,681	11,998	64,679
Additions	7,107	113	7,220
Disposals	(1,090)	–	(1,090)
Cost adjustment	(19)	–	(19)
At 31 March 2021	58,679	12,111	70,790
ACCUMULATED AMORTISATION			
At 1 April 2019	37,855	11,984	49,839
Amortisation	3,927	14	3,941
Disposals	(634)	–	(634)
At 31 March and 1 April 2020	41,148	11,998	53,146
Amortisation	4,551	87	4,638
Disposals	(1,009)	–	(1,009)
Cost adjustment	(16)	–	(16)
At 31 March 2021	44,674	12,085	56,759
CARRYING AMOUNT			
At 31 March 2021	14,005	26	14,031
At 31 March 2020	11,533	–	11,533

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

11 INTANGIBLE ASSETS (cont'd)

COMPANY

	Computer Software	Purchased Curriculum	Total
	S\$'000	S\$'000	S\$'000
COST			
At 1 April 2019	47,963	11,998	59,961
Additions	4,867	–	4,867
Disposals	(671)	–	(671)
Cost adjustment	(8)	–	(8)
At 31 March and 1 April 2020	52,151	11,998	64,149
Additions	7,107	113	7,220
Disposals	(1,090)	–	(1,090)
Cost adjustment	(19)	–	(19)
At 31 March 2021	58,149	12,111	70,260
ACCUMULATED AMORTISATION			
At 1 April 2019	37,325	11,984	49,309
Amortisation	3,927	14	3,941
Disposals	(634)	–	(634)
At 31 March and 1 April 2020	40,618	11,998	52,616
Amortisation	4,551	87	4,638
Disposals	(1,009)	–	(1,009)
Cost adjustment	(16)	–	(16)
At 31 March 2021	44,144	12,085	56,229
CARRYING AMOUNT			
At 31 March 2021	14,005	26	14,031
At 31 March 2020	11,533	–	11,533

Computer software includes computer software work-in-progress of S\$1,526,000 (2020: S\$Nil) for the Group and Company, which amortisation is not provided for. The average remaining amortisation period of intangible assets is 3 years (2020: 2 years).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

12 INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)

	GROUP		COMPANY	
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
AT FAIR VALUE				
Unquoted equity securities	45,707	1,403	1,341	1,596
Quoted equity securities	11,990	801	–	–
	57,697	2,204	1,341	1,596

The fair value of unquoted equity securities measured at FVTOCI is estimated based on the net asset values disclosed in the financial statements of the entities. The Group management has determined that the net asset values of these investments approximate its fair value.

13 INVESTMENTS AT FAIR VALUE THROUGH INCOME OR EXPENDITURE (FVTIE)

	GROUP AND COMPANY	
	2021 S\$'000	2020 S\$'000
AT FAIR VALUE		
Quoted Government bonds	1,630,447	2,021,680
Quoted debt securities	123,659	137,279
Quoted equity securities	1,211,321	1,019,431
Unquoted equity securities	9,509,212	6,881,320
	12,474,639	10,059,710
Represented by:		
Current	12,473,666	10,059,710
Non-current	973	–
	12,474,639	10,059,710

These investments are managed by the Investment Office of the Group. The fair values of quoted debt and equity securities are based on quoted market prices on the last business day of the reporting period. The investments in unquoted equity securities represent investments in private equity funds, hedge funds and other limited partnerships.

The fair values of these unquoted equity securities are based on net asset values provided by fund managers.

Under the terms of certain limited partnership agreements, the Group is obligated to make capital contributions upon receiving capital call notices from the fund managers. As at 31 March 2021, the Group has unfunded commitments of S\$3,994,723,000 (2020: S\$3,372,108,000).

Investment of FVTIE of S\$973,000 (2020: S\$Nil) are donated shares received by NUS, which is expected to be realised after one year and is presented as non-current assets at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

14 DERIVATIVE FINANCIAL INSTRUMENTS

	GROUP AND COMPANY					
	2021			2020		
	Notional Amount S\$'000	Assets S\$'000	Liabilities S\$'000	Notional Amount S\$'000	Assets S\$'000	Liabilities S\$'000
Forward foreign exchange contracts	3,945,274	4,677	(38,625)	2,331,290	2,327	(88,360)
Options	–	–	–	312	161	–
Futures	190,859	936	(915)	258,679	4,400	(1,851)
	4,136,133	5,613	(39,540)	2,590,281	6,888	(90,211)

Forward foreign exchange contracts are entered into for hedging purposes to manage currency risk of the investment portfolio. The notional amount is the value of the underlying assets of forward foreign exchange contracts.

15 STUDENT LOANS

	GROUP AND COMPANY	
	2021 S\$'000	2020 S\$'000
Notebook computer loans ^(a)	88	110
Overseas student programme loans ^(b)	713	806
Student assistance loans and in-house student loans ^(c)	4,235	3,944
Other student loans ^(d)	23	24
	5,059	4,884
Represented by:		
Amount repayable within 12 months – current assets	797	1,745
Amount repayable after 12 months – non-current assets	4,262	3,139
	5,059	4,884

(a) The interest-free notebook computer loans to students are repayable by monthly instalments, over periods of up to 2.5 years.

(b) The overseas student programme loans are repayable by monthly instalments over periods of up to 5 years. The interest at 4.75% (2020: 4.75%) per annum is based on average prime rate of the 3 major local banks.

(c) The student assistance loans and in-house student loans are interest-free and repayable by monthly instalments, over periods of up to 5 years.

(d) The other student loans are interest-free and repayable by yearly instalments, over periods of up to 6 years.

Secured assets

The student loans are unsecured.

Fair values

The fair value of the loans (non-current portion) cannot be measured reliably as the timing of future cash flows is not fixed due to discretion exercised with regards to early repayment/defer repayment in view of prevailing student financial circumstances.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

15 STUDENT LOANS *(cont'd)*

Credit risk

The maximum exposure to credit risk is the carrying amount of the loans.

Loss allowance for student loans has been measured at an amount equal to lifetime expected credit losses (ECL), individually assessed. The ECL on student loans are estimated by reference to past default experience of the students and an analysis of the students' current financial position, adjusted for factors that are specific to the students.

