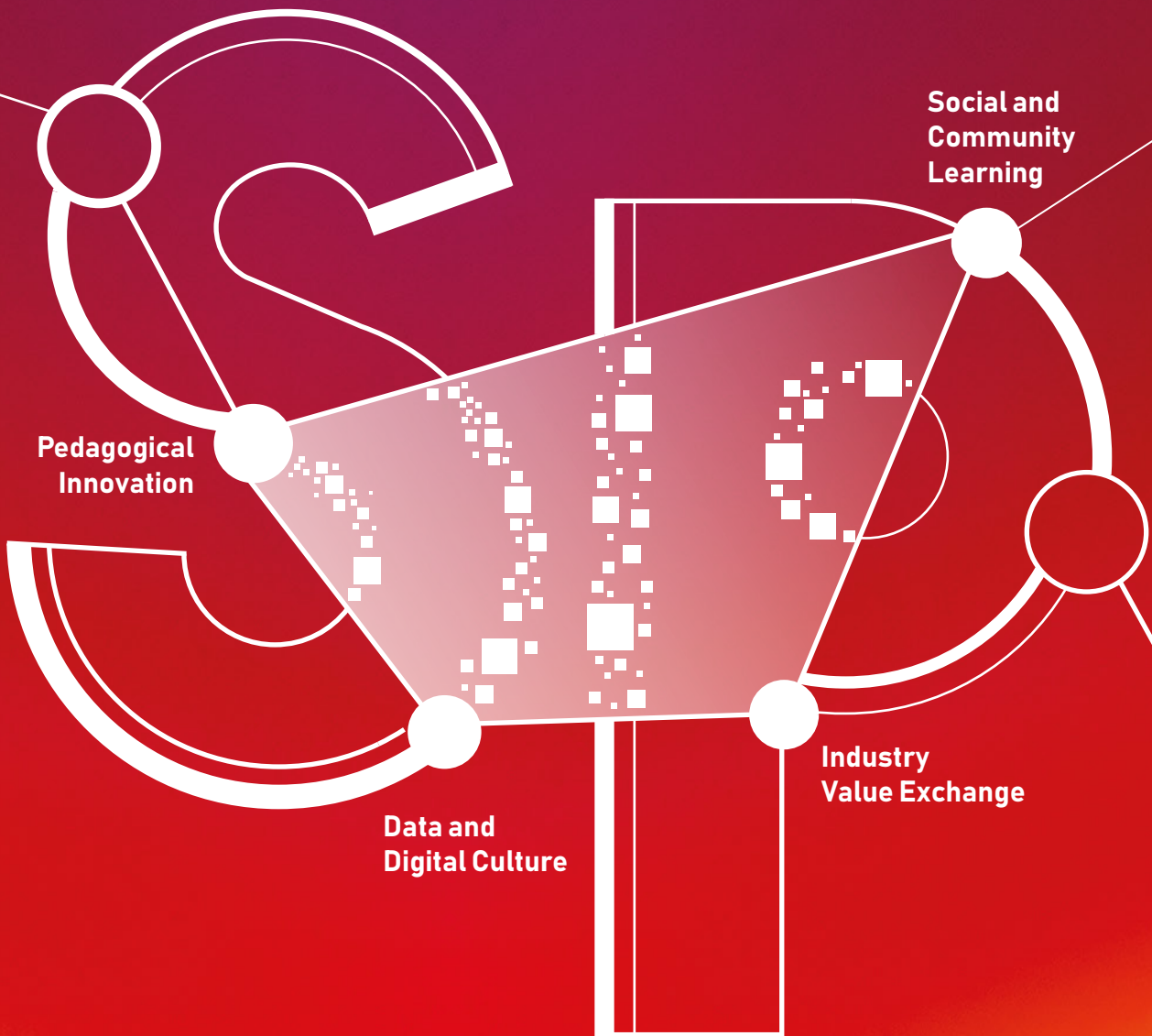


SHAPING THE **NEW NORMAL** IN EDUCATION



2021-2022

OUR MISSION

As a polytechnic for all ages
we prepare our learners to be
life ready, work ready, and world ready
for the transformation of Singapore

OUR VISION

Inspired Learner. Serve with Mastery.
Caring Community.

A caring community of inspired learners
committed to serve with mastery.

