

National Library Board Annual Report 2020 / 2021

NAVIGATING THE NEW NORMAL



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INTRODUCTION

Our network of 27 public libraries is conveniently located across Singapore to ensure reading is made accessible to everyone. Besides promoting reading and learning, the National Library Board also offers reference services and preserves our nation's cultural and literary heritage under the National Library. We also welcome the public to tap on the rich resources in the National Archives of Singapore, comprising letters, government records, maps, photographs, oral history interviews and audio-visual recordings, with some documents dating as far back as the 1800s.

-  NATIONAL LIBRARY
-  27 PUBLIC LIBRARIES
-  NATIONAL ARCHIVES OF SINGAPORE
-  FORMER FORD FACTORY



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JOINT MESSAGE FROM OUR CHAIRMAN & CEO

In 2020, the National Library Board (NLB) saw COVID-19 causing significant disruptions to our physical operations and spaces. Despite these challenges, we remained nimble and immediately pivoted to a digital-first strategy by strengthening our digital programmes and resources.

The pandemic has also accelerated rapid changes to how patrons access our offerings, and this helps us refine our strategy of delivering quality library services. This has further spurred us to rethink our strategic thrusts and ask ourselves how NLB should evolve, in areas such as empowering learning communities and nurturing an informed citizenry.

As the nation progressed through the phases of reopening, NLB prepared for careful and gradual resumption of library and archives services at our physical spaces that were temporarily closed for about three months last year. While we were excited to welcome patrons back to our libraries and archives in July last year, we remained cautious and enhanced our safety measures to protect our patrons and staff.



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Blurring the digital and physical line

Even as we strengthened our digital library offerings, we continued to bring in new library innovations that have made both digital and physical resources even more accessible.

While reading devices such as tablets, smartphones and eBook readers are fast gaining popularity, we have not lost sight of our physical touchpoints. We began mailing out a monthly selection of specially curated books to 1,000 subscribers as part of The Little Book Box pilot – an initiative that was oversubscribed in just five days. This helped us to continue broadening the reading and learning horizons for children in the comfort of their homes.

During the pandemic, our NLB mobile app became the first touchpoint for many readers. This prompted us to refresh it in February this year with new features such as personalised book recommendations based on patrons' borrowing history, along with an even more intuitive navigation experience.

The mobile app is akin to a portable library in one's pocket, boasting over 900,000 eBooks and audiobooks, as well as more than 7,000 eNewspapers and eMagazines from over 100 countries that can be accessed easily anytime, anywhere.

During the revamp of Choa Chu Kang Public Library, we introduced NLB's first Book Dispenser at Lot One Shoppers' Mall in Choa Chu Kang for residents to conveniently browse and borrow from a catalogue of up to 264 books. They can also reserve and collect their items from the remaining 88 slots, just like the reservation lockers at our public libraries. The dispenser has since facilitated some 22,700 loans of books and renewals between July 2020 and May 2021.

Blueprint of an innovative future

To stay current and relevant in a digitalised world, we developed a five-year strategic blueprint for the next stage of NLB's journey. Our engagements and consultations with the public and our stakeholders have been instrumental in helping us develop this plan, known as LAB25 (Libraries and Archives Blueprint 2021-2025).

Just like a joint innovation lab, we continue to devote ourselves to this continuous cycle of experimenting and testing new ways to enhance the library and archives experience. We strive to co-create and innovate with partners to deliver services and products that promote reading, lifelong learning and digital readiness in this new era.

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Equalising opportunities

Along with the broader nationwide push to cultivate continuous learning, the pandemic has also accelerated the need to pick up new skills for the new normal. Therefore, we plan to create an integrated omni-channel learning marketplace platform so that learning can take place in a hyperconnected manner across both digital and physical touchpoints. NLB will expand our collection formats and curate content to better empower and inform users. We will also recommend our collections and partner resources to suit individual learning needs.

With the pandemic accelerating the pace of digitalisation, digital skills are ever more critical. We want to build on our role as an equaliser to help bridge the digital divide and open up these new opportunities across every stratum of society. To do so, our plan will revolve around equipping everyone with the right digital skills, ensuring that our library spaces remain conducive for work and learning and that no one is left behind – including our seniors.

Thus, we are helping seniors access our digital library services through the Library Learning Journeys initiative that was launched this year. The SG Digital Office facilities in our libraries have also reached more than 27,000 seniors since they opened between September and November last year.

Telling Singapore's stories

We plan to build up a library of content on Singapore by preserving and archiving local stories and digital memories of today for tomorrow. We are already doing this through our “Documenting COVID-19 in Singapore” project, where we have been collecting photos, videos, and other materials to document people’s experiences of the pandemic.

We have also begun adding oral history stories to this collection, and we aim to record and publish 120 of these in-depth interviews over two years on the Archives Online website. NLB will continue to be proactive in preserving and documenting our history through such digital memories for future generations.

The generosity of our donors has also helped to build up our Singapore collection. We recently received a generous gift of over 4,300 historical documents from the Singapore Hokkien Huay Kuan, one of Singapore’s earliest clan associations. These offered a deeper look into their community’s contributions since the 1800s. The Kim Mui Hoey Kuan, which is the Chinese clan association of the Kinmen community, similarly contributed over 1,000 materials on the history of their community in Singapore. It is through such donations that we hope to continue collecting materials pertaining to Singapore history and culture to share them with our wider community.

Looking ahead with the Libraries and Archives Blueprint 2021-2025

These are but a few snippets of what we can expect in the coming years. We will share more about our five-year plan during our upcoming launch of LAB25. Join us as we embark on this exciting journey of innovation towards better and more relevant libraries and archives. Help us shape the future of knowledge, reading and learning.

Last but not least, we would like to take this opportunity to express our gratitude to our patrons, partners, donors and volunteers for making our work possible through their invaluable support in the past year. The strong commitment from our staff, senior management team and board members will also continue to be pivotal in allowing us to overcome challenges and embrace new opportunities.

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7 in 10
Residents

NLB Overall Reach

4.42
out of 5

Customer Satisfaction


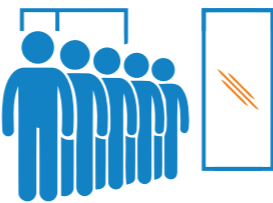


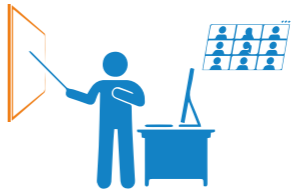








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2020 YEAR-IN-REVIEW

OUR PATRONS	OUR VISITORSHIP	OUR USAGE	OUR PROGRAMMES & EXHIBITIONS	OUR POPULAR TITLES
<p>NLB OVERALL REACH 2020</p>  <p>68.3%</p> <p>NLB reached almost 7 in 10 residents in 2020.</p>	<p>OVERALL NUMBER OF VISITORS</p>  <p>9.06m*</p> <p>*Refers to the number of visits to the National Library Building, National Archives of Singapore Building, Former Ford Factory and 25 public libraries. This excludes visitorship to Choa Chu Kang Public Library as it has been closed for renovation since June 2019.</p>	<p>OVERALL LOANS</p>  <p>29.2m</p> <hr/> <p>CUMULATIVE DOWNLOADS OF THE NLB MOBILE APP</p>  <p>0.83m</p>	<p>TOTAL NO. OF NLB PROGRAMMES & EXHIBITIONS</p>  <p>~6,000 Programmes</p> <p>16 Exhibitions</p> <hr/> <p>TOTAL NO. OF PARTICIPANTS WHO ATTENDED NLB'S PROGRAMMES & EXHIBITIONS</p>  <p>0.69m</p>	<p>TOP 5 PHYSICAL BOOKS OF 2020</p>  <ol style="list-style-type: none"> 1 Harry Potter and the Chamber of Secrets by J.K. Rowling 2 Harry Potter and the Prisoner of Azkaban by J.K. Rowling 3 When Breath Becomes Air by Paul Kalanithi 4 Harry Potter And The Sorcerer's Stone by J.K. Rowling 5 Harry Potter and the Deathly Hallows by J.K. Rowling <hr/> <p>TOP 5 E-BOOKS OF 2020</p>  <ol style="list-style-type: none"> 1 Becoming by Michelle Obama 2 Harry Potter and the Philosopher's Stone by J.K. Rowling 3 Fetch-22 by Dav Pilkey 4 For Whom the Ball Rolls by Dav Pilkey 5 This is What Inequality Looks Like by You Yenn, Teo
<p>OVERALL CUSTOMER SATISFACTION FOR 2020</p>  <p>4.42 out of 5</p>	<p>MOST VISITED LIBRARY</p> <p>WOODLANDS REGIONAL LIBRARY</p>  <p>0.59m</p> <p>Woodlands Regional Library was the most visited library in 2020.</p>	<p>DIGITAL USAGE</p>  <p>81.6m*</p> <p>*Digital Usage refers to the number of pageviews to NLB's websites and usage of subscribed e-books and e-Databases. While overall Digital Usage fell due to a change in measurement tools and definition, usage of e-Databases increased by 121% as compared to 2019.</p>		

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PROGRESSING TO

A NEW NORMAL

following an unprecedented year with COVID-19

An Overview of NLB's FY2020

Even before our libraries and archives were temporarily closed during the circuit breaker period, NLB expanded its range of digital services for everyone.

Many of these innovative offerings became part of our new normal as we reopened our facilities. We continue to engage patrons phygitally (online and offline), with enhanced safe management measures, as the roles of our libraries and archives evolve.

2020

2021



7 April

NLB's libraries and archives were temporarily closed for one month as Singapore entered a nationwide circuit breaker. This came just after the country experienced a severe spike in local COVID-19 transmission cases. NLB went big on digital offerings during this period to support reading and learning from home.



20 May

In line with the government's advisory on resuming services in phases after the circuit breaker, NLB extended the temporary closure of its libraries and archives beyond 1 June 2020 until Phase Two of the reopening.



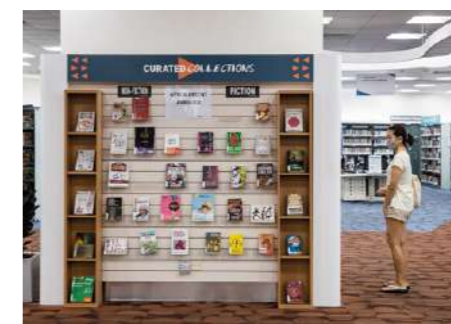
1 July

After closing for three months, our facilities reopened with shorter opening hours under a "borrow and go" model. Patrons were limited to 30-minute visits at the public libraries, where seating and study areas remained closed. Our exhibitions and the Gallery@Former Ford Factory resumed operations, as did the Asian Film Archive's film screenings at Oldham Theatre.



1 September

Regular opening hours were reinstated at the libraries and archives, with safeguards such as safe distancing measures and capacity controls. Limits on visiting duration remained in place to ensure that public health and safety were not compromised.



20 October

More services were reopened, including study areas and multimedia stations. The duration of stay was also increased to two hours at public libraries, and three hours at the Lee Kong Chian Reference Library, Archives Reading Room and regional libraries. Programmes such as workshops and talks began to resume with safe management measures in place.



4 January

As Singapore entered the third phase of its reopening, NLB further eased restrictions and gradually resumed more services and public programmes. Visiting time limits on weekdays were lifted, while those on the weekends remained to manage larger crowds.

Closure of libraries and archives

Reopening and resumption of services

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CURATING OUR NEW NORMAL

9.06m

Overall Visitors

29.2m

Overall Loans

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Expanding our digital library offerings

With the temporary closure of libraries and archives from 7 April to 30 June 2020, NLB ramped up digital library offerings, providing unlimited checkouts of popular titles, as well as shorter waiting times across a greater selection of eBooks. We also expanded our eMagazines to over 60 titles, including popular choices such as The Economist, Rolling Stone, The New Yorker and Wired.



Online storytelling sessions

NLB’s storytelling sessions for children were delivered virtually from 13 April 2020, to keep our young ones engaged during the circuit breaker and beyond. These popular sessions were conducted by librarians, volunteers, as well as local authors, and broadcast on Facebook and NLB’s discoverReads portal.



Digital workshops and programmes

While physical workshops were suspended, NLB rolled out more programmes online. These included the popular talk series “A Librarian’s World” and “Archives Unlocked”, as well as new courses to help adults develop soft skills, learning activities for children, and programmes to keep seniors active and engaged. We also launched “Librarians@Home”, a series to uncover how librarians continued to work away from the bookshelves.



Learning packages

Through NLB’s learning packages, we specially curated a mix of resources such as eBooks, articles, and bite-sized videos for our patrons. Themes included tips on navigating a new normal, learning to upskill and reminiscing the past with stories from the archives.

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Free access to eNewspapers for library patrons

Library members were granted free access to eight SPH newspapers, including The Straits Times, Lianhe Zaobao, Berita Harian and Tamil Murasu, to continue their daily reading routine from home. This partnership with SPH began on 26 April 2020 and has been extended till further notice.

School holiday activities

Children were able to enjoy a greater selection of eBooks, home-based learning materials and resources during their school holidays. They were also guided in short and fun videos to create objects inspired by books in our “Holiday Specials with Librarians”.



Home-based learning for students

As junior colleges and schools were unable to host physical talks for their students, NLB delivered video lectures on effective research using NLB academic eDatabases and Research Skills to the classrooms. Students also used online learning resources such as our “Are you a SURE-vivor” quiz to pick up media and information literacy skills. Click here to check out the quiz.

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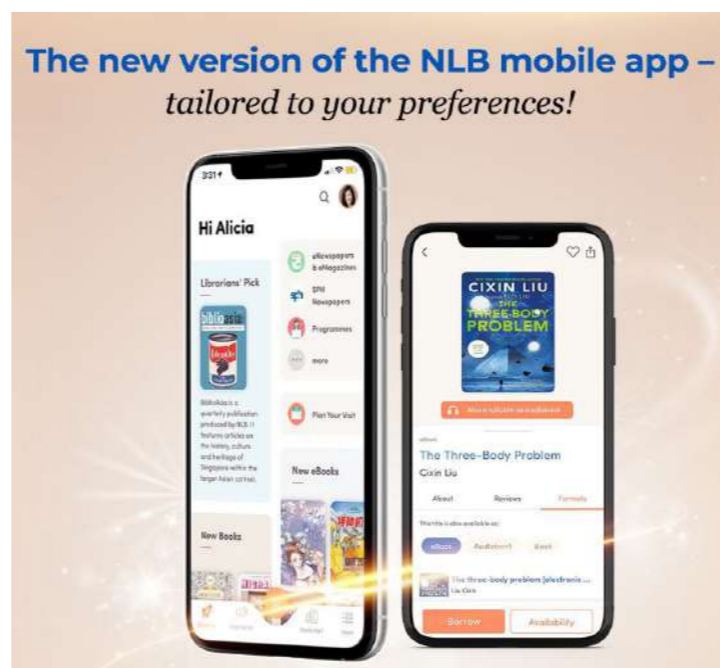
Little Book Box

In October 2020, NLB launched a new subscription service for young readers aged four to nine. For \$10.70 each month, subscribers could have eight carefully curated books from various genres delivered to their homes. To spread the love of reading, NLB partnered with The Straits Times School Pocket Money Fund to give 200 children from low-income families a free nine-month subscription.



Revamped NLB mobile app

We upgraded the NLB mobile app in February 2021. The revamped app boasts new features such as personalised book recommendations based on each patron's borrowing history, and access to more digital resources. In addition, its refreshed user interface makes it more convenient to browse, borrow, read, and learn.



Book dispenser at Lot One Shoppers' Mall

NLB continues to promote reading and learning through accessible ways, such as its first book dispenser launched in July last year. Located at Choa Chu Kang's Lot One Shoppers' Mall, patrons can browse and borrow a selection of curated books and eBooks, and also pick up their reserved items at the dispenser, much like our libraries' reservation lockers.