A student loan is written off when there is information indicating that the student is in severe financial difficulty and there is no realistic prospect of recovery.

The table below shows the movement in lifetime ECL that has been recognised for in accordance with the simplified approach set out in FRS 109:

	GROUP AND COMPANY	
	Individually assessed Lifetime ECL credit-impaired	
	2021	2020
	S\$'000	S\$'000
Balance as at 1 April	15	51
Amounts written off during the year	(5)	(36)
Amounts recovered during the year	(1)	(9)
Increase in loss allowance recognised in income or expenditure	–	9
Balance as at 31 March	9	15

16 LONG-TERM LOAN TO SUBSIDIARY COMPANY AND AMOUNTS OWING FROM/TO SUBSIDIARY COMPANIES

The long-term loan to subsidiary company is unsecured, interest-free and not expected to be repaid within the next twelve months. The fair value of the long-term loan cannot be measured reliably as the timing of future cash flows is not fixed. The amounts owing from/to subsidiaries are unsecured, interest-free and repayable on demand.

For the purpose of impairment assessment, the long-term loan to subsidiary company and amounts owing from subsidiary companies are considered to have low credit risk and there has been no significant increase in credit risk of default since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month ECL.

In determining the ECL, management has taken into account the financial position of the subsidiary companies, adjusted for factors that are specific to these companies and general economic conditions of the industry in which these companies operate, in estimating the probability of default of the receivables as well as the loss upon default. Management determines the receivables from the subsidiary companies are subject to immaterial credit loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

17 DEBTORS

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Grants receivable	422,736	500,729	422,248	496,178
Trade debtors	39,260	45,324	38,126	43,817
Receivables from sale of investments	16,807	109,686	16,746	109,686
Interest receivable	5,542	6,036	5,542	6,036
Others	22,637	23,437	19,087	20,529
	506,982	685,212	501,749	676,246

The average credit period of trade debtors is 30 days (2020: 30 days). No interest is charged on the trade receivables.

Loss allowance for trade debtors has been measured at an amount equal to lifetime expected credit losses (ECL). The ECL on trade debtors are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate. The Group has recognised a loss allowance of 14.86% (2020: 15.47%) against all receivables over 180 days past due because historical experience has indicated that there is reasonable assurance that receivables due are generally recoverable.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade debtor is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

17 DEBTORS (cont'd)

The following table details the risk profile of trade debtors from contracts with customers based on the Group's provision matrix. NUS customer base consists of 2 main groups below. The historical credit loss experience shows significantly different loss patterns for the 2 customer segments:

- Ministries, Statutory Boards, Institutions of Higher Learning and Public Hospitals where receivables are mainly grants.
- Other debtors with a large number of small clients and trade debtors (including research grants, royalty income, recoverables and other miscellaneous income).

	GROUP					
	Debtors – days past due					
	Not past due	< 3 months	3-6 months	6-12 months	> 12 months	Total
31 March 2021	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Public Sector, Statutory Boards, Institutions of Higher Learning and Public hospitals</u>						
Expected credit loss rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	453,343	4,451	2,533	10,355	50	470,732
<u>Others</u>						
Expected credit loss rate	0.00%	1.67%	1.36%	14.86%	14.86%	
Estimated total gross carrying amount at default	30,824	3,893	420	113	1,000	36,250
Lifetime ECL	–	65	6	17	148	236
Individually assessed	–	–	–	–	9	9
Total loss allowance						245

	GROUP					
	Debtors – days past due					
	Not past due	< 3 months	3-6 months	6-12 months	> 12 months	Total
31 March 2020	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Public Sector, Statutory Boards, Institutions of Higher Learning and Public hospitals</u>						
Expected credit loss rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	544,466	1,490	1,439	11,172	227	558,794
<u>Others</u>						
Expected credit loss rate	0.00%	1.09%	3.14%	15.47%	15.47%	
Estimated total gross carrying amount at default	121,113	3,332	680	778	515	126,418
Lifetime ECL	–	36	21	120	80	257
Individually assessed	–	–	–	–	138	138
Total loss allowance						395

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

17 DEBTORS (cont'd)

	COMPANY					
	Debtors – days past due					
	Not past due	< 3 months	3-6 months	6-12 months	> 12 months	Total
31 March 2021	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Public Sector, Statutory Boards, Institutions of Higher Learning and Public hospitals</u>						
Expected credit loss rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	452,854	4,451	2,533	10,355	50	470,243
<u>Others</u>						
Expected credit loss rate	0.00%	1.67%	1.36%	14.86%	14.86%	
Estimated total gross carrying amount at default	26,080	3,893	420	113	1,000	31,506
Lifetime ECL	–	65	6	17	148	236
Individually assessed	–	–	–	–	9	9
Total loss allowance						245

	COMPANY					
	Debtors – days past due					
	Not past due	< 3 months	3-6 months	6-12 months	> 12 months	Total
31 March 2020	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Public Sector, Statutory Boards, Institutions of Higher Learning and Public hospitals</u>						
Expected credit loss rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	539,915	1,490	1,439	11,172	227	554,243
<u>Others</u>						
Expected credit loss rate	0.00%	1.09%	3.14%	15.47%	15.47%	
Estimated total gross carrying amount at default	116,698	3,332	680	778	515	122,003
Lifetime ECL	–	36	21	120	80	257
Individually assessed	–	–	–	–	134	134
Total loss allowance						391

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

17 DEBTORS (cont'd)

The table below shows the movement in lifetime ECL that has been recognised for debtors in accordance with the simplified approach set out in FRS 109:

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 April	395	304	391	301
Amounts written off during the year	(152)	(273)	(152)	(273)
Amounts recovered during the year	(30)	(2)	(30)	(2)
Increase in allowance recognised in income or expenditure	32	366	36	365
Balance as at 31 March	245	395	245	391