OUR CORE VALUES

The **SP CORE** values are:
Self-Discipline
Personal Integrity
Care & Concern
Openness
Responsibility
Excellence

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CHAIRMAN'S MESSAGE



MS JANET ANG

Chairman
The Board of Governors
Singapore Polytechnic

Since 2020, Singapore and the world have been facing an unprecedented confluence of challenges. Still reeling from the pandemic of the century, we are now experiencing deteriorating supply chain disruptions, soaring energy prices, rising inflation and recessionary risks, an increasing potential of global conflict, and a looming climate crisis. With one in every ten from each Singapore's birth cohort a student of Singapore Polytechnic (SP), we will continue to play a significant role in our nation's response to these challenges.

From the onset of the COVID-19 pandemic, SP implemented a robust framework comprising safe management measures, which kept our campus community and the wider SP family safe. It included converting lectures and tutorials into online ones, adjusting student timetables to reduce on-campus traffic, introducing flexible work arrangements, implementing cleaning and disinfecting best practices, and employing expeditious contact tracing, among others. I applaud SP for embracing a positive outlook throughout this difficult period as we worked relentlessly to deter any cluster from emerging amidst several positive cases.

Our efforts have certainly paid off. In May 2022, we welcomed a cohort of 6,087 graduates to our alumni community, bringing our total alumni tally to over 224,000. We rejoice and celebrate with our new graduates who have successfully completed their studies with SP.

As Sir Winston Churchill had famously said, "Never let a good crisis go to waste". SP has designed the measures to deal with the pandemic with the future in mind. For instance, the move to conduct online lectures necessitated by the pandemic has become a launch pad for full-scale flipped learning in Academic Year (AY) 2022/23, with all our lectures conducted asynchronously online. As SP transits with the rest of the country towards a post-pandemic norm, the challenges that we faced in the last two years would seem like propellant for the good progress that we have made today.

An organisation is only as great as its people; I am proud that we have demonstrated initiative, solidarity and agility in the face of rapidly evolving circumstances. As we adjust to the new norm, we must continue on our strong trajectory in growing our academic excellence. We will rise to the challenge by drawing on our pedagogical innovation and expertise of over 60 years to offer an effective brand of education that shapes and transforms the lives and livelihoods of our learners. To achieve this, SP will focus on and invest in a few strategic thrusts.

Fostering Innovation and Data-Decision Education

The hallmark of an SP education is our commitment to continual pedagogical excellence and a culture that

supports innovation. We are inspired to seize novel opportunities and encourage our academic team to use their expertise to refine – and even redefine – the polytechnic's course curricula that imbue our students with the knowledge and skills to succeed in life and in their professions.

One area that SP has paid special attention to is empowering our students to understand the challenges facing the world today and tomorrow. In April 2021, we introduced the Common Core Curriculum (CCC) to equip our students with critical life skills and emerging digital knowledge to thrive in a volatile and ambiguous business environment that is increasingly digital. The curriculum exposes our students to inter-disciplinary learning experiences and global issues framed by the Singapore Green Plan and the United Nations' Sustainable Development Goals. The CCC has been introduced to 13 diplomas in AY2022/23.





Credit: Ministry of Communications and Information (MCI)

In developing our students to become self-directed lifelong learners, SP introduced the Elective Framework in AY2019/20 to provide them with learning opportunities to set and achieve their learning goals through self-exploration, charting individual learning paths and pursuing their passions. Starting from AY2022/23, 10% of our students are allowed to take five electives while the rest continue to do three electives. Students who choose to complete their electives in a particular category will receive a certificate or minor; three for the award of a certificate and four or more for a minor.

In April 2021, we piloted the Analytics in Education (AiE) Learner Profile Dashboard for all our Polytechnic Foundation Programme (PFP) personal tutors. The one-stop dashboard has enabled the tutors to understand the PFP students' different learning needs in an organised manner. This data-driven education allows our passionate educators to treat our students as individual learners, and use the dashboard data to ensure that we introduce suitable intervention actions to support them accordingly. We have since

expanded the project to all our lecturers teaching the PFP modules in AY2022/23, and have commenced plans to equip all the lecturers from the various diploma courses with the dashboard eventually.

Bridging the Digital Divide

In an increasingly digital world, small and medium-sized enterprises (SMEs) must acquire new capabilities and build sustainable digital infrastructure to innovate and sharpen their competitive edge. SP has been supporting SMEs in their digital transformation, enabling them to quickly adapt, evolve and succeed in a digital era.