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FOSTERING LEARNING COMMUNITIES

81.6m

Digital Usage

0.83m

NLB Mobile App Downloads



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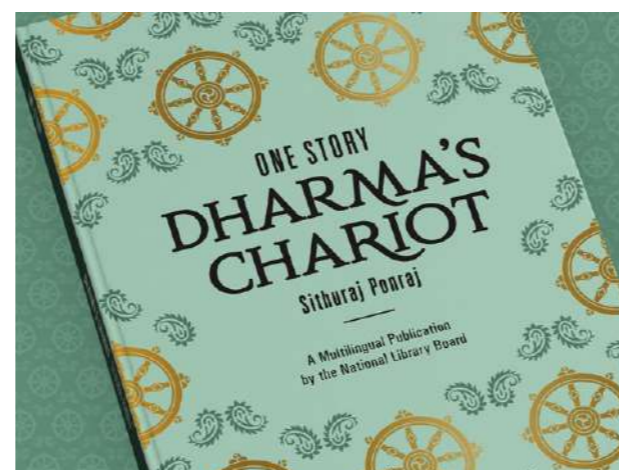
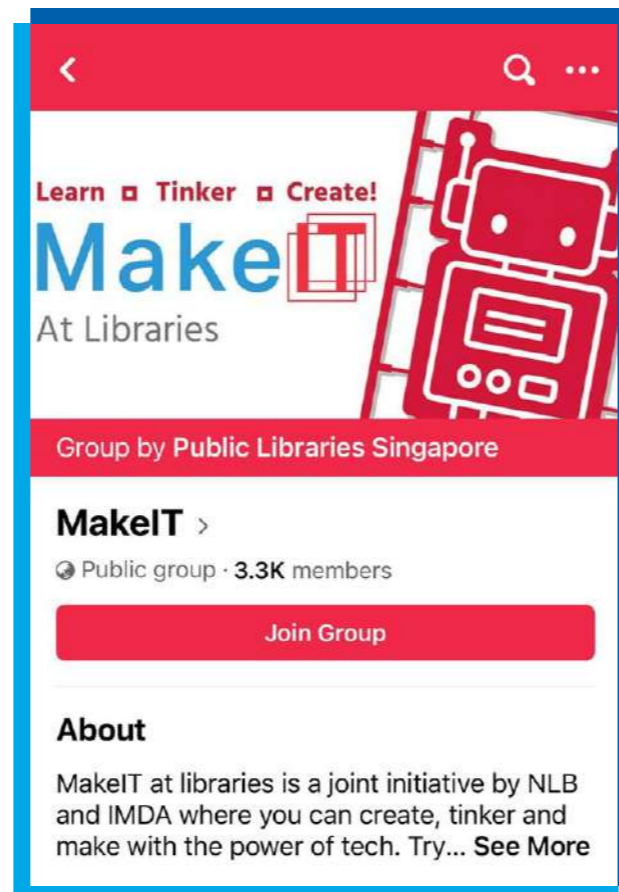
Learning together online

NLB's maker community continues to thrive. A MakeIT Facebook Group was started during the circuit breaker period in April 2020, where we livestreamed making and digital fabrication activities such as home fixes, hacks, and mask-making. To encourage tinkering beyond materials available at home, "MakeIT Yourself" kits were distributed by mail for free.

Our reading communities are also going strong, with over 60 book clubs under NLB's regional and public libraries having switched to web video conferencing platforms to continue their sharing and bonding sessions.

One Story

In August 2020, NLB embarked on One Story, a multi-year project that aims to create a common literary conversation by making short stories from Singapore available in the four official languages. This first year saw the virtual launch of the multilingual publication, One Story: Dharma's Chariot. Based on a Tamil short story by award-winning writer Sithuraj Ponraj, the launch included online workshops and book club discussions.



Connecting thought leaders

As the world grappled with unprecedented disruptions, NLB brought thought leaders together to discuss the new normal. Held digitally in September 2020, the fourth edition of our annual Four Conversations event featured local and international speakers who spoke about changes in the future of work, our well-being, the arts scene, and urban design. In September and October 2020, NLB and the International Federation of Library Associations and Institutions (IFLA) Regional Office for Asia and Oceania jointly organised the inaugural Leaders' Conversations. Top library leaders from China, UK, Australia, New Zealand, Malaysia, Indonesia, Philippines, Jordan, Kazakhstan, Lebanon, Sri Lanka and Singapore shared how libraries around the world reset during the pandemic and were reinventing themselves for a post-COVID-19 world.

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(Comedy) Night at the Library 2020

NLB's annual after-dark event, Night at the Library, returned with a comedic twist in November 2020. Filled with jokes, dark humour and witty book discussions, the week-long online event brought much-needed cheer to the year. Comedy talents Aiman Haikal, Samantha Tan, Dasa Dharamahsena and literary personalities Christina Thé, Imran Hashim, Felix Cheong and Olivia Ho helped viewers laugh the blues away.



Time of Your Life Celebration

In conjunction with the International Day of Older Persons, NLB collaborated with the Singapore University of Social Sciences for the first time to organise the Time of Your Life Celebration in October 2020. Local and overseas industry experts, comprising gerontologists, health professionals, start-up entrepreneurs and writers, together with our inspiring seniors, discussed a range of topics related to gerontology and active ageing.



Book Bugs: Explorers of Stories Past

The new season of Book Bugs was released last December and continues to encourage children to make reading a lifelong habit. Through gamification, the cards rewarded children with points and merchandise when they borrowed books and participated in quizzes and events. This season focused on local and regional stories and folklore as well as the mother tongue languages, encouraging a greater appreciation for the region's rich history and culture.

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National Reading Movement

As part of the National Reading Movement, NLB partnered with Marina One to feature a “wallpaper library” on their premises. This reading corner featured over 100 titles across genres that could be borrowed with the NLB mobile app. NLB also worked with NParks and SMRT on a library-themed truck where parkgoers could scan QR codes to borrow books.

NLB organised Reading in the Age of Distraction, a five-part conversation featuring acclaimed international thinkers, to reflect on reading in the digital age. At the Zoom event in January 2021, speakers spoke about the reading brain, how the medium influences how we read, and tips to keep up a reading habit.



Helping seniors go digital in the libraries

NLB has actively created safe spaces for seniors to learn digital skills in our libraries. From October 2020, we launched SG Digital Offices at all public libraries in partnership with the Infocomm Media Development Authority (IMDA). These provide seniors with personalised one-on-one assistance from Digital Ambassadors on a daily basis.

Together with the Public Service Division, IMDA and SG Digital Office, we also piloted three self-service kiosks at the SG Digital Office at Geylang East Public Library, for seniors to access over 200 selected digital government services. These included services such as Central Provident Fund nominations and Community Health Assist Scheme applications. Since the pilot started in November 2020, there have been over 3,900 online transactions made by seniors.

In February 2021, we introduced the Library Learning Journey to help seniors improve their digital skills by learning to use the NLB mobile app and other digital services in libraries, such as eNewspapers. The monthly one-hour session is available at 25 public libraries.



[Click here to watch the highlights of Minister Iswaran and Senior Minister of State Sim Ann's visit to SG Digital Office@NLB.](#)

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REMEMBERING HISTORICAL MOMENTS

16

Exhibitions

~6,000

Programmes

690,000

Attendees



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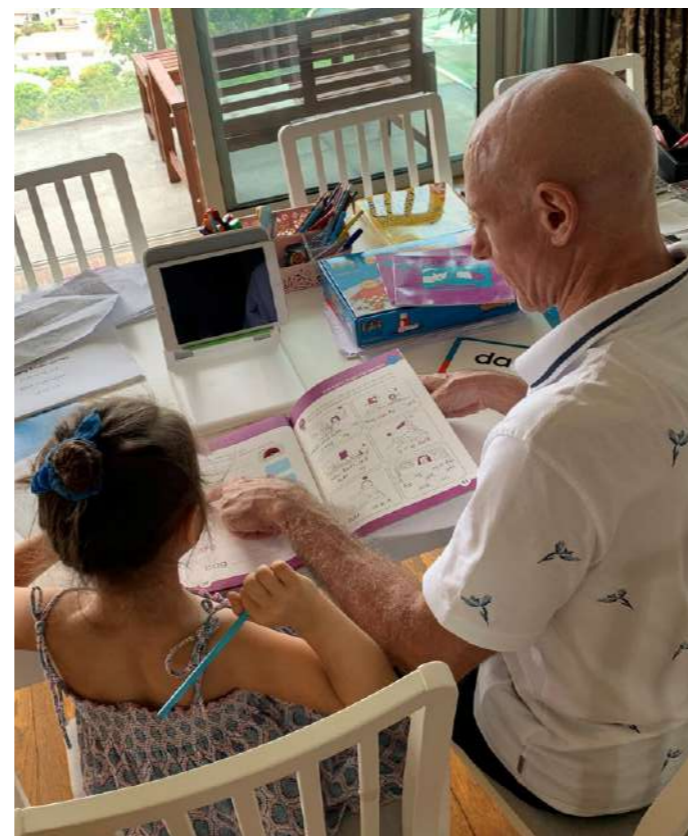
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Documenting COVID-19 in Singapore

To capture a fuller picture of life during the pandemic, in May 2020, NLB and the National Museum of Singapore launched a joint public call for records of people's everyday experiences in these extraordinary times. Documenting COVID-19 aims to preserve such memories for posterity. NLB has also been collecting oral history accounts from frontline workers, volunteers, and employers.



Asian Film Archive's State of Motion 2021: [Alternate / Opt] Realities

The 6th edition of Asian Film Archive's (AFA) cross-disciplinary film and visual art showcase explored imagined futures inspired by science fiction films. Besides film screenings, talks, performances, and a visual arts exhibition held between January and February 2021, AFA worked with the National Library to curate a selection of 23 Southeast Asian sci-fi books in English and the mother tongue languages.



Community donations of heritage materials

Donations add to our rich heritage collection, and help us tell Singapore stories through primary materials. This past year, the Singapore Hokkien Huay Kuan and Kim Mui Hoey Kuan gifted NLB with thousands of historical documents that shed light on the history of Chinese clan associations and the Chinese diaspora in Southeast Asia. Other donors included Cultural Medallion recipient, Djamal Tukimin, who contributed typescripts and manuscripts of his literary works. We are thankful to our donors for their donations which will be preserved and made accessible to researchers and the general public.

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BOARD MEMBERS



MR LEE SEOW HIANG

Chairman, NLB Board

Chief Executive Officer,
Changi Airport Group



ASSOC PROF ALBERT LAU

Chairman, Collections and Programmes Committee

Associate Professor,
Department of History,
National University of Singapore



DR ELMIE NEKMAT

Chairman, Digital Services and Customer Experiences Committee

Associate Professor,
Communications and New Media,
National University of Singapore



MR KHOR UN-HUN

Chairman, Finance Committee

Director, ESR Funds Management (S) Limited



MS LIM WAN YONG

Chairman, People and Workplace Transformation Committee

Deputy Secretary (Planning),
Ministry of National Development
and Deputy Secretary (Security Coordination),
Prime Minister's Office



MR MICHAEL KOH

Chairman, Community Engagement and Partnerships Committee

Executive Fellow,
Centre for Liveable Cities,
Ministry of National Development



MR SAJJAD AKHTAR

Chairman, Audit and Risk Committee

Founder & Senior Partner,
PKF-CAP LLP

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MR CHNG HAK-PENG

Member, Collections and Programmes Committee

Chief Executive Officer, Singapore Symphony Group



MR DENNIS GOH

Member, Digital Services and Customer Experiences Committee

Co-Founder and Executive Chairman, Lyte Ventures Pte Ltd



MS JANICE GOH

Member, Finance Committee and Community Engagement and Partnerships Committee

Member, Advisory Panel, Society for WINGS



MS LIM BEE KWAN

Member, Audit and Risk Committee

Assistant Chief Executive, Governance & Cybersecurity, Government Technology Agency



MR LING TOK HONG

Member, Finance Committee

Partner, Deals Leader, PricewaterhouseCoopers Advisory Services Pte Ltd



MS MELISSA KWEE

Member, Community Engagement and Partnerships Committee

Chief Executive Officer, National Volunteer & Philanthropy Centre



MR ONG SIN WEI

Member, Audit and Risk Committee

Partner, WongPartnership LLP



DR SHASHI JAYAKUMAR

Member, Collections and Programmes Committee

Head, Centre of Excellence for National Security; Executive Coordinator of Future Issues and Technology, S. Rajaratnam School of International Studies



MRS SYLVIA LEE

Member, People and Workplace Transformation Committee

Founder and Director, EmancipAsia Ltd

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SENIOR MANAGEMENT COMMITTEE



MR NG CHER PONG

Chief Executive Officer



MS CATHERINE LAU

Assistant Chief Executive, Archives & Libraries Group



MR WILLIAM TAN

Assistant Chief Executive, Corporate Group



MR GENE TAN

Assistant Chief Executive, Partnership & Strategy Group



MS TAN HUISM

Senior Director, Archives & Libraries Group & Director, National Library



MR SIOW SHONG SENG

Chief Information Officer, Technology Services Group



MS SABITRI DEVI

Director, Corporate Communications Division



MS SHARON HENG

Director, Internal Audit



MR SPENCER HENG

Director, People Matters Division



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MS CHOW WUN HAN

Acting Director,
Collection Planning &
Development,
Archives & Libraries Group



MS RITA GOH

Director,
Digital Experience,
Archives & Libraries Group



MS JULIA CHEE

Director,
National Archives of Singapore,
Archives & Libraries Group



MR WAN WEE PIN

Director,
Planning & Development,
Archives & Libraries Group



**MS RANEETHA D/O
RAJARATMAN**

Director,
Programmes & Exhibitions,
Archives & Libraries Group



MR IAN YAP

Director,
Public Libraries,
Archives & Libraries Group



MS LOY WEE ING

Director,
Finance, Procurement &
Administration,
Corporate Group



MR LIM PENG CHING

Chief Procurement Officer,
Finance, Procurement &
Administration,
Corporate Group



MR ERIC CHIN

General Counsel, Legal &
Chief Sustainability Officer,
Corporate Group



MR DOMINIC TEO

Director,
Properties & Facilities
Management,
Corporate Group

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MR LEE KEE SIANG

Director,
Resource Discovery &
Management,
Corporate Group



MS SOH LIN LI

Acting Director,
Partnership,
Partnership & Strategy Group



DR NARINDER KAUR

Chief of Service &
Organisational Excellence,
Service Excellence Office,
Partnership & Strategy Group



MS VALERIE CHENG

Director,
Strategy,
Partnership & Strategy Group



**MR RAMACHANDRAN
NARAYANAN**

Director & Deputy Chief
Information Officer,
Technology Services Group

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ACKNOWLEDGEMENT

DONORS WHO ENRICHED OUR

COLLECTIONS & ARCHIVES

National Library's Rare Collection

Individuals

- Ms Amy SG Lam
- Mdm Bessie Lee and Ms Julia Ho
- Associate Professor Farish A. Noor
- Mr Gerard Clarke
- Family of Ms Hisako Aizawa
- Dr John Bastin
- Mr and Mrs John and Cynthia Koh
- Mr Kelvin Ang Kah Eng
- Mr Lim Shao Bin
- Family of Liu Kang
- Family of Mr Wee Poh Seng and Mdm Chia Koon Gann

Organisations/Groups

- Eng Teng Association
- Singapore Chin Kang Huay Kuan
- Singapore Hokkien Huay Kuan
- Singapore Textiles Traders Association

National Library's Singapore & Southeast Asia Collections

Individuals

- The late Mr Abdul Ghani Hamid
- Family of the late Ustaz Ahmad Sonhadji
- Mr Alfian Yasrif bin Kuchit
- Mr Barry Inglis
- Mdm Bessie Lee
- Mr Chan Heng Wing
- Mr Chin LY
- Mr Dave Barker
- The sons of Mr David "Danny" Daniel
- Mr Djamal Tukimin
- Mr Donald Lee Chee Kiong
- Mr Edward Charles Greenawald
- Professor Edwin Thumboo
- Mdm Eio Poh Cher
- Mr and Mrs George Hicks
- Mr Gilles Massot
- Family of the late Harun Aminurrashid

- Family of the late Ho Gim Kwan
- Mr Hugh Garner
- Dr John W, (Jack) Humphrey
- Family of the late Kavithavel Ka Perumal
- The Family of Keith Philpott
- Messrs Lee Kip Lee and Lee Kip Lin Family Archives
- Family of Lee Koon Seng
- Mr Leong Fai Keong
- Mrs Liesel Strauss
- Family of Mr Lim Cher Kheng
- Mdm Lim Li Kok for Asiapac Books Pte Ltd
- Dr Meira Chand
- The late Mr Muhammad Ariff Ahmad
- Family of the late Mr N Palanivelu
- Family of the late Mr Na Govindasamy
- Mr P Krishnan
- Mdm Peng Lee Er
- Mr Robert D Stothard
- Mr Roger Kho

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- Family of the late Mr Se Ve Shanmugam
- Family of the late Mr Seng Song Yam
- Dr Shih Hui Min
- Mr Suratman Markasan
- Ms Suzanne Fisher
- Family of Mr Tan Seng Kee
- Ms Tan Teng Teng
- Family of the late Mr Yeo Yong Phuang
- Mr Yong Ngee Hian
- Mr Yong Shu Hoong

Organisations/Groups

- Chettiars' Temple Society
- Gunong Sayang Association
- Robinson & Co. (S) Pte Ltd
- Sam Kiang Huay Kwan
- Shaw Towers Realty (Pte.) Limited
- Singapore Federation of Chinese Clan Associations

Archival Collections

- Ms Dolly Cheung Yuen Ai Knapp
- Mr Eelke Wolters
- Mr Gan Cheong Or
- Mr Jan van den Bogaert
- Mr Josiah Ng
- Mr Koh Keng We
- Ms Lian Jiayuan
- Family of Lim Choon Mong
- Dr Loh Kah Seng
- Dr Ritu Jain
- Ms Yap Yoke Lin

Organisations/Groups

- Agency for Science, Technology and Research (A*STAR)
- Centre for Liveable Cities
- Institute of Policy Studies
- Ministry of Transport
- MUIS
- Nam Hwa Opera Limited
- Ngee Ann Polytechnic
- Singapore Academy of Law
- Yale-NUS College