18 DEPOSITS AND PREPAYMENTS

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Non-financial assets				
Prepayments for fixed assets	3,189	3,129	3,189	3,129
Other prepayments	43,262	36,346	42,970	35,821
	46,451	39,475	46,159	38,950
Financial assets				
Deposits paid	916	691	810	691
Advances for investment in funds	201,540	–	201,540	–
	202,456	691	202,350	691
Total deposits and prepayments	248,907	40,166	248,509	39,641
Less: Prepayments for fixed assets and other prepayments (non-current assets)	(3,246)	(3,129)	(3,246)	(3,129)
Deposits and prepayments (current assets)	245,661	37,037	245,263	36,512

19 CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Fixed deposits	636	633	636	633
Cash and bank balances	117,107	169,093	70,162	135,613
	117,743	169,726	70,798	136,246

a) Fixed Deposits

The effective interest rates of fixed deposits at the balance sheet date are between 0.20% to 0.55% (2020: 1.49% to 1.64%) per annum and for an average tenor of 12.39 months (2020: 11.08 months).

b) Cash and Bank Balances

Cash at banks earn interest at floating rates based on daily bank deposit rates.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

20 CREDITORS AND ACCRUED EXPENSES/PROVISIONS

a) Creditors and Accrued Expenses

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Creditors	99,158	102,723	97,989	101,664
Payable for purchase of investments	3,811	227	3,811	227
Accrued expenses	250,391	228,065	249,239	226,904
Deposits received	7,265	4,380	7,221	4,313
	360,625	335,395	358,260	333,108

The average credit period on purchases of goods is 30 days (2020: 30 days). No interest is charged on the creditors.

b) Provisions for Employee Leave Liability

Movement in the provisions for employee leave liability

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 April	118,840	107,832	116,066	105,287
Increase in provisions recognised in income or expenditure	27,520	11,008	27,345	10,779
Balance as at 31 March	146,360	118,840	143,411	116,066

21 LEASE LIABILITIES

	GROUP AND COMPANY	
	2021	2020
	S\$'000	S\$'000
Maturity analysis		
Within one year	12,909	22,523
Within second to fifth year inclusive	28,330	36,171
More than five years	1,384	4,392
	42,623	63,086
Less: Unearned interest	(1,452)	(3,141)
	41,171	59,945
Represented by:		
Current	6,683	21,404
Non-current	34,488	38,541
	41,171	59,945

The Group does not face significant liquidity risk with regards to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

22 GRANTS RECEIVED IN ADVANCE/SINKING FUND

	GROUP		COMPANY	
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
Grants received in advance from				
– Government	259,202	236,693	253,759	231,020
– Others	120,364	122,691	120,568	126,955
	379,566	359,384	374,327	357,975
Sinking fund from				
– Government	117,515	125,884	117,515	125,884
	497,081	485,268	491,842	483,859
Represented by:				
<u>Current</u>				
Grants received in advance	379,566	359,384	374,327	357,975
Sinking fund	26,653	37,044	26,653	37,044
	406,219	396,428	400,980	395,019
<u>Non-current</u>				
Sinking fund	90,862	88,840	90,862	88,840

The balances represent grants received but not utilised at the end of the financial year.

23 BORROWINGS

	GROUP AND COMPANY	
	2021 S\$'000	2020 S\$'000
a) Fixed rate term loan	243,176	259,898
b) Fixed rate notes	650,000	750,000
	893,176	1,009,898
Represented by:		
Amount due within 12 months – current liabilities	116,722	416,722
Amount due after 12 months – non-current liabilities	776,454	593,176
	893,176	1,009,898

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

23 BORROWINGS (cont'd)

a) Fixed Rate Term Loan

	GROUP AND COMPANY	
	2021	2020
	S\$'000	S\$'000
Fixed rate term loan	243,176	259,898
	243,176	259,898
Represented by:		
Amount due within 12 months – current liabilities	16,722	16,722
Amount due after 12 months – non-current liabilities	226,454	243,176
	243,176	259,898

There was no significant difference between amortised cost and carrying amount of the loan.

Term Loan	Drawn Down Date	Interest rate	Loan Amount 2021 S\$'000	Fair Value 2021 S\$'000	Loan Amount 2020 S\$'000	Fair Value 2020 S\$'000
Fixed rate term loan due 1 April 2024	1 April 2019	2.310%	243,176	243,176	259,898	259,898
			243,176	243,176	259,898	259,898

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

23 BORROWINGS *(cont'd)*

b) Fixed Rate Notes

	GROUP AND COMPANY	
	2021	2020
	S\$'000	S\$'000
Fixed rate notes	650,000	750,000
	650,000	750,000
Represented by:		
Amount due within 12 months – current liabilities	100,000	400,000
Amount due after 12 months – non-current liabilities	550,000	350,000
	650,000	750,000

Under the Multicurrency Medium Term Note (MTN) programme to finance development projects under the debt-grant framework initiated by the Government, the Company has issued fixed rate notes. Unless previously redeemed or purchased and cancelled, the notes will be redeemed at its redemption amount on maturity date. The Company is required to maintain a ratio where the total liabilities to total assets shall not at any time be more than 0.65:1. There is no significant difference between amortised cost and carrying amount of the notes.

As at 31 March 2021, there are 3 fixed rate notes that have not been redeemed.

Fixed Rate Notes	Issue Date	Coupon	Issued Amount 2021 S\$'000	Fair Value 2021 S\$'000	Issued Amount 2020 S\$'000	Fair Value 2020 S\$'000
Fixed rate note due 27 May 2020	27 May 2015	2.200%	–	–	400,000	400,428
Fixed rate note due 1 September 2021	1 September 2016	1.810%	100,000	100,168	100,000	100,013
Fixed rate note due 2 June 2022	2 June 2017	1.855%	250,000	253,090	250,000	248,715
Fixed rate note due 3 June 2030	3 June 2020	1.565%	300,000	282,771	–	–
			650,000	636,029	750,000	749,156