At the Industrial Transformation Asia-Pacific (ITAP) event in November 2021, SP signed two key Memoranda of Understanding (MoU). The first MoU was with the Singapore Business Federation (SBF) and JTC Corporation to catalyse SMEs to adopt and invest in the latest digital technologies. The second MoU with the Singapore Institute of Manufacturing Technology

(SIMTech) and the Advanced Remanufacturing and Technology Centre (ARTC) offers learning opportunities for the manufacturing sector to adopt advanced manufacturing technologies in the i4.0 transformation revolution. Our SMEs can look forward to achieving better revenue targets, improving their business resilience, and developing a higher-skilled workforce.

In the same month, during SP's annual Regional Industry Networking Conference (RINC), Minister for Communications and Information Mrs Josephine Teo launched SP's 5G & Artificial Intelligence of Things (AIoT) Centre and the Singapore 5G and Telecoms Academy (5G Academy) training portal. The initiatives were part of SP's efforts to expand the capabilities of enterprises and the talent pool in the 5G ecosystem. Together with other IHLs and industry partners, the academy which houses over 500 courses, has trained more than 3,000 Singaporeans with 5G skills.

Deepening Industry Exchanges

For more than six decades, SP has been actively engaging the industry and establishing valuable collaborations. We have 30 industry partners who have co-located their research and innovation centres or laboratories on our campus. These strategic connections have benefitted our learners and teaching faculty; they augment real-world learning and facilitate the mutual transfer of domain expertise from academia to industry, and vice versa.

One leading business partner that has regarded its connection with SP highly is Shimadzu (Asia Pacific), which renewed an MoU to further advance the SMARTLab (Scalable, Manageable, Automated, Regulated and Total-Compliant Laboratory) initiative for another three years in December 2021. The SMARTLab, established in May 2018, conducts training programmes on analytical instrumentation, data



management, automation and disruptive technologies for enterprises from the energy and chemicals sector to digitalise their laboratories.

In the same breadth, we have made good headway in establishing more opportunities for industry exchange and learning for our students in the social and community dimensions. Supported by ActiveSG and toy company KYDZ International, 417 first-year students from SP's Media, Arts and Design School participated in an eight-week interdisciplinary project, "Ageing Playfully", in August 2021, where they designed 88 simple games and toys to improve the physical, sociological and mental well-being of Singapore's senior citizens. This is just one example of our students' take on innovation at play while having fun at the same time.

Boosting Lifelong Learning

In promoting the spirit of continual learning and guided by our belief to "train with industry, for industry", SP has refined our Continuing Education and Training (CET) offerings and deepened our industry collaborations. As a strong testament to our industry relevance, over 1,000 companies had sent or sponsored their employees to enrol in SP's CET courses, with the number of company-sponsored training places for short and modular courses increasing three-fold between Financial Years (FY) 2017 to 2021.

Within five years, SP doubled our CET trainee hours from 979,305 in FY2016 to 2.13 million in FY2021. In fact, SP rolled out one of the highest number of SGUnited Skills (SGUS) programmes among the IHLs and trained about 1,200 job seekers. The SGUS programmes have successfully equipped job seekers with in-demand and emerging skills, thereby enhancing their employability during the pandemic. We placed about half of them into jobs within six months of their course completion.

Moreover, SP has also established training collaboration agreements with 24 industry partners. For instance, to accelerate electric vehicle (EV) readiness in Singapore, SP and Inchcape Singapore inked an MoU in April 2022 to introduce training programmes to

equip adult learners with the technological and digital capabilities to drive the future of mobility. In growing SP's brand of sustainability education, we have mapped out a new programme to train over 550 Inchcape staff with EV 101 knowledge by the end of 2023. SP lecturers and Inchcape's aftersales department will also design and develop future mobility-centric curricula that will provide deeper practical and industry-related knowledge to learners.

Contributing to a Sustainable Future

Moving in tandem with the nation and the rest of the world, sustainability has come to the fore in SP too. We strive to make a difference in the community and stand guided by the Singapore Green Plan 2030 in our priorities and initiatives. One of our key contributions is in the area of sustainability education and development.

In the CCC programme, SP students will learn to ideate innovative prototype sustainability solutions for real-life issues. Working adults can enrol in our Career Conversion Programme (CCP) for Clean and Renewable Energy for Professionals or Specialist Diplomas in Energy Efficiency & Management, and Air-Conditioning & Energy Sustainability to develop relevant competencies to take on new jobs in the area of clean and renewable energy.

