
**NATIONAL BOOK DEVELOPMENT COUNCIL
OF SINGAPORE**
(Registered in the Republic of Singapore under the Societies Act, Cap. 311)
Registration No: 0157/1968

AUDITED FINANCIAL STATEMENTS
For the year ended 31 March 2010

Yeo Seng Lam & Co
*Public Accountants and
Certified Public Accountants, Singapore
111 North Bridge Road
#25-01 Peninsula Plaza Singapore 179098*

NATIONAL BOOK DEVELOPMENT COUNCIL OF SINGAPORE

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NATIONAL BOOK DEVELOPMENT COUNCIL OF SINGAPORE
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STATEMENT BY THE MANAGEMENT COMMITTEE

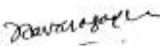
We, on behalf of the Management Committee, do hereby state that in our opinion, the financial statements set out on pages 4 to 12 are drawn up so as to give a true and fair view of the state of affairs of the National Book Development Council of Singapore ("the Council") as at 31 March 2010 and of the results and cash flows of the Council for the financial year ended on that date.

The financial statements of the Council for the financial year ended 31 March 2010 were authorised for issue in accordance with a resolution of the Management Committee dated 12 July 2010.

On behalf of the Management Committee
Ms Serene Wee – Chairman
Ms Lim Li Kok – Vice Chairman
Mrs. Kiang Koh Lai Lin – Honorary Secretary
Mr. Johnson Paul – Honorary Treasurer



MS SERENE WEE
CHAIRMAN



JOHNSON PAUL
HONORARY TREASURER

Singapore

12 July 2010

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NATIONAL BOOK DEVELOPMENT COUNCIL OF SINGAPORE

We have audited the financial statements of National Book Development Council of Singapore (the "Council"), which comprise the balance sheet as at 31 March 2010, and the statement of income and expenditure and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the Financial Statements

The Council's management is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act, Cap. 311 (The "Act") and the Singapore Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

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

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

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

Opinion

In our opinion,

- (a) the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards, and so as to give a true and fair view of the state of affairs of the Council as at 31 March 2010 and the results, and cash flows of the Council for the year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Council have been properly kept in accordance with the provision of the Act.


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Yeo Seng Lam & Co.
*Public Accountants and
Certified Public Accountants
Singapore*

12 July 2010

NATIONAL BOOK DEVELOPMENT COUNCIL OF SINGAPORE

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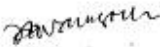
BALANCE SHEET

As at 31 March 2010

	Note	2010 SGD	2009 SGD
Non-current assets			
Plant and equipment	4	-	616
		<u>-</u>	<u>616</u>
Current assets			
Trade and other receivables	5	52,823	22,272
Cash and cash equivalents	6	793,294	737,060
		<u>846,117</u>	<u>759,332</u>
Total Assets		<u>846,117</u>	<u>759,948</u>
Funds			
Accumulated general funds	7	828,479	726,414
Total funds		<u>828,479</u>	<u>726,414</u>
Current liabilities			
Trade and other payables	8	12,638	30,534
Donations received in advance	9	5,000	3,000
Total Liabilities		<u>17,638</u>	<u>33,534</u>
Total funds and Liabilities		<u>846,117</u>	<u>759,948</u>

Certified true and fair by:


MS SERENE WEE
CHAIRMAN


JOHNSON PAUL
HONORARY TREASURER

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

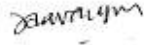
NATIONAL BOOK DEVELOPMENT COUNCIL OF SINGAPORE
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STATEMENT OF INCOME AND EXPENDITURE
For the financial year ended 31 March 2010

	NOTE	2010 SGD	2009 SGD
Income	10	655,782	768,415
Job Credit		12,350	-
Less: Direct Expenditure		(319,629)	(341,407)
Activity Surplus		348,503	427,008
Less: Indirect Expenditure		(246,438)	(270,336)
Surplus for the year		<u>102,065</u>	<u>156,672</u>

Certified true and fair by:


MS SERENE WEE
CHAIRMAN


JOHNSON PAUL
HONORARY TREASURER

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

NATIONAL BOOK DEVELOPMENT COUNCIL OF SINGAPORE

(Registered in the republic of Singapore under the Societies Act, Cap.311)

STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2010

	2010 SGD	2009 SGD
Surplus for the year	102,065	156,672
Adjustments:		
Depreciation	616	1,246
Interest Income	(3,269)	(1,394)
Operating surplus before working capital changes	99,412	156,524
(Increase)/Decrease in trade and other receivables	(30,551)	79,080
Increase/(Decrease) in donations received in advance	2,000	(108,000)
(Decrease)/Increase in trade and other payables	(17,896)	16,292
Cash flows generated from operating activities	52,965	143,896
Cash flows from investing activities		
Interest Income	3,269	1,394
Net cash flows generated from investing activities	3,269	1,394
Net increase in cash and cash equivalents	56,234	145,290
Cash and cash equivalent at the beginning of year (note 6)	737,060	591,770
Cash and cash equivalent at the end of year (note 6)	793,294	737,060

Certified true and fair by:


MS SERENE WEE
CHAIRMAN


JOHNSON PAUL
HONORARY TREASURER

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

NATIONAL BOOK DEVELOPMENT COUNCIL OF SINGAPORE

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

These notes form an integral part of the financial statements.

1 General

The principal place of operations of the National Book Development Council of Singapore ("the Council") is at 50 Geylang East Avenue 1 Singapore 389777.

The principal objective of the Council is to promote the reading of books, improving book production and distribution and to encourage the growth of Singapore literature.

The council is approved as an institution of public character under the Charities Act (Chapter 37) Charities Regulations 2007 for a period of 3 years, from 1 October 2009 to 30 September 2012.

The financial statements of the Council for the financial year ended 31 March 2010 were authorised for issue in accordance with a resolution of the Management Committee dated 12 July 2010.

2 Significant accounting policies

a Basis of preparation of financial statements

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention.

b Plant and equipment and depreciation

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on the straight line method so as to write off the cost of the plant and equipment over their estimated useful lives as follows:-

Computer equipment	3 years
Office equipment	5 years
Renovation	3 years

Fully depreciated assets are retained in the financial statements until they are no longer in use.

c Recognition of Income

Donations including offerings, pledges and other charitable contributions are recognized on an accrual basis when monies are received or pledged and collection is certain.

Grants to fund operating expenses and income from services rendered are taken up on an accrual basis.

Interest income is recognized in the period of receipt.

Donations received are recognized as income in the period in which the donor has specified the income to be expensed or the period in which the Council has allocated the corresponding expenditure.

NATIONAL BOOK DEVELOPMENT COUNCIL OF SINGAPORE

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2 Summary of significant accounting policies (cont'd)

d *Employee benefits*

The Council contributes to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Singapore Government. The Council's contributions to CPF are charged to the income and expenditure statement in the period in which the contributions relate.

Employee leave entitlement

Unutilised annual leave as a result of services rendered by employees will be forfeited, as at the balance sheet date. No provision is made as at the balance sheet date.

e *Impairment of assets*

Assets are reviewed for impairment at each balance sheet date or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in the income statement or treated as a revaluation decrease for assets carried at revalued amount to the extent that the impairment loss does not exceed the amount held in the revaluation surplus for that same asset.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. The reversal is recorded as income or as a revaluation increase. However, the increased carrying amount of an asset due to a reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for that asset in prior years.

f *Lease commitment*

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are taken to the income statement on a straight line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

g *Functional and foreign currencies*

i) *Functional currency*

The currency of the primary economic environment in which the Council operates (the functional currency) is Singapore Dollars. The financial statements are presented in Singapore dollars which is the Council's functional and presentation currency.

ii) *Foreign currency transactions*

Foreign currency transactions during the financial year are recorded in the functional currency of the Council at the rate of exchange ruling at transaction date. Foreign currency monetary assets and liabilities are translated into the functional currency at the date of exchange prevailing at the balance sheet date. Exchange differences resulting from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognized in the income statement.