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

23 BORROWINGS (cont'd)

c) Reconciliation of liabilities arising from financing activities

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

GROUP AND COMPANY

	1 April 2020	Cash Flows	Non-Cash changes	31 March 2021
	S\$'000	S\$'000	S\$'000	S\$'000
		(Note i)	(Note ii)	
Term loan				
– Current	16,722	(16,722)	16,722	16,722
– Non-current	243,176	–	(16,722)	226,454
Fixed rate notes				
– Current	–	–	100,000	100,000
– Non-current	750,000	(100,000)	(100,000)	550,000
Lease liabilities	59,945	(22,269)	3,495	41,171
	1,069,843	(138,991)	3,495	934,347

GROUP AND COMPANY

	1 April 2019	Cash Flows	Non-Cash changes	31 March 2020
	S\$'000	S\$'000	S\$'000	S\$'000
		(Note i)	(Note ii)	
Term loan				
– Current	270,000	–	(253,278)	16,722
– Non-current	–	(10,102)	253,278	243,176
Fixed rate notes				
– Current	–	–	–	–
– Non-current	750,000	–	–	750,000
Lease liabilities	82,208	(22,263)	–	59,945
	1,102,208	(32,365)	–	1,069,843

Note:

- (i) The cash flows make up the net amount of proceeds from borrowings and repayment of borrowings in the statement of cash flows.
- (ii) "Non-Cash changes" column relates to reclassification of non-current portion of the fixed rate notes due to passage of time and new lease liability.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

24 DEFERRED CAPITAL GRANTS

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Fixed Assets				
Government				
Balance as at 1 April	1,164,617	1,347,828	1,163,089	1,346,442
Adoption of FRS 116 (Note 2)	–	(73,811)	–	(73,811)
Capital grants utilised during the year	(13,796)	106,313	(13,796)	106,313
Amount transferred from operating grants (Note 35)	39,410	37,351	38,569	36,988
	1,190,231	1,417,681	1,187,862	1,415,932
Deferred capital grants amortised	(238,944)	(253,064)	(238,703)	(252,843)
Balance as at 31 March	951,287	1,164,617	949,159	1,163,089
Others				
Balance as at 1 April	416,560	423,026	416,093	422,272
Capital grants utilised during the year and donated assets	2,205	15,797	2,205	15,797
Amount transferred from operating grants (Note 35)	12,429	14,992	12,429	14,992
	431,194	453,815	430,727	453,061
Deferred capital grants amortised	(35,446)	(37,255)	(35,183)	(36,968)
Balance as at 31 March	395,748	416,560	395,544	416,093
Total deferred capital grants balance for fixed assets as at 31 March	1,347,035	1,581,177	1,344,703	1,579,182
Intangible Assets				
Government				
Balance as at 1 April	6,949	6,533	6,949	6,533
Capital grants utilised during the year	1,807	1,065	1,807	1,065
Amount transferred from operating grants (Note 35)	3,861	2,167	3,861	2,167
	12,617	9,765	12,617	9,765
Deferred capital grants amortised	(3,093)	(2,816)	(3,093)	(2,816)
Balance as at 31 March	9,524	6,949	9,524	6,949
Others				
Balance as at 1 April	485	764	485	764
Amount transferred from operating grants (Note 35)	820	186	820	186
	1,305	950	1,305	950
Deferred capital grants amortised	(434)	(465)	(434)	(465)
Balance as at 31 March	871	485	871	485
Total deferred capital grants balance for intangible assets as at 31 March	10,395	7,434	10,395	7,434
Right-of-Use Assets				
Government				
Balance as at 1 April	126,547	–	126,547	–
Adoption of FRS 116 (Note 2)	–	73,811	–	73,811
Capital grants utilised during the year	82,217	70,965	82,217	70,965
	208,764	144,776	208,764	144,776
Deferred capital grants amortised	(18,405)	(18,229)	(18,405)	(18,229)
Balance as at 31 March	190,359	126,547	190,359	126,547
Fixed Assets, Intangible Asset and Right-of-Use Assets				
Balance as at 1 April	1,715,158	1,778,151	1,713,163	1,776,011
Capital grants utilised during the year and donated assets	72,433	194,140	72,433	194,140
Amount transferred from operating grants (Note 35)	56,520	54,696	55,679	54,333
	1,844,111	2,026,987	1,841,275	2,024,484
Deferred capital grants amortised	(296,322)	(311,829)	(295,818)	(311,321)
Balance as at 31 March	1,547,789	1,715,158	1,545,457	1,713,163

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

24 DEFERRED CAPITAL GRANTS *(cont'd)*

Deferred capital grants relate to grants received in the form of donated assets and for the acquisition of fixed assets and intangible assets by the Group. There are no unfulfilled conditions or contingencies attached to these grants.

25 ACCUMULATED SURPLUS, FAIR VALUE RESERVE, REVALUATION RESERVE AND TRANSLATION RESERVE

Accumulated Surplus

Accumulated surplus under the statements of financial position comprise Designated General Funds and Other Restricted Funds as disclosed in Note 2(j).

	Note	GROUP		COMPANY	
		2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
Accumulated Surplus for Designated General Funds					
Funds allocated for planned operational activities of faculties, departments and halls of residences		5,650,031	2,703,422	5,491,018	2,568,672
Funds utilised to acquire assets, which will be amortised to match future depreciation when assets are put into use		565,343	522,355	565,343	522,355
From non-endowed donations	26	135	131	–	–
		6,215,509	3,225,908	6,056,361	3,091,027
Accumulated Surplus for Other Restricted Funds					
From non-endowed donations (restricted expendable gifts that can only be used for purposes specified by donors)	26	1,139,265	1,040,792	1,139,265	1,040,792
		1,139,265	1,040,792	1,139,265	1,040,792
Total Accumulated Surplus		7,354,774	4,266,700	7,195,626	4,131,819

Fair Value Reserve

Fair value reserve represents the cumulative fair value changes, net of tax, of investments at fair value through other comprehensive income.

Revaluation Reserve

Revaluation reserve represents the surplus on the revaluation of buildings transferred to investment properties at fair value net of tax, where applicable.

Translation Reserve

Translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

26 ENDOWMENT FUNDS AND NON-ENDOWED DONATIONS

The Company is registered as a charity and is given Institution of a Public Character (IPC) status under the Education Sector. The financial position of the Company's endowment funds and non-endowed donations has been disclosed separately below to facilitate the submission of the Company's IPC returns to its Sector Administrator, Ministry of Education.