Besides education, SP has made good progress in our campus sustainability efforts. Our buildings are certified to meet the Building and Construction Authority (BCA)'s Green Mark GoldPLUS requirements. The installation of Building Management System (BMS)-enabled sensors that monitor and regulate temperature, airflow and brightness of lights in an office space, has generated a 10% reduction in energy consumption. Some of our other green initiatives include retrofitting existing chillers with efficient water-cooled systems and installing solar panels.

We have also expanded our capabilities and expertise in sustainability research. A team from SP's Department of Technology, Innovation and Enterprise clinched the MOE's Innergy Awards 2021 (Academic) Gold Medal for their patented technology to recover all valuable



materials from crystalline silicon photovoltaic (PV) modules, at the end of their lifespan, with green chemistry. This is a significant boost to environmental conservation as it prevents the leaching of toxic heavy metals into groundwater.

Sustainability and innovation are key for enterprises to succeed. As the pandemic accelerates the pace of digitalisation, it is timely for them to transform into more sustainable entities. On this front, SP has been helping businesses achieve their sustainability goals.

Recognising that IHLs are best placed to lead and drive sustainability innovations for the industry and SMEs, Grundfos, a global leader in advanced pump solutions and water technology, signed a three-year MoU with SP in December 2021 to co-develop energy and water-efficient smart solutions that support companies in their sustainability efforts. In areas of talent development and sustainability education, our students and staff will have access to resources and opportunities to work on solutions with industry manufacturers through pilot projects in Singapore.

In extending our sustainability expertise further, SP inked an MoU with MolyWorks Materials Corporation in April 2022 to support the maritime and offshore industry in digitally transforming its supply chain and introducing

sustainable business practices. Both partners plan to harness the potential of additive manufacturing as a technology to reduce the cost of producing new materials and managing inventories digitally. SP's Innovation Centre for Additive Manufacturing will share its knowledge and facilities to accelerate the design maturity and adoption of additive manufacturing in Singapore. The parties will engage over 30 local maritime and offshore companies to initiate new joint research and development projects, and recruit SP students to immerse in the growing deep tech start-up ecosystem.

All in all, 2021 was a demanding and eventful year. We take pride in celebrating our achievements, which would not have been possible without the unwavering trust and support of our staff, students, industry partners, and alumni. My Board of Governors and I would like to express our heartfelt thanks to the leadership team and staff for their immense hard work and sacrifice that have enabled SP to journey through these extraordinary times.

As we press forward into the new norm and beyond, the SP family will remain vigilant, courageous and dedicated. I am confident that we are well-positioned to reinvent the future in new and unexpected ways while continuing to make a difference in our society and economy.

BOARD OF GOVERNORS

From 1 April 2021 to 31 March 2022

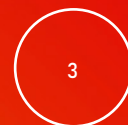


1 MS JANET ANG
(Chairman)
Nominated Member of Parliament
Chairman, Public Transport Council
Chairman, Institute of Systems Science,
National University of Singapore
Chairman, SISTIC.com

2 MR MARCUS H C LAM
(Deputy Chairman)
Executive Chairman,
PricewaterhouseCoopers
LLP

3 DR AZLINDA BTE ANWAR
(Member)
Coordinating Director
& Director (Grants & IP
Administration), Temasek
Life Sciences Laboratory
Limited

**4 PROF FREDDY BOEY
YIN CHIANG**
(Member)
Deputy President,
Innovation &
Enterprise, National
University of
Singapore



BOARD OF GOVERNORS

From 1 April 2021 to 31 March 2022



5 MR ALBERT CHAN
(Member)
Senior Advisor,
Kepner-Tregoe Inc.

6 MR JOSEPH CHUA
(Member)
Chief Executive Officer,
Aiken Digital
Director, Innoly Ventures

7 SAC LIAN GHIM HUA
(Member)
Director, Operations,
Operations Department,
Singapore Police Force

8 MR AMOS LEONG
(Member)
President & CEO, The
Univac Group, Univac
Precision Engineering
Pte Ltd

9 DR DAVID LOW
(Member)
Chief Executive Officer,
Advanced Remanufacturing
and Technology Centre,
Agency for Science,
Technology and Research

10 MS JOAN MOH
(Member)
Divisional Director, Higher
Education, (Planning, Skills
& Academic Research),
Ministry of Education