Sponsors of Libraries & Archives

Chinese Children's Collection in Tampines Regional Library

- Chou Sing Chu Foundation

library@chinatown

- CP1 Pte Ltd
- Kwan Im Thong Hood Cho Temple

library@harbourfront

- Mapletree Commercial Trust

Mobile Libraries

- Kwan Im Thong Hood Cho Temple

"My Tree House", The World's First Green Library for Kids

- City Developments Limited

National Reading Movement – Read for Books

- Prudential Assurance Company Singapore (Pte) Ltd
- Scholastic Education International (Singapore) Pte Ltd

kidsREAD 15th Anniversary

- Scholastic Education International (Singapore) Pte Ltd

kidsREAD Programme

- UOL Group Limited
- MES Group

Public Libraries Singapore Facebook Giveaways Book Sponsor

- Scholastic Education International (Singapore) Pte Ltd

2019 International Symposium of the SARBICA – Rethinking Archives: Reframing Boundaries, Imagining Possibilities

- Asian Film Archive
- Broadcast Engineering Services Pte Ltd
- Bukit View Primary School
- Civica Pte Ltd
- Dalet Digital Media Systems

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- Dell Technologies
- FotoHub
- Heritage Conservation Centre
- Lee Foundation
- Lee Kong Chian Natural History Museum
- Mick Newnham
- Micrographics Data Pte Ltd
- M'Ode Wind Quintet
- National Gallery Singapore
- National Heritage Board
- NEC Asia Pacific Pte Ltd
- PUB, Singapore's National Water Agency
- School of the Arts, Singapore
- Singapore Tourism Board

Partners Who Brought Our Books to The Less Privileged at Home & Abroad

Project Deliver Me

- Asian Women's Welfare Association
- Disabled People's Association
- Handicaps Welfare Association
- Muscular Dystrophy Association (Singapore)
- Singapore Association of the Visually Handicapped
- SPD
- The Singapore Cheshire Home

Community-owned Libraries and Reading Spaces

- 4PM Childcare
- Admiralty Medical Centre
- All Saints Home (Jurong East)
- AWWA Rehab & Daycare Centre
- Boon Tiong Residents' Committee
- Bukit Merah Community Centre
- Care Corner Seniors Services Ltd – SAC (WL569A)
- Changi Simei Community Club
- Choa Chu Kang Zone 7 Residents' Committee
- Enabling Village
- Fei Yue Senior Activity Centre (Bukit Batok)
- Jalan Besar Boon Keng Ville Residents' Committee
- Leng Kee Community Club
- Limbang Park Residents' Committee
- Mendaki @ Choa Chu Kang
- NTUC Health Active Ageing Hub (Jurong Central Plaza)
- NTUC Health Active Ageing Hub (Kampung Admiralty)
- NTUC Health SILVERACE (Boon Lay)
- NTUC Health SILVERACE (Bukit Merah)
- NTUC Health SILVERACE (Mount Faber)
- NTUC Health SILVERACE (Redhill)
- NTUC Health SILVERACE (Telok Blangah)
- OUE Downtown Gallery
- Our West Coast Library
- Punggol West Citizens' Consultative Committee
- REACH Seniors Centre @ Bukit Gombak Vista
- Sengkang Community Hospital
- Sengkang West Zone K Residents' Committee
- Singapore Prison Service
- Sree Narayana Mission Nursing Home
- St Andrew's Senior Care (Henderson)
- St Andrew's Community Hospital
- St Luke's ElderCare Ang Mo Kio Polyclinic Centre
- St Luke's ElderCare Ltd – Marine Parade
- Taman Jurong Community Club
- Tiong Bahru Community Centre
- Tsao Foundation ComSA Whampoa Centre
- Ulu Pandan Community Club
- UOL Property Investments Pte Ltd
- WeLL Centre
- Wellness Kampung @ 115 c/o Yishun Health
- Wellness Kampung @ 260 c/o Yishun Health
- Wisma Geylang Serai
- Yew Tee Community Club

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WondeRead Partners

- Ananias Centre (Ang Mo Kio)
- Ananias Centre (Choa Chu Kang)
- Ananias Centre (Clementi)
- Big Heart Student Care @ Evergreen Primary School
- Big Heart Student Care @ Innova Primary School
- Big Heart Student Care @ Lianhua Primary School
- Big Heart Student Care @ Marsiling Primary School
- Big Heart Student Care @ Qihua Primary School
- Big Heart Student Care @ Unity Primary School
- Big Heart Student Care @ Xishan Primary School
- Big Heart Student Care @ Yangzheng Primary School
- Big Heart Student Care @ Yu Neng Primary School
- Big Heart Student Care @ Zhangde Primary School
- CampusImpact
- Carehut @ Eunos
- Chen Su Lan Methodist Children's Home
- Children's Wishing Well
- Children's Wishing Well @ Eunos Community Club
- Children's Wishing Well @ Fuhua Primary School
- Credit Suisse (Singapore) Ltd
- Ernst & Young LLP
- Hanbaobao Pte Ltd (Licensee of McDonald's)
- Hearty Care Centre
- Hougang Sheng Hong Student Care Centre
- Kiehl's (Singapore)
- Lakeside Family Services (Jurong East Centre)
- Lakeside Family Services (Jurong West Centre)
- Land Transport Authority
- Life Student Care Centre @ Ahmad Ibrahim Primary School
- Life Student Care (Yishun)
- Mapletree Commercial Trust Management Ltd
- Mediacorp Pte Ltd
- Mighty Kids, Families & Community
- Morning Star Community Services
- Muhammadiyah Welfare Home
- Prison Support Services, Kids In Play Programme
- Prudential Assurance Company Singapore (Pte) Ltd
- ReadAble Ltd
- Singapore Boys' Home (Youth Residential Service by Ministry of Social and Family Development)
- Singapore Girls' Home (Youth Residential Service by Ministry of Social and Family Development)
- Social Service Office @ Bedok & Geylang Serai
- Spright Academy (Cheng San)
- Spright Academy (Sengkang)
- Star Values Learning Place
- Student Care @ Children's Society
- The GRIT Project (Children & Youth Centre) by Lakeside Family Services
- The Learning Lab
- The Ritz-Carlton Residences Singapore
- Thong Kheng Student Care Centre
- UOL Group Limited
- Yishun Student Care Centre
- YMCA Kindergarten Care Centre @ Oasis Primary School
- YMCA Kindergarten Care Centre @ Sengkang Green Primary School
- YMCA Kindergarten Care Centre @ Springdale Primary School
- YMCA Kindergarten Care Centre @ Valour Primary School
- YMCA Student Care Centre @ Beacon Primary School
- YMCA Student Care Centre @ CHIJ (Kellock)
- YMCA Student Care Centre @ Northshore Primary School
- YMCA Student Care Centre @ St. Anthony's Primary School
- YMCA Student Care Centre @ St. Hilda's Primary School
- YMCA Student Care Centre @ Valour Primary School
- YMCA Student Care Centre @ Zhenghua Primary School

- Curating Our New Normal
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CORPORATE GOVERNANCE

The National Library Board (NLB) is a statutory board established under the National Library Board Act (Chapter 197) (NLB Act). The NLB Act sets out the NLB’s functions and powers. As a statutory board, the NLB is also subject to the governance framework set out under the Public Sector (Governance) Act (No. 5 of 2018).

A Board comprising the Chairman and 15 non-executive members from sectors such as academia, the finance and social sectors, and public institutions, guides NLB in the performance of its functions and the provision of services to the public. With their diverse backgrounds and experience, members of the Board are well placed to provide NLB with strategic leadership, as well as to put in place effective controls to meet the highest standards of governance.

The Board reviews and oversees NLB’s plans, performance and policies, ensures accountability in its operations, and develops mechanisms for gathering and responding to stakeholders’ feedback. Board members helm six committees. These are the Audit and Risk Committee, the Finance Committee, the People and Workplace Transformation Committee, the Collections and Programmes Committee, the Community Engagement and Partnerships Committee, and the Digital Services and Customer Experiences Committee. Four meetings were convened in FY2020, on 19 May 2020, 4 August 2020, 17 November 2020 and 23 February 2021.

Current Appointment	Name and Designation	Attendance
Chairman	Mr Lee Seow Hiang Chief Executive Officer, Changi Airport Group	4
Member	Associate Professor Albert Lau Associate Professor, Department of History, National University of Singapore	3
Member	Mr Chng Hak-Peng Chief Executive Officer, Singapore Symphony Group	4
Member	Mr Dennis Goh Co-Founder and Executive Chairman, Lyte Ventures Pte Ltd	3
Member	Dr Elmie Nekmat Associate Professor, Communications and New Media, National University of Singapore	4
Member	Ms Janice Goh Member, Advisory Panel, Society for WINGS	4
Member	Mr Khor Un-Hun Director, ESR Funds Management (S) Limited	4
Member	Ms Lim Bee Kwan Assistant Chief Executive, Governance & Cybersecurity, Government Technology Agency	4
Member	Ms Lim Wan Yong Deputy Secretary (Planning), Ministry of National Development and Deputy Secretary (Security Coordination), Prime Minister’s Office	4

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Member	Mr Ling Tok Hong Partner, Deals Leader, PricewaterhouseCoopers Advisory Services Pte Ltd	4
Member	Ms Melissa Kwee Chief Executive Officer, National Volunteer & Philanthropy Centre	4
Member	Mr Michael Koh Executive Fellow, Centre for Liveable Cities, Ministry of National Development	3
Member	Mr Ong Sin Wei Partner, WongPartnership LLP	4
Member	Mr Sajjad Akhtar Founder & Senior Partner, PKF-CAP LLP	4
Member	Dr Shashi Jayakumar Head, Centre of Excellence for National Security; Executive Coordinator of Future Issues and Technology, S. Rajaratnam School of International Studies	3
Member	Mrs Sylvia Lee Founder and Director, EmancipAsia Ltd	3

An Internal Audit Unit further strengthens NLB's corporate governance. Reporting directly to the Chairman of the Audit and Risk Committee and administratively to the Chief Executive Officer, the Internal Audit Unit reviews the adequacy and effectiveness of NLB's internal control system. This includes evaluating policies, procedures and systems to assess the integrity of financial and operating information, compliance with laws and regulations, and economical and efficient use of resources.

All NLB staff also uphold public trust by complying with a Code of Ethics and Conduct. NLB staff are empowered to report potential ethical breaches confidentially to the Chief Executive Officer, Director (People Management and Development), or the Internal Audit Unit.

As a charity, NLB adheres to the recommended guidelines set out in the Code of Governance for Charities and Institutions of Public Character proposed by the Charity Council (the Code). NLB openly discloses its corporate governance practices covering board governance, conflict of interest policy and other relevant governance practices and controls on an annual basis. Any deviations from the Code are also explained as part of this annual submission. NLB continually seeks to improve governance to maintain the trust and confidence of our stakeholders.

The members of the Board are paid allowances based on a tiered structure, which takes into consideration the different workload and responsibilities held by the various members. Twelve of our Board members receive an annual allowance of between \$10,000 and \$25,000, while four members receive an annual allowance of less than \$10,000. The annual remuneration of our four highest paid executives is between \$200,000 and \$700,000. This comprises their salary, bonus, benefits and employers' CPF contribution.

NLB manages its reserves proactively to ensure funding sustainability for operating expenditure as well as long-term commitments. The quantum of minimum and maximum cash reserve, taking into account working capital needs and long-term commitments, is reviewed and approved annually by the Finance Committee of the Board. Our Board regularly reviews our financial results and position via management reports. The cash reserve as at the balance sheet date was below one year's annual expenditure.



National Library Board

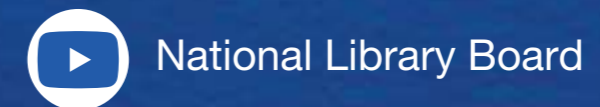
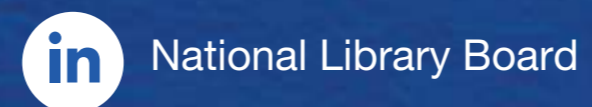
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National Library Board Singapore

ISSN 2424-9394



NATIONAL LIBRARY BOARD

ANNUAL REPORT 2020/2021

Unique Entity No. T08GB0037J

National Library Board and its subsidiaries
for the financial year ended 31 March 2021.



National Library Board

National Library Board and its subsidiaries

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National Library Board and its subsidiaries


Statement by board members For the financial year ended 31 March 2021

In our opinion,

- (a) the accompanying financial statements of the National Library Board (the "Board") and its subsidiaries (collectively, the "Group") are properly drawn up so as to present fairly, in all material respects, the state of affairs of the Group and of the Board as at 31 March 2021 and the results and changes in equity of the Group and the Board and cash flows of the Group for the financial year then ended in accordance with the provisions of the Public Sector (Governance) Act 2018 (Act 5 of 2018) (the "PSG Act"), National Library Board Act (Chapter 197) (the "NLB Act"), Singapore Charities Act (Chapter 37) and other relevant regulations (the "Charities Act and Regulations") and Statutory Board Financial Reporting Standards ("SB-FRS");
- (b) the receipts, expenditure and investment of moneys and the acquisition and disposal of assets by the Board during the financial year have been in accordance with the provisions of the PSG Act and the NLB Act;
- (c) proper accounting and other records have been kept, including records of all assets of the Board whether purchased, donated or otherwise; and
- (d) at the date of this statement, there are reasonable grounds to believe that the Board will be able to pay its debts as and when they fall due.

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

On behalf of the Board,



Lee Seow Hiang
Chairman



Ng Cher Pong
Chief Executive Officer

18 June 2021

National Library Board and its subsidiaries

Independent auditor's report For the financial year ended 31 March 2021

Independent auditor's report to the members of the board of the National Library Board

Report on the audit of the financial statements

Opinion

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

In our opinion, the accompanying consolidated financial statements of the Group, the statement of financial position, statement of comprehensive income and statement of changes in equity of the Board are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 (Act 5 of 2018) (the "PSG Act"), the National Library Board Act (Chapter 197) (the "NLB Act"), the Singapore Charities Act (Chapter 37) and other relevant regulations (the "Charities Act and Regulations") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the state of affairs of the Group and the Board as at 31 March 2021 and the results and changes in equity of the Group and the Board and cash flows of the Group for the financial year ended on that date.

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 ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

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

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

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

National Library Board and its subsidiaries

Independent auditor's report For the financial year ended 31 March 2021

Independent auditor's report to the members of the board of the National Library Board

Report on the audit of the financial statements (cont'd)

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the PSG Act, the NLB Act, the Charities Act and Regulations and SB-FRS, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional 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.
- 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.

National Library Board and its subsidiaries

Independent auditor's report For the financial year ended 31 March 2021

Independent auditor's report to the members of the board of the National Library Board

Report on the audit of the financial statements (cont'd)

Auditor's responsibilities for the audit of the financial statements (cont'd)

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

Report on other legal and regulatory requirements

Opinion

In our opinion:

- (a) the receipts, expenditure and investment of moneys and the acquisition and disposal of assets by the Board during the financial year are, in all material respects, in accordance with the provisions of the PSG Act, the NLB Act and the requirements of any other written law applicable to moneys of or managed by the Board.
- (b) proper accounting and other records have been kept, including records of all assets of the Board, whether purchased, donated or otherwise.