During the financial year, total donations received by the Group and the Company amounted to S\$169,928,000 (2020: S\$180,322,000) and S\$169,923,000 (2020: S\$180,315,000) respectively, of which tax deductible receipts amounted to S\$169,928,000 (2020: S\$180,315,000) of the Group and S\$169,923,000 (2020: S\$180,315,000) of the Company were issued to the donors of the Company were issued to the donors. Of the total donations received, S\$95,659,000 (2020: S\$30,215,000) for the Group and the Company represent endowed donations while the balance represents non-endowed donations. Endowed donations received are recognised directly to the endowment capital. The non-endowed donations are received for specific purposes and cannot be used towards the general operating expenses of the Group and Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

26 ENDOWMENT FUNDS AND NON-ENDOWED DONATIONS (cont'd)

GROUP		2021			2020		
		Endowed Funds	Non-endowed Donations	Total	Endowed Funds	Non-endowed Donations	Total
Note	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Accumulated Surplus							
Designated General Funds	25	–	135	135	–	131	131
Other Restricted Funds	25	–	1,139,265	1,139,265	–	1,040,792	1,040,792
		–	1,139,400	1,139,400	–	1,040,923	1,040,923
Net Income from Endowment Funds							
Unrestricted		581,127	–	581,127	643,058	–	643,058
Restricted		458,963	–	458,963	1,203,972	–	1,203,972
		1,040,090	–	1,040,090	1,847,030	–	1,847,030
Endowment Capital							
Unrestricted		858,149	–	858,149	825,948	–	825,948
Restricted		4,052,754	–	4,052,754	3,793,843	–	3,793,843
		4,910,903	–	4,910,903	4,619,791	–	4,619,791
		5,950,993	1,139,400	7,090,393	6,466,821	1,040,923	7,507,744
Represented by:							
Non-Current Assets							
Associated Companies		79,618	–	79,618	83,423	–	83,423
Fixed assets		29,876	308,725	338,601	32,739	323,008	355,747
Student loans		–	1,698	1,698	–	1,564	1,564
		109,494	310,423	419,917	116,162	324,572	440,734
Current Assets							
Debtors		234,368	–	234,368	159,303	–	159,303
Investments at fair value through income or expenditure		5,615,979	1,026,071	6,642,050	6,250,790	923,336	7,174,126
Derivative financial instruments		5,613	–	5,613	6,888	–	6,888
Cash and cash equivalents		35,993	135	36,128	32,255	131	32,386
		5,891,953	1,026,206	6,918,159	6,449,236	923,467	7,372,703
Total Assets		6,001,447	1,336,629	7,338,076	6,565,398	1,248,039	7,813,437
Current Liabilities							
Creditors and accrued expenses		10,914	–	10,914	8,366	–	8,366
Derivative financial instruments		39,540	–	39,540	90,211	–	90,211
		50,454	–	50,454	98,577	–	98,577
Non-Current Liability							
Deferred capital grants		–	197,229	197,229	–	207,116	207,116
Total Liabilities		50,454	197,229	247,683	98,577	207,116	305,693
Net Assets		5,950,993	1,139,400	7,090,393	6,466,821	1,040,923	7,507,744

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

26 ENDOWMENT FUNDS AND NON-ENDOWED DONATIONS (cont'd)

GROUP	2021			2020		
	Endowed Funds	Non-endowed Donations	Total	Endowed Funds	Non-endowed Donations	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Net Income from Endowment Funds/</u>						
<u>Accumulated Surplus:</u>						
Balance as at 1 April	1,847,030	1,040,923	2,887,953	1,977,764	955,115	2,932,879
Net tuition and other fees	(33,162)	(2,524)	(35,686)	(29,105)	(3,407)	(32,512)
Donations received (Note 37)	–	74,269	74,269	–	150,107	150,107
Donated artifacts additions	–	790	790	–	411	411
Net investment income (including change in fair value of investment held for trading)	350,196	95,105	445,301	74,212	8,244	82,456
Other operating income	19	80	99	9	77	86
Expenditure on manpower	(66,143)	(23,151)	(89,294)	(76,150)	(21,331)	(97,481)
Depreciation	(5,144)	(6,598)	(11,742)	(5,053)	(6,757)	(11,810)
Other operating expenditure	(85,537)	(39,494)	(125,031)	(91,655)	(41,536)	(133,191)
Share of results of associated company	(3,805)	–	(3,805)	2,285	–	2,285
Amount transferred to Non-endowed funds ^(a)	(962,835)	–	(962,835)	–	–	–
Amount transferred to endowment capital ^(b)	(529)	–	(529)	(5,277)	–	(5,277)
Balance as at 31 March	1,040,090	1,139,400	2,179,490	1,847,030	1,040,923	2,887,953
<u>Endowment Capital:</u>						
Balance as at 1 April	4,619,791	–	4,619,791	4,397,518	–	4,397,518
Matching grants received/accrued	194,924	–	194,924	186,781	–	186,781
Donations received	95,659	–	95,659	30,215	–	30,215
Amount transferred from Net Income ^(b)	529	–	529	5,277	–	5,277
Balance as at 31 March	4,910,903	–	4,910,903	4,619,791	–	4,619,791
Balance as at 31 March	5,950,993	1,139,400	7,090,393	6,466,821	1,040,923	7,507,744

(a) On 12 March 2020, the Executive Committee approved the restructuring of the endowment funds' accumulated surplus, with the objective of providing more flexibility in directing University funds towards priority uses and strategic projects. Funds were transferred to the Non-endowed funds.