BOARD OF GOVERNORS

From 1 April 2021 to 31 March 2022



11 BG NG PAK SHUN
(Member)
Group Chief, Policy and Strategy
Group Chief, MINDEF Transformation, Ministry of Defence

12 MR SOH WAI WAH
(Member)
Principal & CEO,
Singapore Polytechnic

13 MR DAVID TAN WEI-SON
(Member)
Founder and CEO, TrustCapital Advisors Investment Management Pte Ltd

14 A/PROF TAN POH HONG
(Member)
Adjunct Associate Professor, School of Design & Environment, National University of Singapore

15 MR MARTIN AXEL WIKTORIN
(Member)
President & Country Manager of Ericsson Singapore, Brunei & Philippines, Ericsson Telecommunications Pte Ltd

16 MR JOSEPH TEO
Registrar/Secretary
Board of Governors,
Singapore Polytechnic

STANDING COMMITTEES

ADMINISTRATION & DEVELOPMENT COMMITTEE

Chairman: A/Prof Tan Poh Hong
Members: Dr Azlinda Bte Anwar
Dr David Low
Mr Martin Axel Wiktorin
Mr Soh Wai Wah
Secretary: Mr Eugene Phang

AUDIT COMMITTEE

Chairman: Mr Marcus Lam
Members: Mr Albert Chan
BG Ng Pak Shun
A/Prof Tan Poh Hong
Secretary: Mr Ronnie Chan Chin Sing

INDUSTRY & INNOVATION COMMITTEE (Formed on 15 Apr 2021)

Co-Chairman: Mr Amos Leong
Dr David Low
Members: Mr Martin Axel Wiktorin
Mr Soh Wai Wah
Secretary: Ms Georgina Phua

INVESTMENT COMMITTEE

Chairman: Mr David Tan Wei-Son
Members: Dr Azlinda Bte Anwar
Mr Joseph Chua
Mr Soh Wai Wah
Secretary: Mr Teo Wui Khiang

NOMINATING COMMITTEE

Chairman: Mr Marcus H C Lam
Members: Ms Janet Ang
Mr Soh Wai Wah
Secretary: Mr Joseph Teo

RISK COMMITTEE (Formed on 15 Apr 2021)

Chairman: Ms Janet Ang
Members: Mr Joseph Chua
Prof Freddy Boey Yin Chiang
Mr Soh Wai Wah
Secretary: Mr Henry Tan

STAFF DISCIPLINARY COMMITTEE

Chairman: Prof Freddy Boey Yin Chiang
Members: Mr Amos Leong
Ms Joan Moh
Secretary: Ms Lim Mong Ling

TALENT DEVELOPMENT COMMITTEE (Renamed from Human Resource Committee on 15 Apr 2021)

Chairman: Ms Janet Ang
Members: SAC Lian Ghim Hua
Ms Joan Moh
Mr Soh Wai Wah
Secretary: Ms Lim Mong Ling

MANAGEMENT TEAM

PRINCIPAL & CEO

Mr Soh Wai Wah

DEPUTY PRINCIPAL

Mr Lim Peng Hun, Deputy Principal (Academic)
Mr Henry Tan Hin Teck, Deputy Principal (Administration)
Ms Georgina Phua Hwee Choo, Deputy Principal (Development)

SENIOR DIRECTOR

Mr Low Yew Chiong, Senior Director (Computing, Chemical & Life Sciences)
Dr Chai Min Sen, Senior Director (Engineering)
Ms Tan Yen Yen, Senior Director (Business & The Creatives)
Dr Faris Akbar Hajamaideen, Senior Director (Built Environment & Maritime)
Ms Chao Yunn Chyi, Senior Director (Common Core)