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

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

Basis for opinion

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

National Library Board and its subsidiaries

**Independent auditor's report
For the financial year ended 31 March 2021**

Independent auditor's report to the members of the board of the National Library Board

Report on other legal and regulatory requirements (cont'd)

Responsibilities of management for compliance with legal and regulatory requirements

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

Auditor's responsibilities for the compliance audit

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

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



Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

18 June 2021

National Library Board and its subsidiaries

**Consolidated statement of financial position
As at 31 March 2021**

	Note	Group 2020/2021 \$	2019/2020 \$
Equity			
Capital account	4	661,085,886	645,756,036
Heritage reserves	6	19,285,172	18,967,985
Accumulated (deficit)/surplus			
- General funds		(29,696,028)	(22,281,538)
- Restricted funds	7	65,471,221	64,981,348
Total equity		716,146,251	707,423,831
Non-current assets			
Property, plant and equipment	8	316,680,434	369,500,486
Heritage assets	6	19,285,172	18,967,985
Restricted cash and deposits	14(b)	503,974	484,855
		336,469,580	388,953,326
Current assets			
Investment securities at fair value through profit or loss	10	488,196,390	448,512,490
Trade and other receivables	11	11,856,782	34,965,920
Derivative financial instruments	13	60,551	100,047
Cash and bank balances	14(a)	150,519,108	117,708,552
		650,632,831	601,287,009
Total assets		987,102,411	990,240,335
Current liabilities			
Trade and other payables	15	69,102,173	65,163,573
Provision for retirement benefits	16	216,013	210,275
Development grants received in advance	17	-	3,774
Deferred capital grants	18	10,018,084	11,739,611
Tax payable		12,271	-
		79,348,541	77,117,233
Non-current liabilities			
Trade and other payables	15	28,767,203	34,409,743
Provision for retirement benefits	16	4,694,765	4,766,017
Deferred capital grants	18	158,145,651	166,523,511
		191,607,619	205,699,271
Total liabilities		270,956,160	282,816,504
Net assets		716,146,251	707,423,831

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

National Library Board and its subsidiaries

Statement of financial position As at 31 March 2021

	Note	Board	
		2020/2021	2019/2020
		\$	\$
Equity			
Capital account	4	661,085,886	645,756,036
Heritage reserves	6	19,285,172	18,967,985
Accumulated (deficit)/surplus			
- General funds		(33,943,207)	(26,112,884)
- Restricted funds	7	65,471,221	64,981,348
Total equity		711,899,072	703,592,485
Non-current assets			
Property, plant and equipment	8	316,499,123	369,407,623
Heritage assets	6	19,285,172	18,967,985
Investments in subsidiaries	9	506	506
		335,784,801	388,376,114
Current assets			
Investment securities at fair value through profit or loss	10	488,196,390	448,512,490
Trade and other receivables	11	11,584,636	34,451,251
Derivative financial instruments	13	60,551	100,047
Cash and bank balances	14(a)	146,556,170	115,108,203
		646,397,747	598,171,991
Total assets		982,182,548	986,548,105
Current liabilities			
Trade and other payables	15	68,441,760	65,302,689
Provision for retirement benefits	16	216,013	210,275
Development grants received in advance	17	–	3,774
Deferred capital grants	18	10,018,084	11,739,611
		78,675,857	77,256,349
Non-current liabilities			
Trade and other payables	15	28,767,203	34,409,743
Provision for retirement benefits	16	4,694,765	4,766,017
Deferred capital grants	18	158,145,651	166,523,511
		191,607,619	205,699,271
Total liabilities		270,283,476	282,955,620
Net assets		711,899,072	703,592,485

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

National Library Board and its subsidiaries

**Consolidated statement of comprehensive income
For the financial year ended 31 March 2021**

Group	Note	General funds		Restricted funds		Total	
		2020/2021 \$	2019/2020 \$	2020/2021 \$	2019/2020 \$	2020/2021 \$	2019/2020 \$
Income							
Consultancy and other services	24	3,683,978	4,369,165	–	–	3,683,978	4,369,165
Professional library services	24	2,836,933	3,123,684	–	–	2,836,933	3,123,684
Rental income		4,776,161	5,679,083	–	–	4,776,161	5,679,083
Book fines and lost book charges	24	1,568,058	2,448,416	–	–	1,568,058	2,448,416
Interest income		1,046,574	1,889,221	68,634	149,735	1,115,208	2,038,956
Library services and programmes	24	674,640	928,064	–	–	674,640	928,064
Membership fees	24	859,844	770,423	–	–	859,844	770,423
Investment income	21	38,415,672	8,021,382	1,876,188	468,650	40,291,860	8,490,032
Other income		949,308	1,283,135	–	–	949,308	1,283,135
Donations ¹		124,967	102,735	934,682	1,258,934	1,059,649	1,361,669
		54,936,135	28,615,308	2,879,504	1,877,319	57,815,639	30,492,627
Expenditure							
Manpower and staff welfare	19	(105,928,697)	(103,819,296)	(70,926)	(11,752)	(105,999,623)	(103,831,048)
Depreciation of property, plant and equipment	8	(86,221,803)	(68,969,579)	(496,729)	(584,105)	(86,718,532)	(69,553,684)
Books, periodicals, films and serials		(28,290,520)	(25,199,557)	(104,080)	(127,837)	(28,394,600)	(25,327,394)
General and administrative expenses		(21,025,829)	(24,964,547)	(526,368)	(411,317)	(21,552,197)	(25,375,864)
Maintenance and other property expenses		(23,241,938)	(26,528,588)	(295,523)	(323,424)	(23,537,461)	(26,852,012)
Rental expenses		(1,370,727)	(3,739,777)	(639)	(798)	(1,371,366)	(3,740,575)
Agency and other professional fees		(11,163,552)	(14,568,632)	(639,772)	(375,044)	(11,803,324)	(14,943,676)
Information technology expenses		(38,817,166)	(38,799,630)	(188,074)	(188,888)	(39,005,240)	(38,988,518)
Other expenses		(9,876,663)	(8,677,947)	(67,520)	(68,491)	(9,944,183)	(8,746,438)
Interest expense on lease liabilities	25	(1,276,171)	(1,344,150)	–	–	(1,276,171)	(1,344,150)
Allowance for expected credited losses		(435,382)	(467,395)	–	–	(435,382)	(467,395)
		(327,648,448)	(317,079,098)	(2,389,631)	(2,091,656)	(330,038,079)	(319,170,754)
(Deficit)/surplus before grants		(272,712,313)	(288,463,790)	489,873	(214,337)	(272,222,440)	(288,678,127)
Grants							
Operating grants	20	253,592,209	247,985,127	–	–	253,592,209	247,985,127
Deferred capital grants amortised	18	12,035,418	13,531,893	–	–	12,035,418	13,531,893
		265,627,627	261,517,020	–	–	265,627,627	261,517,020
(Deficit)/surplus for the financial year before tax		(7,084,686)	(26,946,770)	489,873	(214,337)	(6,594,813)	(27,161,107)
Income tax expense	22	(12,617)	–	–	–	(12,617)	–
Net (deficit)/profit for the financial year, representing total other comprehensive income for the financial year		(7,097,303)	(26,946,770)	489,873	(214,337)	(6,607,430)	(27,161,107)

¹ Of the total donations received \$1,508,840 (2019/2020: \$1,487,579) related to tax-deductible donations. This included cash donations recognised under The Library Fund ("TLF") amounting to \$1,501,473 (2019/2020: \$1,473,848) of which \$1,258,846 (2019/2020: \$692,055) were being accounted for as deferred income as disclosed under Note 7(c) to the financial statements. The deferred income represents unutilised donations as at 31 March 2021 available for use in the following financial year.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

National Library Board and its subsidiaries

**Statement of comprehensive income
For the financial year ended 31 March 2021**

	Note	General funds		Restricted funds		Total	
		2020/2021 \$	2019/2020 \$	2020/2021 \$	2019/2020 \$	2020/2021 \$	2019/2020 \$
Board							
Income							
Consultancy and other services	24	3,308,237	4,096,165	–	–	3,308,237	4,096,165
Professional library services	24	1,850,702	2,109,170	–	–	1,850,702	2,109,170
Rental income		5,096,629	6,251,519	–	–	5,096,629	6,251,519
Book fines and lost book charges	24	1,568,058	2,448,416	–	–	1,568,058	2,448,416
Interest income		1,012,177	1,853,260	68,634	149,735	1,080,811	2,002,995
Library services and programmes	24	674,640	928,064	–	–	674,640	928,064
Membership fees	24	851,573	770,423	–	–	851,573	770,423
Investment income	21	38,415,672	8,021,382	1,876,188	468,650	40,291,860	8,490,032
Other income		547,826	1,146,540	–	–	547,826	1,146,540
Donations ²		117,465	88,994	934,682	1,258,934	1,052,147	1,347,928
		53,442,979	27,713,933	2,879,504	1,877,319	56,322,483	29,591,252
Expenditure							
Manpower and staff welfare	19	(103,999,772)	(102,054,566)	(70,926)	(11,752)	(104,070,698)	(102,066,318)
Depreciation of property, plant and equipment		(86,150,966)	(68,790,954)	(496,729)	(584,105)	(86,647,695)	(69,375,059)
Books, periodicals and serials		(28,078,559)	(24,569,397)	(104,080)	(127,837)	(28,182,639)	(24,697,234)
General and administrative expenses		(20,447,571)	(24,371,133)	(526,368)	(411,317)	(20,973,939)	(24,782,450)
Maintenance and other property expenses		(23,223,816)	(26,515,447)	(295,523)	(323,424)	(23,519,339)	(26,838,871)
Rental expenses		(1,427,900)	(3,729,232)	(639)	(798)	(1,428,539)	(3,730,030)
Agency and other professional fees		(11,129,954)	(14,542,437)	(639,772)	(375,044)	(11,769,726)	(14,917,481)
Information technology expenses		(38,643,492)	(38,624,368)	(188,074)	(188,888)	(38,831,566)	(38,813,256)
Other expenses		(11,770,159)	(11,205,658)	(67,520)	(68,491)	(11,837,679)	(11,274,149)
Interest expense on lease liabilities	25	(1,276,171)	(1,344,150)	–	–	(1,276,171)	(1,344,150)
Allowance for expected credit losses		(435,382)	(467,395)	–	–	(435,382)	(467,395)
		(326,583,742)	(316,214,737)	(2,389,631)	(2,091,656)	(328,973,373)	(318,306,393)
(Deficit)/surplus before grants		(273,140,763)	(288,500,804)	489,873	(214,337)	(272,650,890)	(288,715,141)
Grants							
Operating grants	20	253,592,209	247,985,127	–	–	253,592,209	247,985,127
Deferred capital grants amortised	18	12,035,418	13,531,893	–	–	12,035,418	13,531,893
		265,627,627	261,517,020	–	–	265,627,627	261,517,020
(Deficit)/surplus for the financial year before tax		(7,513,136)	(26,983,784)	489,873	(214,337)	(7,023,263)	(27,198,121)
Income tax expense	22	–	–	–	–	–	–
Net (deficit)/profit for the financial year, representing total other comprehensive income for the financial year		(7,513,136)	(26,983,784)	489,873	(214,337)	(7,023,263)	(27,198,121)

² During the financial year, The Library Fund ("TLF") received cash donations amounting to \$1,501,473 (2019/2020: \$1,474,248) of which \$1,258,846 (2019/2020: \$692,055) were being accounted for as deferred income as disclosed under Note 7(c) to the financial statements. The deferred income represents unutilised donations as at 31 March 2021 available for use in the following financial year.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

National Library Board and its subsidiaries

Consolidated statement of changes in equity
For the financial year ended 31 March 2021

Group	Note	Capital account		Heritage reserves	Accumulated surplus/(deficit)		Total
		Establishment account	Equity financing account		General funds	Restricted funds (Note 7)	
		\$	\$	\$	\$	\$	\$
At 1 April 2019		10,334,137	602,955,826	18,299,168	5,334,049	65,195,685	702,118,865
Net deficit for the financial year		–	–	–	(26,946,770)	(214,337)	(27,161,107)
Total comprehensive income for the financial year		–	–	–	(26,946,770)	(214,337)	(27,161,107)
Issuance of shares	5	–	32,466,073	–	–	–	32,466,073
Transfer to heritage reserves	6	–	–	668,817	(668,817)	–	–
At 31 March 2020		10,334,137	635,421,899	18,967,985	(22,281,538)	64,981,348	707,423,831
At 1 April 2020		10,334,137	635,421,899	18,967,985	(22,281,538)	64,981,348	707,423,831
Net (deficit)/profit for the financial year		–	–	–	(7,097,303)	489,873	(6,607,430)
Total comprehensive income for the financial year		–	–	–	(7,097,303)	489,873	(6,607,430)
Issuance of shares	5	–	15,329,850	–	–	–	15,329,850
Transfer to heritage reserves	6	–	–	317,187	(317,187)	–	–
At 31 March 2021		10,334,137	650,751,749	19,285,172	(29,696,028)	65,471,221	716,146,251

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

National Library Board and its subsidiaries

**Statement of changes in equity
For the financial year ended 31 March 2021**

	Note	<u>Capital account</u>		<u>Accumulated surplus/(deficit)</u>			Total \$
		<u>Establishment account</u> \$	<u>Equity financing account</u> \$	<u>Heritage reserves</u> \$	<u>General funds</u> \$	<u>Restricted funds (Note 7)</u> \$	
Board							
At 1 April 2019		10,334,137	602,955,826	18,299,168	1,539,717	65,195,685	698,324,533
Net deficit for the financial year		–	–	–	(26,983,784)	(214,337)	(27,198,121)
Total comprehensive income for the financial year		–	–	–	(26,983,784)	(214,337)	(27,198,121)
Issuance of shares	5	–	32,466,073	–	–	–	32,466,073
Transfer to heritage reserves	6	–	–	668,817	(668,817)	–	–
At 31 March 2020		10,334,137	635,421,899	18,967,985	(26,112,884)	64,981,348	703,592,485
At 1 April 2020		10,334,137	635,421,899	18,967,985	(26,112,884)	64,981,348	703,592,485
Net (deficit)/profit for the financial year		–	–	–	(7,513,136)	489,873	(7,023,263)
Total comprehensive income for the financial year		–	–	–	(7,513,136)	489,873	(7,023,263)
Issuance of shares	5	–	15,329,850	–	–	–	15,329,850
Transfer to heritage reserves	6	–	–	317,187	(317,187)	–	–
At 31 March 2021		10,334,137	650,751,749	19,285,172	(33,943,207)	65,471,221	711,899,072

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

National Library Board and its subsidiaries

**Consolidated statement of cash flows
For the financial year ended 31 March 2021**

	Note	Group 2020/2021 \$	Group 2019/2020 \$
Cash flows from operating activities			
Deficit before grants and before tax		(272,222,440)	(288,678,127)
Adjustments for:			
Depreciation of property, plant and equipment	8	86,718,532	69,553,684
Interest income from fixed deposits with banks		(1,118,982)	(2,079,359)
Investment income - net	21	(40,291,860)	(8,490,032)
Interest expense on lease liabilities	25	1,276,171	1,344,150
Fund management fees		208,696	203,506
Retirement benefits	16	108,268	112,906
Gain on disposal of property, plant and equipment		(1,096)	(130,345)
Property, plant and equipment written off		37,310	131,339
Donations in kind received	6	(108,182)	(37,907)
Grants in kind received	20	-	(49,500)
Allowance for expected credit losses	12	435,382	467,395
Deficit before changes in working capital		(224,958,201)	(227,652,290)
Changes in working capital			
Trade and other receivables		(521,840)	379,012
Trade and other payables		(8,025,649)	(854,971)
Derivative financial instruments		39,496	(126,619)
Cash flows used in operating activities		(233,466,194)	(228,254,868)
Retirement benefits paid	16(a)	(173,782)	(487,311)
Income tax paid		(346)	-
Net cash flows used in operating activities		(233,640,322)	(228,742,179)
Cash flows from investing activities			
Funds withdrawn from fund managers		-	4,000,000
Purchases of property, plant and equipment		(17,353,290)	(40,232,205)
Purchases of heritage assets		(209,005)	(630,910)
Proceeds from disposal of property, plant and equipment		1,096	130,345
Interest income received		1,965,155	1,909,193
Net cash flows used in investing activities		(15,596,044)	(34,823,577)

National Library Board and its subsidiaries

**Consolidated statement of cash flows
For the financial year ended 31 March 2021**

	Note	Group 2020/2021 \$	2019/2020 \$
Cash flows from financing activities			
Government grants received		281,681,435	233,431,676
Interest paid on lease liabilities	15	(1,276,171)	(1,344,150)
Payment of principal portion of lease liabilities	15	(10,260,791)	(7,927,727)
Proceeds from equity financing	5	8,863,853	27,346,828
Increase in restricted cash and deposits	14(b)	(19,119)	–
Net cash flows from financing activities		<u>278,989,207</u>	<u>251,506,627</u>
Net increase/(decrease) in cash and cash equivalents		29,752,841	(12,059,129)
Cash and cash equivalents at beginning of the financial year		117,708,552	129,767,681
Cash and cash equivalents at end of the financial year	14(a)	<u>147,461,393</u>	<u>117,708,552</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

National Library Board and its subsidiaries

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

1. General information

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

The Board is subjected to the control of its supervisory ministry, Ministry of Communications and Information (“MCI”). The Board is required to follow the policies and instructions issued from time to time by MCI and other government ministries and departments such as the Ministry of Finance (“MOF”). The Board is also subjected to the provisions of the Public Sector (Governance) Act 2018 (Act 5 of 2018) (the “PSG Act”). With effect from 1 November 2012, the National Archives of Singapore (“NAS”) was transferred from National Heritage Board to National Library Board.

The Board is also registered as a charity (Unique Entity No: T08GB0037J) under the Charities Act (Chapter 37) since 16 September 2002.

The principal activities of the Board are:

- (a) to establish and maintain libraries, and provide library information services;
- (b) to promote reading and encourage learning through the use of libraries and their services;
- (c) to provide a repository for library materials published in Singapore;
- (d) to acquire and maintain a comprehensive collection of library materials relating to Singapore and its people;
- (e) to establish standards for the training of library personnel in Singapore;
- (f) to provide advisory and consultancy services concerning libraries and library information services;
- (g) to compile and maintain a national union catalogue and a national bibliography;
- (h) to advise the Government on national needs and policies in respect of matters relating to publicly-funded libraries and library information services in Singapore;
- (i) to provide a permanent repository of records of national or historical significance and to facilitate access to those records;
- (j) to conduct records management programmes for the Government; and
- (k) to record, preserve and disseminate the history of Singapore through oral history methodology or other means.

There have been no significant changes in the nature of these activities during the financial year.

The consolidated financial statements relate to the Group. The principal activities of the subsidiaries are disclosed in Note 9 to the financial statements.

National Library Board and its subsidiaries

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

2. Summary of significant accounting policies

2.1 *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 PSG Act, the NLB Act, Statutory Board Financial Reporting Standards ("SB-FRS"), including Interpretation of SB-FRS ("INT SB-FRS") and SB-FRS Guidance Notes.

2.2 *Adoption of new and revised standards*

Early adoption of amendment to SB-FRS 116 *Leases: COVID-19-Related Rent Concessions*

The Group has early adopted the Amendment to SB-FRS 116 *Leases: COVID-19-Related Rent Concessions* issued in June 2020, effective for annual period beginning on or after 1 April 2021. The Group has met all of the conditions to apply the practical expedient for rent concessions received during the year because of COVID-19.