(b) This represents mainly capitalisation of surplus funds.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

26 ENDOWMENT FUNDS AND NON-ENDOWED DONATIONS (cont'd)

COMPANY		2021			2020		
	Note	Endowed Funds S\$'000	Non- endowed Donations S\$'000	Total S\$'000	Endowed Funds S\$'000	Non- endowed Donations S\$'000	Total S\$'000
Accumulated Surplus							
(Other Restricted Funds)	25	–	1,139,265	1,139,265	–	1,040,792	1,040,792
Net Income from Endowment Funds							
Unrestricted		581,127	–	581,127	643,058	–	643,058
Restricted		439,083	–	439,083	1,180,287	–	1,180,287
		1,020,210	–	1,020,210	1,823,345	–	1,823,345
Endowment Capital							
Unrestricted		857,717	–	857,717	825,516	–	825,516
Restricted		4,052,754	–	4,052,754	3,793,843	–	3,793,843
		4,910,471	–	4,910,471	4,619,359	–	4,619,359
		5,930,681	1,139,265	7,069,946	6,442,704	1,040,792	7,483,496
Represented by:							
Non-Current Assets							
Associated Companies		59,738	–	59,738	59,738	–	59,738
Fixed assets		29,876	308,725	338,601	32,739	323,008	355,747
Student loans		–	1,698	1,698	–	1,564	1,564
		89,614	310,423	400,037	92,477	324,572	417,049
Current Assets							
Debtors		234,368	–	234,368	159,303	–	159,303
Investments at fair value through income or expenditure		5,615,979	1,026,071	6,642,050	6,250,790	923,336	7,174,126
Derivative financial instruments		5,613	–	5,613	6,888	–	6,888
Cash and cash equivalents		35,561	–	35,561	31,823	–	31,823
		5,891,521	1,026,071	6,917,592	6,448,804	923,336	7,372,140
Total Assets		5,981,135	1,336,494	7,317,629	6,541,281	1,247,908	7,789,189
Current Liabilities							
Creditors and accrued expenses		10,914	–	10,914	8,366	–	8,366
Derivative financial instruments		39,540	–	39,540	90,211	–	90,211
		50,454	–	50,454	98,577	–	98,577
Non-Current Liability							
Deferred capital grants		–	197,229	197,229	–	207,116	207,116
Total Liabilities		50,454	197,229	247,683	98,577	207,116	305,693
Net Assets		5,930,681	1,139,265	7,069,946	6,442,704	1,040,792	7,483,496

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

26 ENDOWMENT FUNDS AND NON-ENDOWED DONATIONS (cont'd)**COMPANY**

	2021			2020		
	Endowed Funds S\$'000	Non-endowed Donations S\$'000	Total S\$'000	Endowed Funds S\$'000	Non-endowed Donations S\$'000	Total S\$'000
<u>Net Income from Endowment Funds/ Accumulated Surplus:</u>						
Balance as at 1 April	1,823,345	1,040,792	2,864,137	1,956,364	954,981	2,911,345
Net tuition and other fees	(33,162)	(2,524)	(35,686)	(29,105)	(3,407)	(32,512)
Donations received (Note 37)	–	74,264	74,264	–	150,100	150,100
Donated artifacts additions	–	790	790	–	411	411
Net investment income (including change in fair value of investment held for trading)	350,196	95,105	445,301	74,212	8,244	82,456
Other operating income	19	80	99	9	77	86
Expenditure on manpower	(66,143)	(23,151)	(89,294)	(76,150)	(21,331)	(97,481)
Depreciation	(5,144)	(6,598)	(11,742)	(5,053)	(6,757)	(11,810)
Other operating expenditure	(85,537)	(39,493)	(125,030)	(91,655)	(41,526)	(133,181)
Amount transferred to Non-endowed funds ^(a)	(962,835)	–	(962,835)	–	–	–
Amount transferred to endowment capital ^(b)	(529)	–	(529)	(5,277)	–	(5,277)
Balance as at 31 March	1,020,210	1,139,265	2,159,475	1,823,345	1,040,792	2,864,137
<u>Endowment Capital:</u>						
Balance as at 1 April	4,619,359	–	4,619,359	4,397,086	–	4,397,086
Matching grants received/accrued	194,924	–	194,924	186,781	–	186,781
Donations received	95,659	–	95,659	30,215	–	30,215
Amount transferred from Net Income ^(b)	529	–	529	5,277	–	5,277
Balance as at 31 March	4,910,471	–	4,910,471	4,619,359	–	4,619,359
Balance as at 31 March	5,930,681	1,139,265	7,069,946	6,442,704	1,040,792	7,483,496

(a) On 12 March 2020, the Executive Committee approved the restructuring of the endowment funds' accumulated surplus, with the objective of providing more flexibility in directing University funds towards priority uses and strategic projects. Funds were transferred to the Non-endowed funds.

(b) This represents mainly capitalisation of surplus funds.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

27 FUNDS MANAGED ON BEHALF OF THE GOVERNMENT MINISTRY

Pursuant to the Tuition Fee Loan (TFL), Study Loan (SL) and Overseas Student Program Loan – 50% funded by MOE (OSP) schemes, the Group acts as the agent for these loan schemes and the Government Ministry as the financier providing the funds.

	GROUP AND COMPANY	
	2021	2020
	S\$'000	S\$'000
Funds from the Government Ministry:		
Balance as at 1 April	307,411	305,669
Cash received	85,976	90,452
Interest income received on behalf of the Government Ministry	1,056	4,107
Repayments	(25,397)	(88,022)
Bad debts incurred	(554)	(688)
Interest income transferred to the Government Ministry	(1,056)	(4,107)
	367,436	307,411
Represented by:		
Student loans – TFL, SL and OSP	365,529	307,955
Net assets	365,529	307,955
Amount payable to (receivable from) Government Ministry	1,907	(544)
	367,436	307,411

28 TRANSFER BETWEEN DESIGNATED GENERAL FUNDS, ENDOWMENT FUNDS AND OTHER RESTRICTED FUNDS

	2021			2020		
	Designated General Funds	Endowment Funds	Other Restricted Funds	Designated General Funds	Endowment Funds	Other Restricted Funds
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Inter-fund transactions between Designated General Funds, Endowment Funds and Other Restricted Funds ^(a)	25,969	(4,799)	(21,170)	30,428	(3,305)	(27,123)
Transfer between Designated General Funds, Endowment Funds and Other Restricted Funds ^(b)	1,048,825	(963,994)	(84,831)	85,678	1,183	(86,861)
	1,074,794	(968,793)	(106,001)	116,106	(2,122)	(113,984)

(a) This relates mainly to inter-fund transactions between Other Restricted Funds and funds maintained for self-financing activities under Designated General Funds.