REGISTRAR

Mr Joseph Teo, Registrar

ACADEMIC SCHOOLS

BUILT ENVIRONMENT & MARITIME

Director, Architecture & the Built Environment
Dr Faris Akbar Hajamaideen

Director, Singapore Maritime Academy
Capt Mohd Salleh Bin Ahmad Sarwan

BUSINESS & THE CREATIVES

Director, Business
Mrs Jacqueline Tan-Thoo

Director, Media, Arts & Design
Ms Tan Yen Yen

COMMON CORE

Director, Life Skills & Communication
Ms Lim Lee Yee

Director, Mathematics & Science
Ms Chao Yunn Chyi

COMPUTING, CHEMICAL & LIFE SCIENCES

Director, Chemical & Life Sciences
Dr Tan Tuan Lin

Director, Computing
Mr Liew Chin Chuan

ENGINEERING

Director, Electrical & Electronic Engineering
Mr Toh Ser Khoon

Director, Mechanical & Aeronautical Engineering
Dr Chong Chee Wei

DEPARTMENTS

ACADEMIC

Director, Educational Development
Mrs Helene Leong-Wee Kwee Huay

Director, Internal Audit
Mr Ronnie Chan Ching Sing

Deputy Director (Covering Director), Library
Ms Khoo Ai Ling

ADMINISTRATION

Director, Communications
Mr William Lim

Director, Estates & Development
Mr Eugene Phang

Director, Finance
Mr Teo Wui Khiang

Director, Information & Digital Technology Services
Mr Chua Kee Koon

Director, Organisation Planning & Development
Mr Alfred Lee

DEVELOPMENT

Acting Director, Human Resource
Ms Lim Mong Ling

Director, Industry & Partnership
Mr Lee Leck Seng

Director, Professional & Adult Continuing Education Academy
Mr Wong Jian Chang

Director, Technology, Innovation & Enterprise
Mr David Chai

STUDENT & ACADEMIC AFFAIRS

Director, Academic Services
Mrs Elizabeth Ann Khoo-Lee May Yong

Director, Student Development
Mr Kelly Lee Wai Kin

Director, Student Services
Mr Clarence Chua Eng Chye

FACTS AND FIGURES

AS AT 31 MAR 2022

16,871 TOTAL STUDENT ENROLMENT

- 12,880 Full Time Year 1-3 Diploma Students
- 2,043 Part Time Diploma Students
- 1,948 Post Diploma Students
 - 118 Advanced Diploma
 - 1,537 Specialist Diploma
 - 293 Diploma (Conversion)



318 STUDENTS ENROLLED IN THE POLYTECHNIC FOUNDATION PROGRAMME



6,320 STUDENT INTAKE FOR ACADEMIC YEAR 2021/2022

- 4,104 Full Time Year 1 Diploma Students
- 867 Part Time Diploma Students
- 1,349 Post Diploma Students
 - 86 Advanced Diploma
 - 1,046 Specialist Diploma
 - 217 Diploma (Conversion)



1,035 SP STUDENTS ENROLLED IN SGUNITED SKILLS (SGUS) PROGRAMMES:

- 716 in SGUS Certificates
- 319 in SGUS Post Diplomas



109 STUDENT CCAS

Student clubs and sports teams contributed to a vibrant campus life



1,439 STAFF STRENGTH

comprising 720 academic staff and 719 non-teaching staff.



GRADUATE OUTPUT/EMPLOYMENT

6,271

STUDENTS GRADUATED FROM SINGAPORE POLYTECHNIC IN THE ACADEMIC YEAR 2020/2021

- 4,484 graduated from full time courses
- 1,787 graduated from part time courses

According to the Graduate Employment Survey 2021, 89.8% of Fresh Graduates and 94.0% of Post-NS Graduates who are in the labour force found employment within 6 months of graduation or after completion of full-time National Service.



111,090 TRAINING PLACES WITH MORE THAN 413 CONTINUING EDUCATION PROGRAMMES OFFERED BY SINGAPORE POLYTECHNIC.

The programmes included:

- 30 SGUS programmes
- 309 Short Courses and Certification Courses
- 20 Part Time Diplomas
- 38 Post Diplomas
- 8 Work-Study Programmes
- 8 Professional Conversion Programmes



KEY HIGHLIGHTS OF FY21

MAY 2021

Over 6,000 full time and continuing education and training students graduated at the 61st Graduation ceremony. The number of SP alumni also crossed the 218,000 milestone.

The SP Graduates Guild (SPGG) raised a total of S\$235,000 to support 470 families in the SP community affected by the pandemic.



Our 2021 institutional medallists taking a selfie with the Guest-of-Honour, Minister of State for Home Affairs and Social and Family Development, Ms Sun Xueling

AUG 2021

During an eight-week interdisciplinary project called "Ageing Playfully", 417 first-year students from SP's Diploma in Media, Arts and Design (DMAD) designed a collection of 88 "playful solutions" that supports Singapore's senior citizens in improving their physical, sociological and mental well-being.