As a result, rent concessions of \$161,852 (Note 8) and \$710,008 (Note 25) were adjusted against the relevant expenses in profit or loss for the year.

2.3 *Standards issued but not yet effective*

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

Description	Effective for annual periods beginning on or after
Amendments to SB-FRS 1 <i>Presentation of Financial Statements</i>	1 January 2022
Amendments to SB-FRS 1-1 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2022

Management has considered and is of the view that the adoption of the above standards that were issued as at the date of authorisation of these financial statements but not effective until future periods will have no material impact on the financial statements of the Group in the period of their initial adoption.

2.4 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Board 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 Board. 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 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.

National Library Board and its subsidiaries

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

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

2.5 *Foreign currency*

The financial statements are presented in Singapore Dollars ("SGD"), which is also the Board's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Board and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

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

2.6 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

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

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

Structural and development costs allocated under co-location projects for certain libraries are included under "shared building cost, building improvements, renovation and leasehold premises".

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

	<u>Useful lives</u>
Land leases and building	- 30 to 60 years
Motor vehicles	- 5 years
Shared building costs, building improvements, renovation and leasehold premises	- 5 years or lease period whichever is shorter
Furniture and fittings	- 5 years
Office equipment	- 5 years
Computer hardware and software	- 4 years

National Library Board and its subsidiaries

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

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

2.6 *Property, plant and equipment (cont'd)*

Works-of-art are not depreciated and are carried at cost less any accumulated impairment loss.

Projects-in-progress are not depreciated as these assets are not yet available for use.

Leased assets are depreciated over the shorter of the lease term or their useful lives unless it is reasonably certain that the Group will obtain ownership by end of the lease term.

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

The residual value, useful lives and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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

2.7 *Heritage assets*

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

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

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

Heritage reserves

Funds from government grants and cash donations used to procure heritage assets are recognised as income in accordance with Note 2.14 and Note 2.17(h) to the financial statements. When grants and cash donations are utilised to fund the acquisition of heritage assets, an amount equivalent to the cost of the heritage asset is transferred from the general funds or restricted funds to the heritage reserves.

Donations of heritage assets are recognised as revenue in accordance with Note 2.17(h) to the financial statements.

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

2.8 *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 are recognised in profit or loss.

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

2.9 *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group 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 Board's separate statement of financial position, investments in subsidiaries are accounted for at cost less impairment losses.

2.10 *Financial instruments*

(a) *Financial assets*

Initial recognition and measurement

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

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

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

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

2.10 *Financial instruments (cont'd)*

(a) *Financial assets (cont'd)*

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The measurement categories for classification of the Group's instruments are:

(i) Amortised cost

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

(ii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. Gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income ("OCI"). Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

Derivatives

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

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

National Library Board and its subsidiaries

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

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

2.10 *Financial instruments (cont'd)*

(a) *Financial assets (cont'd)*

De-recognition

A financial asset is de-recognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) *Financial liabilities*

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

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

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On de-recognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

National Library Board and its subsidiaries

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

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

2.11 *Impairment of financial assets*

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

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

For trade receivables and receivables from book fines and lost book charges, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.12 *Cash and cash equivalents*

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

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

National Library Board and its subsidiaries

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

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

2.13 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

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

Provision for restoration costs

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

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

2.14 Government grants

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

Government grants received by the Group to meet the current year's operating expenses are recognised by the Group as income in the year these operating expenses are incurred. Other government grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

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

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

National Library Board and its subsidiaries

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

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

2.15 *Employee benefits*

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

(a) *Defined contribution plans*

Payments to the Central Provident Fund scheme in Singapore, a defined contribution plan, are recognised as an expense in the period in which the related service is performed.

(b) *Defined benefit plans*

The Group operates unfunded defined benefit schemes for certain employees under the provisions of the Pensions Act (Chapter 225).

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

The liability recognised in the statement of financial position in respect of a defined benefit pension plan is the present value of the defined benefit obligation at the reporting date together with adjustments for unrecognised past-service costs.

The defined benefit obligation is calculated by independent professional actuaries using the projected unit credit method. During the financial year, the Group changed the frequency of the calculation of the defined benefit obligation from once every two years to once every three years due to the dwindling number of active pensioners.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using yield of 10-year government bonds with tenures approximating to that of the related post-employment benefit obligations.

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

Past service costs are recognised immediately in profit or loss.

(c) *Short-term benefits*

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

(d) *Employee leave entitlements*

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

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

2.16 Leases

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

(a) Where the Group is the lessee

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

Right-of-use (“ROU”) assets

The Group recognises ROU assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The Group will estimate the cost incurred to dismantle and remove the underlying asset, restore the site on which the asset is located or restore the underlying asset to the condition required by the terms and conditions of the lease. This amount is included within “shared building costs, building improvements, renovation and leasehold premises”, presented within property, plant and equipment as set out in Note 8 to the financial statements.

ROU assets are depreciated on a straight-line basis over the estimated useful lives of the assets as set out in Note 2.6 to the financial statements.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The ROU assets are also subjected to impairment in accordance with the accounting policy set out in Note 2.8 to the financial statements.

The Group’s ROU assets are presented within property, plant and equipment set out in Note 8 to the financial statements.

National Library Board and its subsidiaries

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

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

2.16 Leases (cont'd)

(a) *Where the Group is the lessee (cont'd)*

Lease liabilities

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

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

The Group's lease liabilities are included in trade and other payables set out in Note 15 to the financial statements.

Short-term leases and leases of low-value assets

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

COVID-19-related rent concessions

The Group has early adopted the Amendment to SB-FRS 116 *Leases: COVID-19-Related Rent Concessions*. The Group applies the practical expedient for rent concessions received during the year because of COVID-19 and adjusted these rent concessions against the relevant expenses in profit or loss.

National Library Board and its subsidiaries

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

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

2.16 Leases (cont'd)

(b) *Where the Group is the lessor*

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income in the statement of comprehensive income. The accounting policy for rental income is set out in Note 2.17(c) to the financial statements.

2.17 Revenue recognition

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

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

(a) *Consultancy and other services*

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

(b) *Professional library services*

Professional library services are rendered to government ministries, statutory boards and other commercial entities and the income is recognised when the services are rendered based on rates specified in the respective service agreements.

(c) *Rental income*

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

(d) *Book fines and lost book charges*

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

(e) *Interest income*

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

(f) *Library services and programmes*

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

National Library Board and its subsidiaries

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

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

2.17 Revenue recognition (cont'd)

(g) **Membership fees**

Membership fees include one-time registration fees for permanent residents, registration and annual membership fees for foreigners and premium plus annual membership fees. These fees are non-refundable and are accounted for upon membership issuance.

(h) **Donations**

Donations (cash or in kind) received are recognised as income upon receipt. For donations received with attached conditions, income is not recognised but deferred until certainty exists that the conditions imposed can be met.

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

2.18 Taxes

The Group is tax-exempted under the provisions of the Income Tax Act (Chapter 134) except for one of its subsidiaries, which is subjected to local income tax legislation.

(a) **Current income tax**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

Current income taxes are recognised in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) **Deferred tax**

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes except when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax liabilities are recognised for all temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

National Library Board and its subsidiaries

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

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

2.18 Taxes (cont'd)

(b) *Deferred tax (cont'd)*

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 profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

(c) *Sales tax*

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

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

2.19 Funds

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

(i) *General funds*

Income and expenditure relating to the main activities of the Group and the Board are accounted for as "General Funds" in the statements of comprehensive income.

(ii) *Restricted funds*

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

National Library Board and its subsidiaries

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

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

2.20 *Expenditure on books, periodicals, films and serials*

Expenditure on books, periodicals, films and serials are charged to profit or loss in the year of purchase, except when the items purchased are rare books or other rare materials that are accounted for as heritage assets in accordance with Note 2.7 to the financial statements and separately disclosed in Note 6 to the financial statements.

2.21 *Equity financing account*

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

Dividends paid or payable to the Minister of Finance, the ultimate shareholder and a body incorporated by the Minister for Finance (Incorporation) Act (Chapter 183), are recognised when the dividends are approved for payment by the Board.

2.22 *Offsetting of financial instruments*

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when there is a legally enforceable right to offset the asset and the liability and when there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3. Significant accounting judgements and estimates

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

3.1 *Judgements made in applying accounting policies*

Management is of the opinion that there is no significant judgement made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

National Library Board and its subsidiaries

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

3. Significant accounting judgements and estimates (cont'd)

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) *Provision for expected credit losses of book fines and lost book charges*

The Group uses a provision matrix to calculate expected credit losses ("ECLs") for potential uncollectible book fines and lost book charges. The provision rates are based on factors that affect the collectability of the accounts including but not limited to aging of the outstanding arrears and historical payment patterns of the patrons.

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs involves estimation.

The amount of ECLs is sensitive to changes in circumstances and of forecasted economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's book fines and lost book charges is disclosed in Note 28(a) to the financial statements.

The carrying amount of the Group's book fines and lost book charges is as disclosed in Note 12 to the financial statements.

(b) *Provision for retirement benefits*

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

The valuation of the retirement benefits is determined using the projected unit credit method.

The annual contribution to the pension plan consists of payments covering the current service cost for the financial year and payments towards funding the actuarial accrued liability. Further details about the assumptions used are provided in Note 16 to the financial statements.

National Library Board and its subsidiaries

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

4. Capital account

		Group and Board	
	Note	2020/2021	2019/2020
		\$	\$
Establishment account		10,334,137	10,334,137
Equity financing account	5	650,751,749	635,421,899
		<u>661,085,886</u>	<u>645,756,036</u>

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

The equity financing account comprises equity injections by the MOF in its capacity as the shareholder under the debt-equity framework for statutory boards, implemented with effect from 1 September 2004. It also includes equity injection for Sinking Fund received for the purpose of replacement of fixed assets held by the Board and additional funds are placed with the Group’s appointed fund managers to make investments in accordance with the Group’s investment policy. Under this framework, capital projects will be partially funded by the MOF as equity injection, and the balance through general funds.

Capital management

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

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

5. Equity financing account

		Group and Board			
	Note	2020/2021	2019/2020	2020/2021	2019/2020
		Number of shares		\$	\$
Issued:					
At 1 April		635,421,899	602,955,826	635,421,899	602,955,826
Issued during the year		15,329,850	32,466,073	15,329,850	32,466,073
At 31 March	4	<u>650,751,749</u>	<u>635,421,899</u>	<u>650,751,749</u>	<u>635,421,899</u>

During the financial year, the Minister for Finance injected equity amounting to \$15,329,850 (2019/2020: \$32,466,073) of which \$8,863,853 (2019/2020: \$27,346,828) was received. The balance was received by the Board subsequent to year-end.

The holder of ordinary shares (at \$1 each), the Minister for Finance, is entitled to dividends as declared by the Board from time to time if the Board recognises an accounting surplus.

National Library Board and its subsidiaries

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

6. Heritage reserves and assets

	Group and Board	
	2020/2021	2019/2020
	\$	\$
Heritage reserves		
At 1 April	18,967,985	18,299,168
Movements during the financial year		
- Transferred from operating grants	209,005	630,910
- Transferred from general funds	108,182	37,907
	317,187	668,817
At 31 March	19,285,172	18,967,985
Heritage assets		
At 1 April	18,967,985	18,299,168
Movements during the financial year		
- Donations in kind	108,182	37,907
- Funded by operating grants	119,842	468,909
- Processing fees	89,163	162,001
	317,187	668,817
At 31 March	19,285,172	18,967,985

7. Accumulated surplus

(a) **General funds**

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

(b) **Restricted funds**

The Group's restricted funds comprise donations to The Library Fund ("TLF") and other donations and funds received for specific purposes for which there are restrictions on the Group in relation to the application of those funds. These include specific donations received for programmes.

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

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

National Library Board and its subsidiaries

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

7. Accumulated surplus (cont'd)

(b) *Restricted funds (cont'd)*

The use of the moneys under TLF is restricted to purposes specified in the trust deed and requires the approval of the trustees of TLF.

The Board of Trustees of TLF comprises the Chairman and members of the Board and staff trustees. The objectives of TLF are:

- (i) To support performance of any of the functions of the National Library Board as set out under Sections 6, 14A and 14J of the National Library Board Act (Chapter 197); and
- (ii) To exercise any of the powers of the National Library Board under section 7 of the National Library Board Act (Chapter 197).

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

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

The key projects funded under TLF in the current financial year comprise mainly the following:

Name of projects	Purpose
Library @ Chinatown	The library was set up and operated with donations from Kwan Im Thong Hood Cho Temple and CPI Pte Ltd, then owner of Chinatown Point Retail. It carries a collection of books and audio visual materials on Chinese arts and culture largely in Chinese and English.
Biodiversity Exhibition	This exhibition aims to create public awareness and interest in Singapore and Southeast Asian content through a showcase of National Library's collections. Through programs and open access to digitise biodiversity heritage material, the exhibition also aims to educate the public on the rich biodiversity heritage of Singapore and the region as well as present-day biodiversity conservation efforts.

National Library Board and its subsidiaries

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

7. Accumulated surplus (cont'd)

(b) *Restricted funds (cont'd)*

Name of projects	Purpose
Mini MOLLYs	The two mini mobile library buses were set up and operated with donations from Kwan Im Thong Hood Cho Temple. It brings the library experience to children in childcare centres and kindergartens.
Big MOLLY	The big mobile library bus was set up and operated with donations from Kwan Im Thong Hood Cho Temple. It brings the library experience to those in special needs schools, homes and orphanages, welfare homes and lower income groups.

(c) *Donations*

During the financial year, TLF received cash donations amounting to \$1,501,473 (2019/2020: \$1,474,248) of which \$1,258,846 (2019/2020: \$692,055) were accounted as deferred income in accordance with SB-FRS 1001 Accounting and Disclosure for Non-Exchange Revenue. The deferred income represents unutilised donations available for use in the following financial year.

Donations received relate to tax-deductible and non-tax deductible donations for TLF amounting to \$1,501,473 (2019/2020: \$1,473,848) and \$135 (2019/2020: \$400) respectively.

	Group and Board	
	2020/2021	2019/2020
	\$	\$
Reconciliation of deferred income		
At 1 April	692,055	476,741
Donations received during the financial year	1,501,473	1,474,248
Less: Donation income received during the financial year	(934,682)	(1,258,934)
At 31 March	1,258,846	692,055

National Library Board and its subsidiaries

**Notes to the financial statements
For the financial year ended 31 March 2021**

7. Accumulated surplus (cont'd)

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

Group and Board	Endowment Fund		Other funds		Total	
	2020/2021 \$	2019/2020 \$	2020/2021 \$	2019/2020 \$	2020/2021 \$	2019/2020 \$
Income						
Interest income	3,496	7,100	65,138	142,635	68,634	149,735
Investment income	1,602,577	400,305	273,611	68,345	1,876,188	468,650
Donations	–	–	934,682	1,258,934	934,682	1,258,934
	1,606,073	407,405	1,273,431	1,469,914	2,879,504	1,877,319
Expenditure						
Manpower and staff welfare	–	–	(70,926)	(11,752)	(70,926)	(11,752)
Depreciation of property, plant and equipment	–	–	(496,729)	(584,105)	(496,729)	(584,105)
Books, periodicals, films and serials	–	–	(104,080)	(127,837)	(104,080)	(127,837)
General and administrative expenses	–	–	(526,368)	(411,317)	(526,368)	(411,317)
Maintenance and other property expenses	–	–	(295,523)	(323,424)	(295,523)	(323,424)
Rental expenses	–	–	(639)	(798)	(639)	(798)
Agency and other professional fees	(178,261)	(173,829)	(461,511)	(201,215)	(639,772)	(375,044)
Information technology expenses	–	–	(188,074)	(188,888)	(188,074)	(188,888)
Other expenses	–	–	(67,520)	(68,491)	(67,520)	(68,491)
	(178,261)	(173,829)	(2,211,370)	(1,917,827)	(2,389,631)	(2,091,656)
Surplus/(deficit) for the financial year	1,427,812	233,576	(937,939)	(447,913)	489,873	(214,337)
Total comprehensive income for the financial year	1,427,812	233,576	(937,939)	(447,913)	489,873	(214,337)
Accumulated surplus at 1 April	43,436,144	43,202,568	21,545,204	21,993,117	64,981,348	65,195,685
Accumulated surplus at 31 March	44,863,956	43,436,144	20,607,265	21,545,204	65,471,221	64,981,348
Heritage reserves at 31 March	–	–	444,044	444,044	444,044	444,044
Total capital and accumulated surplus	44,863,956	43,436,144	21,051,309	21,989,248	65,915,265	65,425,392
Represented by:						
Property, plant and equipment	–	–	7,655,129	8,151,858	7,655,129	8,151,858
Heritage assets	–	–	444,044	444,044	444,044	444,044
Investment securities at fair value through profit or loss	41,536,084	40,452,806	7,091,538	6,906,586	48,627,622	47,359,392
Cash and cash equivalents	2,950,735	52,260	7,563,667	6,685,488	10,514,402	6,737,746
Trade and other receivables	330,509	2,898,515	98,187	567,622	428,696	3,466,137
Derivative financial instruments	51,721	85,457	8,830	14,590	60,551	100,047
Trade and other payables	(5,093)	(52,894)	(1,810,086)	(780,940)	(1,815,179)	(833,834)
	44,863,956	43,436,144	21,051,309	21,989,248	65,915,265	65,425,392