(b) This relates to:

- an amount of S\$962,835,000 (2020: S\$Nil) transferred from Endowment Funds to Designated General Funds, following the restructuring of the Endowment Funds' accumulated surplus (Note 26).
- balance mainly relates to transfer of funds from research projects (Other Restricted Funds) to a central pool (Designated General Funds) for indirect overheads recovery and to self-financing funds (Designated General Funds) for unspent grant balances as agreed by the grantors.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

29 TUITION AND OTHER FEES

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Type of goods or services				
Tuition fees	570,489	534,550	564,258	528,639
Other fees	23,579	21,443	23,579	21,443
	594,068	555,993	587,837	550,082
Less: Scholarship expenses	(101,734)	(98,888)	(99,844)	(97,006)
	492,334	457,105	487,993	453,076
Timing of income recognition				
At a point in time	17,600	14,728	17,600	14,728
Over time	474,734	442,377	470,393	438,348
	492,334	457,105	487,993	453,076

Tuition and other fees are mainly generated in Singapore.

The following table shows the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period.

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Type of goods or services				
Tuition fees	96,083	87,686	96,062	87,654
	96,083	87,686	96,062	87,654

Management expects that 100% of the transaction price allocated to the unsatisfied contracts as of 31 March 2021 will be recognised as revenue during the next reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

30 OTHER INCOME

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Donations received	74,269	150,107	74,264	150,100
Rental income and student hostel residential fees	77,675	100,776	76,507	98,404
Rental income from investment properties (Note 10)	719	702	719	702
Courses and conference fees	37,885	55,716	37,808	55,418
Clinical fees/consultancy fees	12,289	13,983	12,289	13,983
Gain from change in fair value of investment property	–	1,005	–	1,005
Jobs credit received	10,254	3,469	10,254	3,469
Proceeds from insurers	1,310	335	1,310	335
Sponsorships received	9,894	12,705	9,551	12,343
Others	58,719	62,479	58,040	60,618
	283,014	401,277	280,742	396,377
Timing of income recognition				
At a point in time	154,446	230,100	153,419	227,870
Over time	128,568	171,177	127,323	168,507
	283,014	401,277	280,742	396,377

31 EXPENDITURE ON MANPOWER

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Wages and salaries	1,251,099	1,281,243	1,232,744	1,260,755
Employer's contribution to Central Provident Funds	101,602	101,470	99,333	99,633
Other staff benefits	65,064	39,208	64,048	38,785
	1,417,765	1,421,921	1,396,125	1,399,173

32 KEY MANAGEMENT PERSONNEL COMPENSATION

The compensation for twenty-nine (2020: twenty-three) key management personnel (includes the remuneration of two executive trustees) are as follows:

	GROUP AND COMPANY	
	2021	2020
	S\$'000	S\$'000
Short-term benefits	21,039	16,361
Post-employment benefits	318	234
	21,357	16,595

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

33 NET INVESTMENT INCOME

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Interest income	30,821	29,168	24,997	28,812
Dividend income	66,127	93,785	65,933	91,816
Net gain on sale of investments at FVTIE	498,157	69,152	498,012	69,152
Impairment loss on investments at FVTOCI	(135)	–	–	–
Net foreign currency exchange gains (losses)	27,295	(28,816)	27,295	(28,816)
Change in fair value of investments at FVTIE due to foreign currency changes	(219,870)	266,209	(219,870)	266,209
	(192,575)	237,393	(192,575)	237,393
Change in fair value of investments at FVTIE due to price change	1,798,885	(314,930)	1,798,885	(314,930)
	2,201,280	114,568	2,195,252	112,243
Represented by:				
Net operating investment income	1,156,471	285,963	1,150,443	283,638
Non-operating investment income (loss)	1,044,809	(171,395)	1,044,809	(171,395)
	2,201,280	114,568	2,195,252	112,243

For more meaningful presentation of the finances of the Group, net investment income is split into operating and non-operating investment income. Operating investment income consists of investment income of endowment funds as defined by the Group's endowment spending rule, and investment income of other funds. Non-operating investment income/(loss) represents the surplus/(deficit) after accounting for the spending rule of endowment funds.

34 DEFICIT BEFORE GRANTS

This is arrived at after taking in:

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Bad debts and loss allowance	1,305	1,026	1,187	1,026
Rental expenses	2,139	9,761	1,556	9,761
Borrowing costs expensed off ^(a)	16,118	19,132	16,118	19,132
Loss (gain) from change in fair value of investment property	2,028	(1,005)	2,028	(1,005)
Loss on disposal of fixed and intangible assets	3,436	2,600	3,436	2,554
Research and development costs	635,780	700,315	635,780	700,315

a) Borrowing costs incurred during the year is analysed as follows:

Interest on fixed rate notes	11,682	15,289	11,682	15,289
Interest on fixed rate term loan	5,938	6,223	5,938	6,223
Interest on lease liabilities	1,172	1,422	1,172	1,422
Less: amounts included in cost of qualifying fixed assets	(2,674)	(3,802)	(2,674)	(3,802)
Borrowing costs expensed off	16,118	19,132	16,118	19,132

During the year ended 31 March 2021, interest cost of the Group amounted to S\$2,674,000 (2020: S\$3,802,000) was capitalised as capital work-in-progress and is determined using a capitalisation rate of 1.6% (2020: 2.1%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

35 OPERATING GRANTS

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
a) Operating Grants (Government)				
Operating grants utilised during the year	1,527,700	1,366,278	1,503,860	1,340,676
Amount transferred to deferred capital grants (Note 24)	(125,488)	(110,483)	(124,647)	(110,120)
	1,402,212	1,255,795	1,379,213	1,230,556
b) Operating Grants (Others)				
Operating grants utilised during the year	260,350	270,289	259,175	269,020
Amount transferred to deferred capital grants (Note 24)	(13,249)	(15,178)	(13,249)	(15,178)
	247,101	255,111	245,926	253,842

Operating Grants (Government) include grants provided by Singapore Government for wages paid to local employees under the Job Support Scheme ("JSS") announced in the Government Budgets in February, March, April, May and August 2020, respectively.