OCT 2021

SP's Centre of Excellence in Maritime Safety (CEMS), together with the Singapore Maritime Academy (SMA) and software company Kongsberg Digital, launched the Advanced Navigation Research Simulator (ANRS) at its Dover Road campus. It is the first such equipment in Southeast Asia. It combines simulated training with artificial intelligence, which interprets intricate data collected by sensors, such as glasses that track users' eye movement and headbands that register electrical brain activity.



NOV 2021

Minister for Communications and Information Mrs Josephine Teo launched SP's 5G & AIoT Centre Singapore, and 5G and Telecoms Academy (5G Academy) portal at the annual Regional Industry Networking Conference (RINC).

The 5G Academy, led by SP and the National University of Singapore (NUS), works with Institutes of Higher Learning, Mobile Network Operators and industry partners to aggregate hiring and training requirements from the 5G ecosystem.



NOV 2021

SP signed three Memoranda of Understanding (MoUs) with the Singapore Business Federation (SBF) and JTC; Agency for Science, Technology and Research (A*STAR); and MicroStrategy at the Industrial Transformation Asia-Pacific (ITAP) 2021 event. The partnerships aim to catalyse more small and mid-sized enterprises (SMEs) to adopt and invest in the latest digital technologies and cultivate smart digitalisation solutions.



DEC 2021

SP renewed the Memorandum of Understanding (MoU) with Shimadzu (Asia Pacific) for another three years to further develop the SMARTLab initiative, which will usher in futuristic technologies to further grow Singapore's Smart Nation journey and capabilities through Analytical Intelligence and Digital Transformation. The MoU was first signed in 2018.



DEC 2021

DEC 2021

SP and Singapore Pools signed a Memorandum of Understanding (MoU) to enhance the digital transformation of social service agencies, with the aim of upskilling social service workers and further enhancing the sector's digital capabilities. Through this partnership, the agencies are also given access to customised e-learning and training programmes.



Tech giant Dell Technologies signed a Memorandum of Understanding (MoU) with SP, Ngee Ann Polytechnic (NP), Singapore Management University (SMU), and the Singapore Institute of Technology (SIT) to collaborate on creating new curriculum content related to emerging technologies, such as cloud computing and the Internet of Things. The partnership seeks to equip students across the four educational institutes with critical skills related to these technologies and also build and attract a robust talent pipeline for the local information and communications technology sector.

JAN 2022

SP organised its first hybrid open house from 6 – 8 January 2022, combining walking tours, live webinars and information sessions to help post-secondary students make an informed decision on their polytechnic applications.



FEB 2022

SP and Jamco Aero Design & Engineering (JADE) signed a Memorandum of Understanding (MoU) to jointly establish the first fully certified flammability test aviation laboratory and data centre in the Asia Pacific. The five-year partnership will see SP and JADE co-build the flammability test laboratory within SP which is expected to be ready by 2025. This new facility will add new capability to and will strengthen Singapore's position as an aviation hub in the region.



JAN 2022

Our student teams participated in two annual national competitions and emerged with top honours.

The SP Robotics Innovation & Technology Enterprise student club members bagged a total of nine awards in all categories at the National Robotics Competition 2021! Competing against over 100 teams from three categories, one of the teams emerged as Overall Champion.

Students from the School of Business participated in the annual Mapletree-SCCC River Hongbao Hackathon 2022 and became one of the top 3 winning teams amongst 11 finalist teams.

Congratulations to our student teams!



FEB 2022

Four Diploma in Computer Engineering students did SP proud by clinching the First Prize and the People's Choice Awards in the Post-Secondary category at the "Samsung Solve for Tomorrow" competition. A total of 17 teams, comprising 510 students across various institutions, participated in the competition. The SP students' winning idea was a biofilter that uses E.Coli bacteria to convert carbon dioxide emissions to oxygen, thereby reducing the overall carbon footprint.