National Library Board and its subsidiaries

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

8. Property, plant and equipment

Group	Land leases and building \$	Motor vehicles \$	Shared building costs, building improvements, renovation and leasehold premises \$	Furniture and fittings \$	Office equipment \$	Computer hardware and software \$	Works- of-art \$	Projects-in- progress \$	Total \$
Cost									
At 31 March 2019 and 1 April 2019 (as previously stated)	249,935,889	1,172,297	303,200,422	18,424,822	28,431,435	136,856,841	4,609,450	36,419,898	779,051,054
Recognition of ROU assets on initial application of SB-FRS 116 (Note 25)	–	–	32,246,011	–	–	–	–	–	32,246,011
At 1 April 2019 (as restated)	249,935,889	1,172,297	335,446,433	18,424,822	28,431,435	136,856,841	4,609,450	36,419,898	811,297,065
Additions	–	–	23,578,658	602,220	2,307,297	6,993,646	–	26,416,928	59,898,749
Disposals/write-offs	–	–	(2,172,501)	(380,040)	(1,004,144)	(18,594,901)	(42,000)	–	(22,193,586)
Adjustments	–	–	(9,111,500)	–	–	–	–	–	(9,111,500)
Transfers	–	–	26,808,414	–	–	1,398,765	–	(28,207,179)	–
At 31 March 2020 and 1 April 2020	249,935,889	1,172,297	374,549,504	18,647,002	29,734,588	126,654,351	4,567,450	34,629,647	839,890,728
Additions	–	–	17,028,764	304,231	53,975	3,413,122	–	13,297,550	34,097,642
Disposals/write-offs	–	–	(7,774,352)	(273,903)	(3,457,326)	(22,254,224)	–	–	(33,759,805)
Transfers	–	–	–	–	–	2,381,373	–	(2,381,373)	–
At 31 March 2021	249,935,889	1,172,297	383,803,916	18,677,330	26,331,237	110,194,622	4,567,450	45,545,824	840,228,565
Accumulated depreciation									
At 1 April 2019	80,760,714	928,425	205,007,835	16,837,904	17,613,087	101,750,840	–	–	422,898,805
Depreciation for the financial year	5,035,957	126,828	45,990,908	459,469	3,499,573	14,440,949	–	–	69,553,684
Disposals/write-offs	–	–	(2,165,061)	(376,817)	(937,207)	(18,583,162)	–	–	(22,062,247)
At 31 March 2020 and 1 April 2020	85,796,671	1,055,253	248,833,682	16,920,556	20,175,453	97,608,627	–	–	470,390,242
Depreciation for the financial year	5,035,957	117,044	63,773,316	455,179	3,431,809	14,067,079	–	–	86,880,384
Disposals/write-offs	–	–	(7,774,352)	(273,903)	(3,420,016)	(22,254,224)	–	–	(33,722,495)
At 31 March 2021	90,832,628	1,172,297	304,832,646	17,101,832	20,187,246	89,421,482	–	–	523,548,131
Net book value									
At 31 March 2020	164,139,218	117,044	125,715,822	1,726,446	9,559,135	29,045,724	4,567,450	34,629,647	369,500,486
At 31 March 2021	159,103,261	–	78,971,270	1,575,498	6,143,991	20,773,140	4,567,450	45,545,824	316,680,434

National Library Board and its subsidiaries

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

8. Property, plant and equipment (cont'd)

	Land leases and building \$	Motor vehicles \$	Shared building costs, building improvements, renovation and leasehold premises \$	Furniture and fittings \$	Office equipment \$	Computer hardware and software \$	Works- of-art \$	Projects-in- progress \$	Total \$
Board									
Cost									
At 31 March 2019 and 1 April 2019 (as previously stated)	249,935,889	1,172,297	303,090,277	18,424,822	28,416,569	136,451,770	4,609,450	36,419,898	778,520,972
Recognition of ROU assets on initial application of SB-FRS 116 (Note 25)	-	-	32,246,011	-	-	-	-	-	32,246,011
At 1 April 2019 (as restated)	249,935,889	1,172,297	335,336,288	18,424,822	28,416,569	136,451,770	4,609,450	36,419,898	810,766,983
Additions	-	-	23,578,658	602,220	2,307,297	6,969,201	-	26,416,928	59,874,304
Disposals/write-offs	-	-	(2,172,501)	(380,040)	(1,004,144)	(18,594,901)	(42,000)	-	(22,193,586)
Adjustments	-	-	(9,111,500)	-	-	-	-	-	(9,111,500)
Transfers	-	-	26,808,414	-	-	1,398,765	-	(28,207,179)	-
At 31 March 2020 and 1 April 2020	249,935,889	1,172,297	374,439,359	18,647,002	29,719,722	126,224,835	4,567,450	34,629,647	839,336,201
Additions	-	-	17,028,764	304,231	53,975	3,253,837	-	13,297,550	33,938,357
Disposals/write-offs	-	-	(7,774,352)	(273,903)	(3,457,326)	(22,254,224)	-	-	(33,759,805)
Transfers	-	-	-	-	-	2,381,373	-	(2,381,373)	-
At 31 March 2021	249,935,889	1,172,297	383,693,771	18,677,330	26,316,371	109,605,821	4,567,450	45,545,824	839,514,753
Accumulated depreciation									
At 1 April 2019	80,760,714	928,425	204,971,120	16,837,904	17,602,168	101,515,435	-	-	422,615,766
Depreciation for the financial year	5,035,957	126,828	45,917,479	459,469	3,497,148	14,338,178	-	-	69,375,059
Disposals/write-offs	-	-	(2,165,061)	(376,817)	(937,207)	(18,583,162)	-	-	(22,062,247)
At 31 March 2020 and 1 April 2020	85,796,671	1,055,253	248,723,538	16,920,556	20,162,109	97,270,451	-	-	469,928,578
Depreciation for the financial year	5,035,957	117,044	63,773,316	455,179	3,430,285	13,997,766	-	-	86,809,547
Disposals/write-offs	-	-	(7,774,352)	(273,903)	(3,420,016)	(22,254,224)	-	-	(33,722,495)
At 31 March 2021	90,832,628	1,172,297	304,722,502	17,101,832	20,172,378	89,013,993	-	-	523,015,630
Net book value									
At 31 March 2020	164,139,218	117,044	125,715,821	1,726,446	9,557,613	28,954,384	4,567,450	34,629,647	369,407,623
At 31 March 2021	159,103,261	-	78,971,269	1,575,498	6,143,993	20,591,828	4,567,450	45,545,824	316,499,123

National Library Board and its subsidiaries

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

8. Property, plant and equipment (cont'd)

- (a) Right-of-use assets arising from leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are set out in Note 25 to the financial statements.
- (b) During the financial year, management performed a re-assessment to determine the current best estimate of the restoration costs for the Group's libraries, office and other premises. Following the re-assessment, the provision for restoration costs was increased by \$12,092,158 (2019/2020: reduced by \$9,111,500) and adjusted against the cost of the shared building, building improvements, renovation and leasehold premises, and the depreciation charge thereon is adjusted prospectively.
- (c) The depreciation charged as presented in the consolidated statement of income recorded amounted to \$86,718,532. This amount is net of the rental waivers received from landlords which amounted to \$161,852.

9. Investments in subsidiaries

	Board	
	2020/2021	2019/2020
	\$	\$
Unquoted ordinary shares, at cost	506	506

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal activities	Place of incorporation	Effective equity interest held		Cost of investment	
			2020/2021 %	2019/2020 %	2020/2021 \$	2019/2020 \$
Library & Archives Solutions Pte. Ltd. ^[1]	Provision of library management and consultancy services	Singapore	100	100	1	1
Asian Film Archive ^[1]	Preservation of film heritage of Singapore and Asia	Singapore	100	100	505	505

^[1] Audited by Ernst & Young LLP, Singapore.

National Library Board and its subsidiaries

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

10. Investment securities at fair value through profit or loss

		Group and Board	
	Note	2020/2021	2019/2020
		\$	\$
Quoted debt securities managed by fund managers			
- Fixed interest rates	23	41,136,280	44,208,284
Quoted equity securities managed by fund manager	23	7,491,342	3,151,111
Quoted unit trusts	23	439,568,768	401,153,095
		<hr/>	<hr/>
		488,196,390	448,512,490
		<hr/>	<hr/>
Total investment securities at fair value through profit or loss		488,196,390	448,512,490
Add: Derivative financial instruments	13	60,551	100,047
		<hr/>	<hr/>
Total financial assets at fair value through profit or loss		488,256,941	448,612,537
		<hr/>	<hr/>

The quoted debt securities managed by fund managers earned fixed interest rates ranging from 1.25% to 4.75% (2019/2020: 1.55% to 4.75%) per annum as at the balance sheet date. Interest was received on a semi-annual basis. The maturity dates ranged from April 2021 to April 2022 (2019/2020: May 2020 to April 2022).

There were no transfers between Level 1 and 2 during the financial years ended 31 March 2021 and 2020.

National Library Board and its subsidiaries

**Notes to the financial statements
For the financial year ended 31 March 2021**

11. Trade and other receivables

	Note	Group		Board	
		2020/2021 \$	2019/2020 \$	2020/2021 \$	2019/2020 \$
Trade receivables from:					
- Non-related parties		406,811	943,635	320,653	566,050
- Subsidiaries		–	–	231,883	–
Trade receivables-net		406,811	943,635	552,536	566,050
Grant receivables	20	–	21,033,950	–	21,033,950
Equity funding receivables		6,465,997	5,119,245	6,465,997	5,119,245
Deposits		623,725	622,330	618,625	614,230
Book fines and lost book charges	12	577,796	548,547	577,796	548,547
Accrued receivables		249,609	305,305	152,951	287,171
Other receivables		43,276	–	–	–
Interest, dividend and other receivables relating to investment transactions		556,347	4,409,245	555,430	4,370,173
Prepayments		2,933,221	1,983,663	2,661,301	1,911,885
Total trade and other receivables		11,856,782	34,965,920	11,584,636	34,451,251
Add: Cash and cash equivalents	14(a)	150,519,108	117,708,552	146,556,170	115,108,203
Less: Grant receivables	20	–	(21,033,950)	–	(21,033,950)
Less: Equity funding receivables		(6,465,997)	(5,119,245)	(6,465,997)	(5,119,245)
Less: Prepayments		(2,933,221)	(1,983,663)	(2,661,301)	(1,911,885)
Total financial assets carried at amortised cost		152,976,672	124,537,614	149,013,508	121,494,374

Impairment losses

The aging of trade, grant and equity funding receivables at the balance sheet date is as follows:

	Group		Board	
	2020/2021 \$	2019/2020 \$	2020/2021 \$	2019/2020 \$
Not past due	6,712,095	21,874,127	6,940,683	21,600,000
Past due for less than 30 days	160,920	5,222,703	78,057	5,119,245
Past due for 30 to 60 days	10,938	–	10,938	–
Past due for 61 to 90 days	10,938	–	10,938	–
Past due for 91 to 120 days	10,938	–	10,938	–
	6,905,829	27,096,830	7,051,554	26,719,245
Less: Allowance for expected credit losses	(33,021)	–	(33,021)	–
	6,872,808	27,096,830	7,018,533	26,719,245

National Library Board and its subsidiaries

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

11. Trade and other receivables (cont'd)

Debtors included in the above table mainly consist of government statutory boards or debtors that have good payment records with the Group. During the financial year, management has recorded an allowance of \$33,021 (2019/2020: \$Nil) in relation to rental receivable from a certain tenant.

Apart from the abovementioned, management has assessed that the loss allowance provision as at 31 March 2021 and 2020 on the above trade, grant and equity funding receivables is negligible as the Group has no significant default in these receivables based on historical experience.

12. Book fines and lost book charges

	Group and Board	
	2020/2021	2019/2020
	\$	\$
Book fines and lost book charges	5,528,890	5,670,074
Less: Allowance for expected credit losses on book fines and lost book charges	(4,951,094)	(5,121,527)
	<u>577,796</u>	<u>548,547</u>

Allowance for expected credit losses on book fines and lost book charges

The allowance for expected credit losses ("ECLs") on book fines and lost book charges represents the lifetime ECLs computed using the simplified approach. The allowance is determined based on a provision matrix based on the historical observed default rate and payment pattern of patrons.

Movements in allowance for ECLs on book fines and lost book charges are as follows:

	Group and Board	
	2020/2021	2019/2020
	\$	\$
At 1 April	5,121,527	5,217,331
Charge for the financial year	402,361	467,395
Allowance utilised	(572,794)	(563,199)
At 31 March	<u>4,951,094</u>	<u>5,121,527</u>

National Library Board and its subsidiaries

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

12. Book fines and lost book charges (cont'd)

The aging of book fines and lost book charges at the balance sheet date is as follows:

	Group and Board	
	2020/2021	2019/2020
	\$	\$
Gross amounts:		
Past due for 1 to 90 days	473,078	347,480
Past due for 91 to 180 days	243,511	286,851
Past due for 181 to 270 days	175,857	194,192
Past due for 271 to 365 days	38,307	199,823
Past due for more than 365 days	4,598,137	4,641,728
	<hr/>	<hr/>
	5,528,890	5,670,074
Less: Allowance for expected credit losses on book fines and lost book charges	(4,951,094)	(5,121,527)
	<hr/>	<hr/>
	577,796	548,547
	<hr/>	<hr/>

The ECLs on book fines and lost book charges are estimated based on the Group's historical loss rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors which may affect the patrons' ability to pay. The Group has identified the gross domestic product of Singapore to be the most relevant factor in its determination of ECLs.

Information about the book fines and lost book charges as well as the ECLs provided by the Group and the Board is summarised below:

Group and Board	2020/2021		2019/2020	
	Gross carrying amount	Loss allowance provision	Gross carrying amount	Loss allowance provision
	\$	\$	\$	\$
Past due for 1 to 90 days	473,078	212,885	347,480	156,366
Past due for 91 to 180 days	243,511	150,977	286,851	177,847
Past due for 181 to 270 days	175,857	138,927	194,192	153,411
Past due for 271 to 365 days	38,307	34,093	199,823	177,843
Past due for more than 365 days	4,598,137	4,414,212	4,641,728	4,456,060
	<hr/>	<hr/>	<hr/>	<hr/>
Total	5,528,890	4,951,094	5,670,074	5,121,527
	<hr/>	<hr/>	<hr/>	<hr/>

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

National Library Board and its subsidiaries

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

13. Derivative financial instruments

	Contract notional amount \$	Group and Board Fair value	
		Assets \$	Liabilities \$
2020/2021			
Currency swaps	48,610,827	60,551	–
2019/2020			
Currency swaps	64,006,623	100,047	–

Currency swaps are entered into by the fund managers to hedge highly probable forecasted transactions which are denominated in foreign currencies and expected to occur at various dates within one month (2019/2020: one month) from the balance sheet date.

14. Cash and bank balances Restricted cash and deposits

(a) *Cash and bank balances*

	Group		Board	
	2020/2021 \$	2019/2020 \$	2020/2021 \$	2019/2020 \$
Cash at bank and on hand	149,151,700	116,393,806	146,556,170	115,108,203
Fixed deposits	1,367,408	1,314,746	–	–
Total cash and bank balances	150,519,108	117,708,552	146,556,170	115,108,203

Cash and bank balances comprise cash and fixed deposits held by the Group, which includes bank balances of \$143,154,540 (2019/2020: \$117,244,217) held by Accountant-General's Department ("AGD") under the Government's Centralised Liquidity Management Framework for Statutory Boards. The carrying amounts of these assets approximate their fair values.

The fixed deposits are placed with financial institutions and mature on varying dates of less than twelve months (2019/2020: less than twelve months) from the balance sheet date. The weighted average effective interest rate related to fixed deposits at financial year-end is 0.6% (2019/2020: 1.0%) per annum. Interest rates are re-priced at intervals of one to six months, upon roll over of fixed deposits on maturity.

National Library Board and its subsidiaries

**Notes to the financial statements
For the financial year ended 31 March 2021**

**14. Cash and bank balances (cont'd)
Restricted cash and deposits (cont'd)**

(a) Cash and bank balances

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

	Note	Group 2020/2021 \$	Group 2019/2020 \$
Cash and bank balances (as above)		150,519,108	117,708,552
Less: Cash balances managed by fund manager	23	(3,057,715)	–
Cash and cash equivalents per consolidated statement of cash flows		<u>147,461,393</u>	<u>117,708,552</u>

(b) Restricted cash and deposits

As at 31 March 2021, a subsidiary of the Group provided a banker's guarantee to an external party for the performance of a sales contract. The banker's guarantee is secured by bank deposits amounting to \$503,974 (2019/2020: \$484,855). These cash and deposits are restricted for use for at least the next 24 months.