NATIONAL BOOK DEVELOPMENT COUNCIL OF SINGAPORE

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2 Summary of significant accounting policies (cont'd)

- h *Cash and cash equivalents*
For the purpose of presentation in the cash flow statement, cash and cash equivalents comprise of cash on hand and deposits with financial institutions.
- i *Trade receivables*
Trade debtors are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.
- j *Provisions*
Provisions are recognized when the Company has a present obligation as a result of a past event where it is probable that it will result in an outflow of economic benefits that can be reasonably estimated.

3 Critical accounting estimates and judgements

The financial statements are not subject to any major critical accounting estimates or judgements.

4 Plant and equipment	Computer Equipment SGD	Office Equipment SGD	Total SGD
2010			
Cost			
At 01/04/2009	16,206	2,892	19,098
Additions	-	-	-
At 31/03/2010	16,206	2,892	19,098
Accumulated depreciation			
At 01/04/2009	15,680	2,802	18,482
Charge for the year	526	90	616
At 31/03/2010	16,206	2,892	19,098
Net book value			
At 31/03/2010	-	-	-
	Computer Equipment SGD	Office Equipment SGD	Total SGD
2009			
Cost			
At 01/04/2008	16,206	2,892	19,098
Additions	-	-	-
At 31/03/2009	16,206	2,892	19,098
Accumulated depreciation			
At 01/04/2008	14,614	2,622	17,236
Charge for the year	1,066	180	1,246
At 31/03/2009	15,680	2,802	18,482
Net book value			
At 31/03/2009	526	90	616

NATIONAL BOOK DEVELOPMENT COUNCIL OF SINGAPORE

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

5 Trade & other receivables	2010	2009
	SGD	SGD
Trade receivables	44,086	17,006
Rental deposit	5,041	5,041
Other receivables	3,696	225
	<u>52,823</u>	<u>22,272</u>
<p>Trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognized at their original invoice amounts which represent their fair values on initial recognition.</p> <p>The carrying amounts of the trade and other receivables approximate their fair values.</p>		
6 Cash & cash equivalents	2010	2009
	SGD	SGD
Cash in hand	500	3,912
Cash at bank	571,179	514,802
Fixed deposits	221,615	218,346
	<u>793,294</u>	<u>737,060</u>
<p>The fixed deposits mature in varying periods within 18 months from the financial year end. The effective interest rates range from 0.625% to 1% (2009: 1.1875%) per annum.</p>		
7 Accumulated general funds	2010	2009
	SGD	SGD
Balance at beginning of year	726,414	569,742
Surplus for the year	102,065	156,672
Balance at end of year	<u>828,479</u>	<u>726,414</u>
8 Trade & other payables	2010	2009
	SGD	SGD
Trade creditors	2,676	-
Accruals	5,987	30,148
Others	3,975	386
	<u>12,638</u>	<u>30,534</u>
9 Donations in advance	2010	2009
	SGD	SGD
Modern Montessori International Pte Ltd	5,000	-
Hong Leong Foundation	-	3,000
	<u>5,000</u>	<u>3,000</u>
10 Income	2010	2009
	SGD	SGD
Donations received	113,100	110,500
-Tax exempt	-	500
-Non-tax exempt	-	-
Grants received	95,000	65,000
-Media Development Authority	79,365	65,000
CLAP	50,000	87,000
FTWIPI	25,000	25,000
-National Arts Council	-	-
-Singapore Totalisator Board and Singapore Turf Club	362,465	353,000

NATIONAL BOOK DEVELOPMENT COUNCIL OF SINGAPORE

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

10 Income (cont'd)	2010	2009
	SGD	SGD
Course fees, grants and sponsorship for specific events:		
SISF/FTWIP/Publications/YWC	162,461	270,954
CLAP courses	92,124	129,520
Interest Income	3,269	1,394
Others	35,463	13,547
	<u>293,317</u>	<u>415,415</u>
Total Income	<u>655,782</u>	<u>768,415</u>
11 Lease commitment - Non-cancellable	2010	2009
The minimum amount payable is as follows:	SGD	SGD
Not later than one year	8,098	19,435
Later than one year	-	8,098
	<u>8,098</u>	<u>27,533</u>

Operating lease payments represent rental payable by the Council for its office premises.