36 INCOME TAX

Income tax varies from the amount of income tax determined by applying the Singapore income tax rate of 17% (2020: 17%) to surplus before income tax as a result of the following differences:

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Surplus for the year before income tax (including non-operating investment income)	2,269,793	80,663	2,261,201	47,917
Income tax expense calculated at statutory tax rate	385,865	13,713	384,404	8,146
Income not subject to tax	(386,640)	(8,890)	(384,404)	(8,146)
Tax effect of share of results of associates	(318)	(4,132)	-	-
Over accrual from prior year	(87)	-	-	-
Others	1,107	(663)	-	-
	(73)	28	-	-

As the Company and its subsidiary, NUS High School of Mathematics and Science are charities registered under the Charities Act, their income is not subject to tax under Section 13 of the Singapore Income Tax Act. NUS America, Inc., another subsidiary of the Company, is also not subject to tax as it is a non-profit public benefit corporation registered in America.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

37 SURPLUS FOR THE YEAR

The surplus for the year in the Statement of Comprehensive Income of the Group and Company of S\$2,269,866,000 (2020: S\$80,635,000) and S\$2,261,201,000 (2020: S\$47,917,000) respectively includes the following:

	GROUP		COMPANY	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Non-endowed donations (Note 26)	74,269	150,107	74,264	150,100
Net investment income (include change in fair value of investment) (Note 33)	2,201,280	114,568	2,195,252	112,243
	2,275,549	264,675	2,269,516	262,343

38 COMMITMENTS

a) Capital Commitments

Commitments by the Group in respect of equipment and expansion of the facilities, not provided for in the financial statements, are as follows:

	GROUP AND COMPANY	
	2021	2020
	S\$'000	S\$'000
Authorised and contracted for	442,154	392,676

On 27 July 2018, the Company committed to make an investment of S\$1,300,000 in its associated company, InVivos Pte Ltd (InVivos) to fund InVivos's continued operations. As at 31 March 2021, a total investment of S\$750,000 (2020: S\$400,000) has been made and there is an outstanding commitment of S\$550,000 (2020: S\$900,000).

On 24 April 2019, the Company committed to provide an interest free convertible shareholders' loan of S\$25,000,000 to its subsidiary, Graduate Investment Pte Ltd (GIPL). As at 31 March 2021, a total investment of S\$5,000,000 (2020: S\$5,000,000) has been made and there is an outstanding commitment of S\$20,000,000 (2020: S\$20,000,000).

b) Operating Lease Commitments – as Lessee

As at 31 March 2021, the Group and Company is committed to S\$1,090,000 (2020: S\$2,745,000) for short-term leases.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

38 COMMITMENTS *(cont'd)*

c) Operating Lease Commitments – as Lessor

At the end of the reporting period, commitments in respect of non-cancellable operating leases for the rental of premises are as follows:

	GROUP AND COMPANY	
	2021	2020
	S\$'000	S\$'000
Maturity analysis		
Within one year	4,280	4,170
Within second to fifth year inclusive	4,239	5,879
	8,519	10,049

Operating lease payments represent rentals receivable by the Group for rental of premises with remaining lease terms ranging from 1 to 6 years.

39 RELATED PARTIES 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.

The Group receives grants from the Ministry of Education (MOE) to fund its operations and is subject to certain controls set by MOE.

Hence, other government-controlled enterprises are considered related parties of the Group. Many of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. For related parties debtors and creditors balances, the terms of these balances are disclosed in the respective notes to the financial statements.

There were transactions with corporations in which certain trustees have the ability to control or exercise significant influence.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

39 RELATED PARTIES TRANSACTIONS (cont'd)

Details of significant balances and transactions between the related parties are described below:

	GROUP		COMPANY	
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
Government-controlled enterprises and companies within the Group				
Balances				
Debtors	328,815	503,079	328,049	498,146
Amount owing by subsidiary companies	–	–	–	4
Long-term loan to subsidiary company	–	–	5,000	5,000
Creditors and accrued expenses	65,313	761	65,316	761
Amount owing to subsidiary company	–	–	39,104	28,294
Deferred capital grants	1,263,167	1,411,307	1,261,313	1,409,876
Grants received in advance	395,259	334,075	389,734	328,389
Transactions				
Endowed donations	2,136	463	2,136	463
Non-endowed donations	3,860	74,319	3,860	74,319
Other income	18,644	23,763	18,813	23,873
Other operating expenditure	83,975	98,125	87,132	101,164
Operating/capital grants received	2,009,576	2,085,026	1,986,025	2,058,831
Corporations in which trustees have the ability to control or exercise significant influence (including donations received from trustees)				
Balances				
Debtors	91	394	91	394
Creditors and accrued expenses	23	33	23	33
Transactions				
Endowed donations	335	137	335	137
Non-endowed donations	339	439	339	439
Other income	3,731	4,785	3,731	4,785
Other operating expenditure	122	702	122	702
Operating/capital grants received	190	288	190	288

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

40 FUNDS HELD IN TRUST

The Group acts as a trustee to the Derek Hewett Foundation 2009 (The Foundation), which was constituted by a trust deed dated 21 January 2010. The Foundation is a charity registered under the Charities Act.

The Foundation was established with the object of providing education for students of the Group through the award of bursaries.

Separate bank account has been set up to account for funds under the Foundation. The Group will maintain the bank balance and make payments on behalf of the Foundation. As at the reporting period ended 31 March 2021, the fund balance held in trust by the Group is S\$1,527 (2020: S\$4,305).

41 EVENT OCCURRING AFTER THE REPORTING PERIOD

Subsequent to year-end, on 4 June 2021, the Company issued S\$300,000,000 10-year Green Bond, at a fixed coupon rate of 1.62% per annum, which is unsecured. The fixed rate note will mature on 4 June 2031.



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