National Library Board and its subsidiaries

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

15. Trade and other payables

	Note	Group		Board	
		2020/2021 \$	2019/2020 \$	2020/2021 \$	2019/2020 \$
Current:					
Trade payables		4,996,631	7,526,806	4,994,680	7,525,160
Accrued operating expenses		26,354,082	34,269,470	25,964,536	34,595,537
Provision for restoration costs		21,986,712	9,894,554	21,968,712	9,876,554
Retention payable		1,002,605	793,324	1,002,605	793,324
Receipts-in-advance		304,487	349,971	277,923	328,396
Deferred income	7(c)	1,258,846	692,055	1,258,846	692,055
Security and other deposits		1,037,255	1,073,132	1,037,255	1,073,132
Other payables relating to investment transactions		5,963	61,925	5,963	61,925
Other payables to non-related parties		2,011,137	182,543	1,786,785	36,813
Lease liabilities	25	10,144,455	10,319,793	10,144,455	10,319,793
		69,102,173	65,163,573	68,441,760	65,302,689
Non-current:					
Lease liabilities	25	28,767,203	34,409,743	28,767,203	34,409,743
Total trade and other payables		97,869,376	99,573,316	97,208,963	99,712,432
Less: Provision for restoration costs		(21,986,712)	(9,894,554)	(21,968,712)	(9,876,554)
Less: Receipts-in-advance		(304,487)	(349,971)	(277,923)	(328,396)
Less: Deferred income	7(c)	(1,258,846)	(692,055)	(1,258,846)	(692,055)
Total financial liabilities carried at amortised cost		74,319,331	88,636,736	73,703,482	88,815,427

Trade payables are normally settled on 30 to 60 days terms.

Deferred income represents the unutilised donations as at 31 March 2021 available for use in the following financial year. Details of the deferred income are disclosed in Note 7(c) to the financial statements.

Movement in the provision for restoration costs are as follows:

	Group		Board	
	2020/2021 \$	2019/2020 \$	2020/2021 \$	2019/2020 \$
At 1 April	9,894,554	19,400,404	9,876,554	19,382,404
Provision/ (write-back) made during the year (Note 8(b))	12,092,158	(9,111,500)	12,092,158	(9,111,500)
Utilisation during the year	–	(394,350)	–	(394,350)
At 31 March	21,986,712	9,894,554	21,968,712	9,876,554

National Library Board and its subsidiaries

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

15. Trade and other payables (cont'd)

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

	1 April 2020 \$	Cash flows			Non-cash changes			31 March 2021 \$
		Principal paid \$	Interest paid \$	Additions \$	Accretion of interests \$	Reclassifications \$	Rent concessions \$	
Lease liabilities								
- Current	10,319,793	(10,260,791)	(1,276,171)	102,850	1,276,171	10,144,455	(161,852)	10,144,455
- Non-current	34,409,743	-	-	4,501,915	-	(10,144,455)	-	28,767,203
	44,729,536	(10,260,791)	(1,276,171)	4,604,765	1,276,171	-	(161,852)	38,911,658

	1 April 2019 \$	Cash flows			Non-cash changes			31 March 2020 \$
		Principal paid \$	Interest paid \$	Additions \$	Accretion of interests \$	Reclassifications \$		
Lease liabilities								
- Current	4,314,154	(7,927,727)	(1,344,150)	3,613,573	1,344,150	10,319,793	10,319,793	
- Non-current	27,931,857	-	-	16,797,679	-	(10,319,793)	34,409,743	
	32,246,011	(7,927,727)	(1,344,150)	20,411,252	1,344,150	-	44,729,536	

National Library Board and its subsidiaries

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

16. Provision for retirement benefits

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

During the financial year, the Group changed the frequency of the calculation of the defined benefit obligation from once every two years to once every three years due to the dwindling number of active pensioners. The present value of unfunded obligations is recognised based on the last actuarial valuation performed by Milliman Private Limited in 2018/2019.

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

	Group and Board	
	2020/2021	2019/2020
	\$	\$
Present value of unfunded obligations	4,910,778	4,976,292
Comprised:		
- Current provision	216,013	210,275
- Non-current provision	4,694,765	4,766,017
	4,910,778	4,976,292

The weighted average duration of the defined benefit obligations is 10 years (2019/2020: 11 years).

(a) *Movements in defined benefit obligations*

	Group and Board	
	2020/2021	2019/2020
	\$	\$
At 1 April	4,976,292	5,350,697
Current service costs and interest costs	108,268	112,906
Retirement benefits paid	(173,782)	(487,311)
At 31 March	4,910,778	4,976,292

(b) *Amounts charged to profit or loss*

	Group and Board	
	2020/2021	2019/2020
	\$	\$
Interest costs	108,268	112,906

National Library Board and its subsidiaries

**Notes to the financial statements
For the financial year ended 31 March 2021**

16. Provision for retirement benefits (cont'd)

(c) *Principal actuarial assumptions used*

	Group and Board	
	2020/2021	2019/2020
	%	%
Discount rate	2.2	2.2
Future salary increment	1	1

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

	Group and Board	
	2020/2021	2019/2020
	%	%
Female	0.234	0.234
Male	0.402	0.402

This means that out of 10,000 pensioners, it is assumed that 23 females and 40 males will pass on before their 60th birthday (2019/2020: 23 females and 40 males).

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

The sensitivity of the provision for retirement benefits to changes in the principal actuarial assumptions is as follows:

	Group and Board	
	Impact on provision for retirement benefits	
	2020/2021	2019/2020
	\$	\$
Discount rate		
- 0.5% (2019/2020: 0.5%) increase	(238,944)	(256,621)
- 0.5% (2019/2020: 0.5%) decrease	260,094	279,942
Future salary increment		
- 0.5% (2019/2020: 0.5%) increase	11,955	11,698
- 0.5% (2019/2020: 0.5%) decrease	(11,835)	(11,580)
Life expectancy		
- 1 year increase	157,777	154,622
- 1 year decrease	(162,291)	(159,083)

National Library Board and its subsidiaries

**Notes to the financial statements
For the financial year ended 31 March 2021**

16. Provision for retirement benefits (cont'd)

(c) **Principal actuarial assumptions used (cont'd)**

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

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

(d) **Historical information**

	← Group and Board →				
	2020/2021	2019/2020	2018/2019	2017/2018	2016/2017
	\$	\$	\$	\$	\$
Present value of unfunded obligations	4,910,778	4,976,292	5,350,697	5,689,265	5,747,656

17. Development grants received in advance

	Note	Group and Board	
		2020/2021	2019/2020
		\$	\$
At 1 April		3,774	29,250
Development grants received during the financial year		–	14,926
		3,774	44,176
Less:			
Amounts transferred from deferred capital grants	18	–	1
Amounts transferred to operating grants		(3,774)	(40,403)
At 31 March		–	3,774

National Library Board and its subsidiaries

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

18. Deferred capital grants

	Note	Group and Board 2020/2021 \$	2019/2020 \$
At 1 April		178,263,122	186,028,943
Amounts transferred to development grants	17	–	(1)
Amounts transferred from operating grants	20	1,936,031	5,766,073
		180,199,153	191,795,015
Less: Deferred capital grants amortised during the financial year		(12,035,418)	(13,531,893)
At 31 March		168,163,735	178,263,122
Comprised:			
Current balances		10,018,084	11,739,611
Non-current balances		158,145,651	166,523,511
		168,163,735	178,263,122

19. Manpower and staff welfare

	Group		Board	
	2020/2021 \$	2019/2020 \$	2020/2021 \$	2019/2020 \$
Board members' allowances	186,385	196,151	183,570	193,336
Wages and salaries	89,145,715	85,364,852	87,478,709	83,845,064
Employer's contributions to Central Provident Fund	11,561,657	11,542,053	11,322,391	11,323,666
Retirement benefits (Note 16(b))	108,268	112,906	108,268	112,906
Other employee benefits	4,997,598	6,615,086	4,977,760	6,591,346
	105,999,623	103,831,048	104,070,698	102,066,318

20. Operating grants

	Note	Group and Board 2020/2021 \$	2019/2020 \$
Operating grants received during the financial year		255,837,700	232,667,750
Operating grant receivables as at 31 March		–	21,033,950
Less: Amounts transferred to deferred capital grants	18	(1,936,031)	(5,766,073)
Less: Amounts refunded		(309,460)	–
Add: Grants in kind received from other ministries		–	49,500
Operating grants utilised during the financial year		253,592,209	247,985,127

National Library Board and its subsidiaries

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

20. Operating grants (cont'd)

During the financial year, operating grants of \$255,586,443 (2019/2020: \$232,677,750) were disbursed by Ministry of Communications and Information.

As at 31 March 2020, operating grant receivables of \$21,033,950 were received subsequent to year-end.

During the financial year, unutilised operating grants amounting to \$309,460 (2019/2020: \$Nil) were refunded to MCI and National Art Council ("NAC"). In accordance with the agreement with MCI and NAC for the funding over certain programmes, the Board is required to refund the unutilised amounts of grants to MCI and NAC on completion of the programmes.

During the previous financial year, grants in kind amounting to \$49,500 were received from other ministries.

21. Investment income - net

The following items have been included in arriving at the investment income for the financial years ended 31 March 2021 and 2020:

	Group and Board	
	2020/2021	2019/2020
	\$	\$
Interest income from quoted debt securities	1,117,297	1,174,396
(Loss)/gain on sale of investment securities at fair value through profit or loss:		
- Quoted equity securities	(542,107)	(554,909)
- Quoted debt securities	(241,206)	(379,972)
- Quoted unit trusts	-	285,495
Net gain from investment securities at fair value through profit or loss	37,540,756	9,518,504
Foreign exchange gain/(loss) - net	2,417,120	(1,553,482)
	<u>40,291,860</u>	<u>8,490,032</u>

National Library Board and its subsidiaries

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

22. Income tax expense

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

	Group		Board	
	2020/2021 \$	2019/2020 \$	2020/2021 \$	2019/2020 \$
Current tax:				
- Current income tax	12,271	–	–	–
- Under provision in prior year	346	–	–	–
	12,617	–	–	–

	Group		Board	
	2020/2021 \$	2019/2020 \$	2020/2021 \$	2019/2020 \$
Reconciliation of effective tax rate				
Deficit before tax	(6,594,813)	(27,161,107)	(7,023,263)	(27,198,121)
Tax calculated at tax rate of 17%	(1,121,118)	(4,617,388)	(1,193,955)	(4,623,681)
Effects of:				
- Deficit exempted from tax	1,171,469	4,631,033	1,193,955	4,623,681
- Partial tax exemption	(13,122)	–	–	–
- Non-deductible expenses	4,746	1,614	–	–
- Income not subject to tax	(36,935)	(6,681)	–	–
- Under provision in prior year	346	–	–	–
- Utilisation of previously unrecognised tax losses	–	(8,578)	–	–
- Others	7,231	–	–	–
	12,617	–	–	–

As at 31 March 2021, a subsidiary of the Group has unutilised capital allowances of \$Nil (2019/2020: \$14,000) that are available for offset against future taxable income, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these losses and capital allowances is subject to the agreement of tax authorities and compliance with certain provisions of the tax regulations. These tax benefits have no expiry date.

National Library Board and its subsidiaries

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

23. Investments with fund managers

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

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

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

	Note	Group and Board	
		2020/2021	2019/2020
		\$	\$
Investment securities at fair value through profit or loss			
- Quoted debt securities	10	41,136,280	44,208,284
- Quoted equity securities	10	7,491,342	3,151,111
- Quoted unit trusts	10	439,568,768	401,153,095
Cash balances managed by fund manager	14	3,057,715	–
Net other receivables relating to investment transactions		380,362	2,999,317
Currency swaps	13	60,551	100,047
		<u>491,695,018</u>	<u>451,611,854</u>

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

Investments with fund managers include quoted debt securities issued by statutory boards and organs of state of \$22,135,065 (2019/2020: \$14,768,436).

Sales and redemption of debt securities, and purchases of investments carried out by the fund managers with statutory boards amounted to \$Nil (2019/2020: \$20,465,201) and \$7,608,714 (2019/2020: \$22,013,429) respectively.

There were no transfers between Level 1 and 2 during the financial years ended 31 March 2021 and 2020.

National Library Board and its subsidiaries

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

24. Revenue

The table below shows the disaggregation of the revenue of the Group and the Board based on the various key income streams and the timing of transfer of goods or services (either at a point in time or over time).

Group

2020/2021

	Timing of transfer of goods or services		
	At a point in time	Over time	Total
	\$	\$	\$
Consultancy and other services	–	3,683,978	3,683,978
Professional library services	–	2,836,933	2,836,933
Book fines and lost book charges	–	1,568,058	1,568,058
Library services and programmes	–	674,640	674,640
Membership fees	859,844	–	859,844
	859,844	8,763,609	9,623,453

2019/2020

	Timing of transfer of goods or services		
	At a point in time	Over time	Total
	\$	\$	\$
Consultancy and other services	710	4,368,455	4,369,165
Professional library services	–	3,123,684	3,123,684
Book fines and lost book charges	–	2,448,416	2,448,416
Library services and programmes	–	928,064	928,064
Membership fees	770,423	–	770,423
	771,133	10,868,619	11,639,752

National Library Board and its subsidiaries

**Notes to the financial statements
For the financial year ended 31 March 2021**

24. Revenue (cont'd)

Board

2020/2021

	Timing of transfer of goods or services		
	At a point in time	Over time	Total
	\$	\$	\$
Consultancy and other services	–	3,308,237	3,308,237
Professional library services	–	1,850,702	1,850,702
Book fines and lost book charges	–	1,568,058	1,568,058
Library services and programmes	–	674,640	674,640
Membership fees	851,573	–	851,573
	851,573	7,401,637	8,253,210

2019/2020

	Timing of transfer of goods or services		
	At a point in time	Over time	Total
	\$	\$	\$
Consultancy and other services	–	4,096,165	4,096,165
Professional library services	–	2,109,170	2,109,170
Book fines and lost book charges	–	2,448,416	2,448,416
Library services and programmes	–	928,064	928,064
Membership fees	770,423	–	770,423
	770,423	9,581,815	10,352,238

National Library Board and its subsidiaries

**Notes to the financial statements
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25. Leases - Group as a lessee

The Group has several lease contracts for premises of its libraries and offices which are presented within shared building costs, building improvements, renovation and leasehold premises. The Group also made upfront lease payments for Woodlands Regional Library, Former Ford Factory Building and National Library Building with a lease term of 30 years, 30 years and 60 years respectively, which are presented within land leases and building.

There are several lease contracts that include extension options which are further discussed below.

The Group also has certain leases for library premises with lease terms of 12 months or less. The Group applies the “short-term lease” recognition exemption for these leases.

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

	Group and Board		
	Land leases	Leasehold	Total
	\$	\$	\$
At 31 March 2019	61,272,761	–	61,272,761
Recognition of right-of-use assets on initial application of SB-FRS 116	–	32,246,011	32,246,011
At 1 April 2019	61,272,761	32,246,011	93,518,772
Additions during the financial year	–	20,482,776	20,482,776
Depreciation of right-of-use-assets	(2,031,714)	(11,495,451)	(13,527,165)
At 31 March 2020 and 1 April 2020	59,241,047	41,233,336	100,474,383
Additions during the financial year	–	4,604,765	4,604,765
Depreciation of right-of-use-assets	(2,031,714)	(13,787,547)	(15,819,261)
At 31 March 2021	57,209,333	32,050,554	89,259,887

National Library Board and its subsidiaries

**Notes to the financial statements
For the financial year ended 31 March 2021**

25. Leases - Group as a lessee (cont'd)

(b) **Lease liabilities**

The carrying amounts of lease liabilities (included under trade and other payables) and the movements during the financial year are set out in Note 15. The maturity analysis of lease liabilities is as follows:

Group and Board

	Carrying amount \$	Contractual cash flows			
		Total \$	One year or less \$	One to five years \$	More than five years \$
At 31 March 2021					
Lease liabilities (Note 15)	38,911,658	42,696,708	11,214,545	18,626,848	12,855,315
At 31 March 2020					
Lease liabilities (Note 15)	44,729,536	50,477,743	11,568,426	24,259,547	14,649,770

(c) **Amounts recognised in profit or loss**

	Group and Board	
	2020/2021 \$	2019/2020 \$
Depreciation of right-of-use assets	15,819,261	13,527,165
Interest expense on lease liabilities (Note 15)	1,276,171	1,344,150
Lease expenses not capitalised in lease liabilities:		
- Expenses relating to short-term leases (included in rental expenses)	83,157	2,385,375
- Expenses relating to leases of low-value leases (included in rental expenses)	1,315,609	1,355,200
- Expenses relating to leases with non-lease components (included in maintenance and other property expenses)	11,352,578 ¹	12,460,164
Total amounts recognised in profit or loss	29,846,776	31,072,054

¹The non-lease components relate to maintenance and other property expenses. This amount is net of the rental waivers received from landlords which amounted to \$710,008.

(d) **Total cash outflows**

The Group had total cash outflows for capitalised leases amounted to \$11,536,962 (2019/2020: \$9,271,877) (Note 15) for the financial year. The total cash outflows for leases, including short-term leases, leases of low-value assets and non-lease components amounted to \$24,288,306 (2019/2020: \$25,472,616) for the financial year.

National Library Board and its subsidiaries

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

25. Leases - Group as a lessee (cont'd)

(e) *Extension options*

The Group has several lease contracts for library premises that include extension options which has been accounted for as lease liabilities. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs.