12 Key management personnel compensation

Key management personnel of the Council are those members having the authority and responsibility for planning, directing and controlling the activities of the Council. The Council's Management Committee is considered as key management personnel of the council. The Council's Management Committee did not receive any form of remuneration in the financial year.

13 Financial instruments

a) Financial risk management

Although the Council does not have a formal structured risk management programme, it regularly reviews the overall risk on an informal basis.

Interest rate risk

The Council's income and operating cash flows are substantially independent of changes in market interest rates. The Council does not have any interest-bearing loans or liabilities. However, the Council has fixed deposits placed with financial institutions for interest income which are substantially dependent on changes in interest rate.

The Council monitors movements in interest rates to ensure fixed deposits are placed with financial institutions offering optional rates of return.

The interest rates and maturity dates are disclosed in note 6.

Credit risk

The Council has no significant concentration of credit risk due to the nature of its activities.

Liquidity risk

The Council exercises prudent liquidity and cash flow risk management policies and maintains a high level of liquidity and cash flow at all times.

NATIONAL BOOK DEVELOPMENT COUNCIL OF SINGAPORE

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

13 Financial instruments (cont'd)

b) Foreign exchange risk

The cash and cash equivalents, trade and other receivables, trade and other payables, and donations in advance are all denominated in Singapore dollars.

c) Fair value

The carrying amounts of the financial assets and liabilities recorded in the financial statements of the Council approximate their fair values.

14 Management of Council's funds

The objective of the Council's management of donors' funds is to ensure that it maintains healthy funds in order to support its activities. The Council regularly reviews and manages its funds to ensure optimal funds structure, taking into consideration the future funds requirements.

15 Post balance sheet event

Subsequent to year end, the Council will be provided with a funding totaling S\$164,095 under the NAC Major Grant Scheme (S\$115,000) and MDA (S\$49,095), for FY 2010 (1 April 2010 – 31 March 2011) for the agreed programme of activities.

The following management accounts do not form a part of the audited financial statement.

NATIONAL BOOK DEVELOPMENT COUNCIL OF SINGAPORE
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DETAILED STATEMENT OF INCOME AND EXPENDITURE
For the financial year ended 31 March 2010

	2010		2009	
	SGD	SGD	SGD	SGD
Income		655,782		768,415
Job Credit		<u>12,350</u>		<u>-</u>
		668,132		768,415
LESS: DIRECT EXPENDITURE				
Activity cost - ACWIC/SISF/SWC	126,457		131,848	
Activity cost - CLAP	41,036		61,907	
Activity cost - FTWIPI	29,715		66,511	
Activity cost-AFCC	17,591		-	
Activity cost-SCRIPT	12,135		-	
Activity cost - NE seminar	-		1,822	
Activity cost - SLP	-		52,686	
Activity cost - Publication of NUS Book	32,522		-	
Activity cost - Publication of Sharing Borders	31,565		-	
Activity cost - Others	28,608		26,633	
		<u>319,629</u>		<u>341,407</u>
ACTIVITY SURPLUS		348,503		427,008
LESS: INDIRECT EXPENDITURE				
Accounting fee	5,500		9,650	
Auditors' remuneration	3,500		3,500	
Bank Charges	1,046		2,085	
Bad Debts	85		6,819	
CPF Contribution	13,153		16,972	
Depreciation of fixed assets	617		1,246	
General Expenses	1,064		5,122	
Insurance	1,331		1,287	
Medical	50		-	
Office rental	18,068		19,435	
Office supplies and refreshment	1,047		832	
Postage and courier services	59		158	
Printing and Stationery	3,476		3,948	
Repairs and maintenance	730		238	
Salaries	167,512		156,100	
Skill development levy	349		170	
Staff bonuses	13,719		16,800	
Subcontract charges	8,641		18,782	
Telephone/fax/internet	4,258		5,869	
Transport & Travelling	2,233		1,323	
Total Expenditure		<u>246,438</u>		<u>270,336</u>
SURPLUS FOR THE YEAR		<u>102,065</u>		<u>156,672</u>