26. Commitments

(a) *Operating lease commitments - Group and Board as a lessee*

The Group and Board lease certain properties under non-cancellable operating lease agreements. These leases have no purchase options. These leases, most of which contained renewal options, expire at various dates up to the year 2034 (2019/2020: year 2034) and contained provisions for rental adjustments and provisions which restrict the Group's and Board's usage of the premises.

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

	Group and Board	
	2020/2021	2019/2020
	\$	\$
Not later than one year	12,740,813	11,087,831
Between one and five years	29,721,274	24,368,493
Later than five years	15,365,562	13,885,125
	57,827,649	49,341,449

(b) *Operating lease commitments – Group and Board as a lessor*

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

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

	Group and Board	
	2020/2021	2019/2020
	\$	\$
Not later than one year	3,042,133	3,398,414
Between one and five years	934,677	2,572,190
	3,976,810	5,970,604

National Library Board and its subsidiaries

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

26. Commitments (cont'd)

(c) *Collection commitments*

Purchase orders on book collections approved by the Board at the balance sheet date but not provided for in the financial statements are as follows:

	Group and Board	
	2020/2021	2019/2020
	\$	\$
Amounts approved and contracted	1,844,791	1,757,013

(d) *Capital commitments*

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

	Group and Board	
	2020/2021	2019/2020
	\$	\$
Amounts approved and contracted	9,487,896	7,288,456

27. Related party transactions

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

(a) *Transactions with Ministries, Organs of State, Statutory Boards, educational institutions and other government agencies*

	Group	
	2020/2021	2019/2020
	\$	\$
Consultancy service income	3,143,862	3,670,600
Professional service income	1,842,892	2,020,248
Rental income	3,110,164	2,765,390
Manpower and staff welfare	(2,824,509)	(3,382,759)
IT services	(5,086,313)	(4,818,906)
Maintenance and other property expenses	(5,392,857)	(5,818,210)

National Library Board and its subsidiaries

**Notes to the financial statements
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27. Related party transactions (cont'd)

(b) *Transactions with subsidiaries*

	Board	
	2020/2021	2019/2020
	\$	\$
Consultancy and other services	164,025	174,824
Rental income	320,468	572,437
General and administrative expenses	–	(18,590)
Agency and other professional fees	–	(850)
Manpower and staff welfare	(11,600)	1,040
Disbursement of grants	(1,957,249)	(2,578,844)

(c) *Compensation of key management personnel*

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

Details of the compensation of key management personnel are as follows:

	Group		Board	
	2020/2021	2019/2020	2020/2021	2019/2020
	\$	\$	\$	\$
Salaries, bonuses and other short-term benefits	1,846,637	1,604,517	1,543,448	1,204,506
Employer's contribution to defined contribution plans, including Central Provident Fund	108,374	97,378	71,521	61,431
	<u>1,955,011</u>	<u>1,701,895</u>	<u>1,614,969</u>	<u>1,265,937</u>

28. Financial risk management objectives and policies

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

Funds with fund managers

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

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

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

The investment risks undertaken by the fund managers is managed and governed by the mandate set forth in the fund managers' agreements approved by the Group's Finance Committee. The mandate provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk.

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

National Library Board and its subsidiaries

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

28. Financial risk management objectives and policies (cont'd)

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and market risk. The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arise primarily from trade and other receivables. For other financial assets (including investment securities, cash and bank balances and derivatives), the Group adopts the policy of dealing exclusively with high credit rating counterparties to minimise credit risk.

For investments in debt securities managed by professional fund managers, the Group adopts the policy of dealing only with counterparties whose credit rating is at least "A-" (Standard and Poor) or equivalent, further subject to industry and geographical limits.

The Group trades only with recognised and creditworthy third parties. Receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group considers the probability of default upon initial recognition of financial asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forward-looking information which includes indicators such as significant changes in the expected performance and behaviour of the debtors, including changes in the payment status of debtors in the Group, and changes in the operating results of the debtors.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 60 days due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant financial difficulty of the debtor;
- A breach of contract, such as a default or past due event;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- There is disappearance of an active market for that financial asset because of financial difficulty.

28. Financial risk management objectives and policies (cont'd)

(a) Credit risk (cont'd)

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to meet a repayment plan with the Group. Where receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

Trade receivables and receivables from book fines and lost book charges

For trade receivables and receivables from book fines and lost book charges, the Group provides for lifetime expected credit losses using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance with days past due.

Management has assessed that the loss allowance provision as at 31 March 2021 and 2020 on the Group's trade receivables (excluding receivables from book fines and lost book charges) is negligible as the Group has no significant default in trade receivables based on historical experience.

Information regarding the loss allowance provision on the Group's receivables from book fines and lost book charges and the provision matrix is disclosed in Note 12 to the financial statements.

Concentration and exposure to credit risk

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

(b) Liquidity risk

Liquidity risk arises in the general funding of the Group's operating activities. It includes the risks of not being able to fund operating activities in a timely manner. To manage liquidity risk, the Group places majority of its surplus funds with the Accountant-General's Department which are readily available when required.

National Library Board and its subsidiaries

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

28. Financial risk management objectives and policies (cont'd)

(c) *Market risk*

(i) Price risk

The Group is exposed to price risk arising from quoted debt securities, equity securities and unit trusts held through the fund managers. Where financial instruments are denominated in currencies other than the functional currency of the Group, the prices initially expressed in foreign currency and then converted into the functional currency will also fluctuate because of changes in foreign exchange rates.

To manage its price risk, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits in the agreements with the fund managers.

The overall market position of these investments is reviewed on a semi-annual basis by the Finance Committee. Compliance with the limits in the agreement with the fund managers are reported by the fund managers on a monthly basis.

At the balance sheet date, a 3% (2019/2020: 3%) increase in the underlying prices of the unit trusts, -* (2019/2020: -*) increase in the prices of the underlying debt securities and 5% (2019/2020: 5%) increase in the prices of the underlying equity securities would increase portfolio gains and the fair value of these investment securities recognised in profit or loss by the amounts presented in the table below:

	Group and Board Increase in net surplus for the financial year	
	2020/2021	2019/2020
	\$	\$
Investment securities at fair value through profit or loss:		
- Quoted unit trusts	13,187,063	12,034,593
- Quoted debt securities	_*	_*
- Quoted equity securities	374,567	157,556

*As at 31 March 2020 and 2021, management believes that no reasonably possible change in the prices is expected to result in a material fluctuation in the portfolio gains and the fair value of the quoted debt securities.

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

National Library Board and its subsidiaries

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

28. Financial risk management objectives and policies (cont'd)

(c) *Market risk (cont'd)*

(ii) Interest rate risk

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

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

At the balance sheet date, the profile of the interest-earning financial instruments and their carrying amounts are as follows:

	Group		Board	
	2020/2021	2019/2020	2020/2021	2019/2020
	\$	\$	\$	\$
<u>Fixed rate instruments</u>				
Fixed deposits with banks	1,367,408	1,314,746	–	–
Restricted cash and deposits	503,974	484,855	–	–
Quoted debt securities	41,136,280	44,208,284	41,136,280	44,208,284
	<u>43,007,662</u>	<u>46,007,885</u>	<u>41,136,280</u>	<u>44,208,284</u>

Fair value sensitivity analysis for fixed rate instruments

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

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

As at 31 March 2020 and 2021, management believes that no reasonably possible change in the interest rate is expected to result in a material fluctuation in the fair value of debt securities and net surplus.

National Library Board and its subsidiaries

**Notes to the financial statements
For the financial year ended 31 March 2021**

28. Financial risk management objectives and policies (cont'd)

(c) **Market risk (cont'd)**

(iii) Currency risk

The Group operates in Singapore and income and expenditure are primarily incurred in its functional currency, Singapore Dollars ("SGD").

Currency risk arises when transactions are denominated in foreign currencies such as the United States Dollars ("USD"). To manage the currency risk, the Group enters into currency swaps through fund managers. Please see details disclosed in Note 13 to the financial statements.

In addition, the Group is exposed to currency translation risk on financial assets or liabilities denominated in foreign currencies. Quoted equity securities and unit trusts are denominated in Singapore Dollars and therefore not exposed to currency risk.

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

	SGD \$	USD \$	Others \$	Total \$
Group				
<u>At 31 March 2021</u>				
Financial assets				
Quoted debt securities	22,135,065	19,001,215	–	41,136,280
Trade and other receivables	2,457,564	–	–	2,457,564
Cash and bank balances	149,165,499	987,716	365,893	150,519,108
	<u>173,758,128</u>	<u>19,988,931</u>	<u>365,893</u>	<u>194,112,952</u>
Financial liabilities				
Trade and other payables	(74,168,683)	(150,370)	(278)	(74,319,331)
	<u>(74,168,683)</u>	<u>(150,370)</u>	<u>(278)</u>	<u>(74,319,331)</u>
Net financial assets	99,589,445	19,838,561	365,615	119,793,621
Less: Currency swaps	–	(19,057,565)	–	(19,057,565)
Less: Net financial assets denominated in functional currency	(99,589,445)	–	–	(99,589,445)
Currency exposure of financial assets net of those denominated in functional currency	–	780,996	365,615	1,146,611

National Library Board and its subsidiaries

**Notes to the financial statements
For the financial year ended 31 March 2021**

28. Financial risk management objectives and policies (cont'd)

(c) **Market risk (cont'd)**

(iii) Currency risk (cont'd)

	SGD \$	USD \$	Others \$	Total \$
Group				
At 31 March 2020				
Financial assets				
Quoted debt securities	14,768,436	29,439,848	–	44,208,284
Trade and other receivables	4,988,798	1,840,264	–	6,829,062
Cash and bank balances	116,596,534	1,036,079	75,939	117,708,552
	<u>136,353,768</u>	<u>32,316,191</u>	<u>75,939</u>	<u>168,745,898</u>
Financial liabilities				
Trade and other payables	(88,330,389)	(296,859)	(9,488)	(88,636,736)
	<u>(88,330,389)</u>	<u>(296,859)</u>	<u>(9,488)</u>	<u>(88,636,736)</u>
Net financial assets	48,023,379	32,019,332	66,451	80,109,162
Less: Currency swaps	–	(31,403,570)	–	(31,403,570)
Less: Net financial assets denominated in functional currency	(48,023,379)	–	–	(48,023,379)
Currency exposure of financial assets net of those denominated in functional currency	–	615,762	66,451	682,213

National Library Board and its subsidiaries

**Notes to the financial statements
For the financial year ended 31 March 2021**

28. Financial risk management objectives and policies (cont'd)

(c) **Market risk (cont'd)**

(iii) Currency risk (cont'd)

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

	SGD	USD	Others	Total
	\$	\$	\$	\$
Board				
<u>At 31 March 2021</u>				
Financial assets				
Quoted debt securities	22,135,065	19,001,215	–	41,136,280
Trade and other receivables	2,457,338	–	–	2,457,338
Cash and bank balances	145,270,294	919,983	365,893	146,556,170
	<u>169,862,697</u>	<u>19,921,198</u>	<u>365,893</u>	<u>190,149,788</u>
Financial liabilities				
Trade and other payables	(73,552,834)	(150,370)	(278)	(73,703,482)
	<u>(73,552,834)</u>	<u>(150,370)</u>	<u>(278)</u>	<u>(73,703,482)</u>
Net financial assets	96,309,863	19,770,828	365,615	116,446,306
Less: Currency swaps	–	(19,057,565)	–	(19,057,565)
Less: Net financial assets denominated in functional currency	(96,309,863)	–	–	(96,309,863)
Currency exposure of financial assets net of those denominated in functional currency	<u>–</u>	<u>713,263</u>	<u>365,615</u>	<u>1,078,878</u>

National Library Board and its subsidiaries

**Notes to the financial statements
For the financial year ended 31 March 2021**

28. Financial risk management objectives and policies (cont'd)

(c) **Market risk (cont'd)**

(iii) Currency risk (cont'd)

	SGD \$	USD \$	Others \$	Total \$
Board				
At 31 March 2020				
Financial assets				
Quoted debt securities	14,768,436	29,439,848	–	44,208,284
Trade and other receivables	4,545,907	1,840,264	–	6,386,171
Cash and bank balances	114,067,675	964,589	75,939	115,108,203
	<u>133,382,018</u>	<u>32,244,701</u>	<u>75,939</u>	<u>165,702,658</u>
Financial liabilities				
Trade and other payables	(88,509,080)	(296,859)	(9,488)	(88,815,427)
	<u>(88,509,080)</u>	<u>(296,859)</u>	<u>(9,488)</u>	<u>(88,815,427)</u>
Net financial assets	44,872,938	31,947,842	66,451	76,887,231
Less: Currency swaps	–	(31,403,570)	–	(31,403,570)
Less: Net financial assets denominated in functional currency	(44,872,938)	–	–	(44,872,938)
Currency exposure of financial assets net of those denominated in functional currency	–	544,272	66,451	610,723

National Library Board and its subsidiaries

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

28. Financial risk management objectives and policies (cont'd)

(c) *Market risk (cont'd)*

(iii) Currency risk (cont'd)

If the USD changes against SGD by 5% (2019/2020: 5%), with all other variables including interest rates being held constant, the effects on the accumulated surplus are as follows:

	Increase/(decrease) in accumulated surplus	
	2020/2021	2019/2020
	\$	\$
Group		
USD against SGD		
Strengthened	39,050	30,788
Weakened	(39,050)	(30,788)
<hr/>		
Board		
USD against SGD		
Strengthened	35,663	27,214
Weakened	(35,663)	(27,214)
<hr/>		

29. Fair value of financial instruments

(a) *Fair value hierarchy*

The Group and the Board categorise fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Board can access at the measurement date;
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

National Library Board and its subsidiaries

**Notes to the financial statements
For the financial year ended 31 March 2021**

29. Fair value of financial instruments (cont'd)

(b) *Financial assets and liabilities carried at fair value*

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<u>Group and Board</u>				
At 31 March 2021				
Investment securities at fair value through profit or loss				
- Quoted debt securities	41,136,280	-	-	41,136,280
- Quoted equity securities	7,491,342	-	-	7,491,342
- Quoted unit trusts	210,126,819	229,441,949	-	439,568,768
Derivative financial instruments	-	60,551	-	60,551
	258,754,441	229,502,500	-	488,256,941

At 31 March 2020

Investment securities at fair value through profit or loss				
- Quoted debt securities	44,208,284	-	-	44,208,284
- Quoted equity securities	3,151,111	-	-	3,151,111
- Quoted unit trusts	196,183,141	204,969,954	-	401,153,095
Derivative financial instruments	-	100,047	-	100,047
	243,542,536	205,070,001	-	448,612,537

Level 1:

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

National Library Board and its subsidiaries

**Notes to the financial statements
For the financial year ended 31 March 2021**

29. Fair value of financial instruments (cont'd)

(b) ***Financial assets and liabilities carried at fair value (cont'd)***

Level 2:

Quoted unit trust

The fair value of the quoted unit trust is determined based on quoted prices provided by the fund manager.

There were no transfers between Level 1 and 2 during the financial years ended 31 March 2021 and 2020.

	Group and Board	
	2020/2021	2019/2020
	\$	\$
<u>Investment securities at fair value through profit or loss</u>		
- Quoted unit trust	229,441,949	204,969,954

Derivative financial instruments

The fair value of currency swaps is determined using actively quoted currency rates.

(c) ***Financial assets and liabilities that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value***

The fair value of current financial assets and liabilities carried at amortised cost approximates their carrying amounts because these instruments are either short term in nature or repriced frequently.

30. Offsetting financial assets and financial liabilities

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

	Related amounts set off in the balance sheet		Net amounts presented in the statement of financial position
	Gross amounts		
	<u>Financial assets</u>	<u>Financial liabilities</u>	<u>Net financial assets</u>
	(a)	(b)	(c) = (a)-(b)
	\$	\$	\$
Derivative financial instruments – currency swaps			
At 31 March 2021	24,305,413	(24,244,862)	60,551
At 31 March 2020	32,003,311	(31,903,264)	100,047

National Library Board and its subsidiaries

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

31. Comparative figures

Certain comparative figures in the statements of comprehensive income have been reclassified to better reflect the nature of the expenses. The effects of the classification are as follows:

	2019/2020					
	General funds		Restricted funds		Total	
	As previously reported	After reclassification	As previously reported	After reclassification	As previously reported	After reclassification
	\$	\$	\$	\$	\$	\$
Group						
General and administrative expenses	(53,188,592)	(24,964,547)	(554,700)	(411,317)	(53,743,292)	(25,375,864)
Maintenance and other property expenses	(37,058,060)	(26,528,588)	(368,929)	(323,424)	(37,426,989)	(26,852,012)
Agency and other professional fees	(14,614,745)	(14,568,632)	(375,044)	(375,044)	(14,989,789)	(14,943,676)
Information technology expenses	–	(38,799,630)	–	(188,888)	–	(38,988,518)
Board						
General and administrative expenses	(52,466,029)	(24,371,133)	(554,700)	(411,317)	(53,020,729)	(24,782,450)
Maintenance and other property expenses	(37,044,919)	(26,515,447)	(368,929)	(323,424)	(37,413,848)	(26,838,871)
Information technology expenses	–	(38,624,368)	–	(188,888)	–	(38,813,256)

32. Authorisation of financial statements

The financial statements were authorised for issue by the Members of the Board on 18 June 2021.