SINGAPORE POLYTECHNIC

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www.sp.edu.sg



facebook.com/singaporepolytechnic



[@singaporepoly](https://www.instagram.com/singaporepoly)



[@SingaporePoly](https://twitter.com/SingaporePoly)



youtube.com/singaporepolytechnic



SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES
FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS

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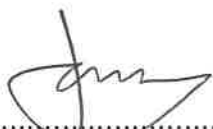
SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

STATEMENT BY BOARD OF GOVERNORS

In the opinion of the Board of Governors,

- (a) the consolidated financial statements set out on pages 6 to 67 of Singapore Polytechnic (the "Polytechnic") and its subsidiaries (collectively the "Group") are drawn up so as to present fairly, in all material respects, the financial position of the Group and the Polytechnic as at March 31, 2022, and the financial performance, changes in funds and reserves of the Group and the Polytechnic and cash flows of the Group for the year then ended, in accordance with the provisions of the Public Sector (Governance) Act 2018 (the "Governance Act"), the Singapore Polytechnic Act 1954 (the "SP Act"), the Charities Act 1994 (the "Charities Act") and Statutory Board Financial Reporting Standards;
- (b) at the date of this statement, there are reasonable grounds to believe that the Polytechnic will be able to pay its debts when they fall due;
- (c) proper accounting and other records have been kept, including records of all assets of the Polytechnic and of the subsidiaries incorporated in Singapore whether purchased, donated or otherwise; and
- (d) the receipts, expenditure, investment of moneys, and the acquisition and disposal of assets by the Polytechnic during the year are, in all material respects, in accordance with the provisions of the Governance Act, the SP Act and the requirements of any other written law applicable to moneys of or managed by the Board of Governors.

On behalf of the Board of Governors



JANET ANG
Chairman



SOH WAI WAH
Principal and Chief Executive Officer

Singapore
July 27, 2022

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS OF SINGAPORE POLYTECHNIC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Singapore Polytechnic (the "Polytechnic") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Polytechnic as at March 31, 2022, the consolidated statement of comprehensive income, consolidated statement of changes in funds and reserves and consolidated statement of cash flows of the Group and statement of comprehensive income and statement of changes in funds and reserves of the Polytechnic for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 67.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statements of changes in funds and reserves of the Polytechnic are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 (the "Governance Act"), the Singapore Polytechnic Act 1954 (the "SP Act"), the Charities Act 1994 (the "Charities Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the consolidated financial position of the Group and the financial position of the Polytechnic as at March 31, 2022 and of the consolidated financial performance, consolidated changes in funds and reserves and consolidated cash flows of the Group and of the financial performance and the changes in funds and reserves of the Polytechnic for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *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.

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

Management is responsible for the other information. The other information obtained at the date of this auditor's report is the Statement by Board of Governors on page 1.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS OF SINGAPORE POLYTECHNIC

Responsibilities of Management and the Board of Governors for the Financial Statements

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

A statutory board is constituted based on its constitutional act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing the 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.

The responsibilities of the Board of Governors include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS OF SINGAPORE POLYTECHNIC

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

- (e) 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.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities 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

In our opinion:

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

During the course of our audit in relation to the Singapore Polytechnic Endowment Fund (the "Fund") nothing has come to our attention that causes us to believe that during the year:

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

Basis for Opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Compliance Audit* section of our report. We are independent of the 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 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 on management's compliance.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS OF SINGAPORE POLYTECHNIC

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 Governance Act, the SP Act and the requirements of any other written law applicable to moneys of or managed by the Board of Governors. This responsibility includes monitoring related compliance requirements relevant to the Board of Governors, 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 Governance Act, the SP Act and the requirements of any other written law applicable to moneys of or managed by the Board of Governors.

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

A handwritten signature in blue ink that reads "Deloitte - Touche". A blue arrow points from the signature towards the text "Public Accountants and Chartered Accountants Singapore" below it.

Public Accountants and
Chartered Accountants
Singapore

July 27, 2022

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION March 31, 2022

	Note	The Group		The Polytechnic	
		2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000
Endowment Fund (Capital)	3(iii)	69,579	67,524	69,579	67,524
Accumulated surplus					
- General Fund		329,630	315,881	330,114	316,388
- Other Funds	3(viii)	154,200	141,050	150,114	137,115
- Fair value reserve	19	5	(46)	5	35
Total capital and other funds		553,414	524,409	549,812	521,062
Represented by:					
Assets					
Non-current					
Property, plant and equipment	4	250,747	266,991	250,735	266,936
Right-of-use assets	5	44,257	45,582	44,257	45,582
Intangible assets	6	1,845	1,423	1,845	1,423
Subsidiaries	7	-	-	2,250	2,250
Financial assets, at fair value through profit or loss	8	112,416	113,290	112,416	113,290
Financial assets, at fair value through other comprehensive income (debt instruments)	9	-	1,539	-	1,539
Student loans	10	-	4	-	4
Deferred tax assets	11	8	8	-	-
		409,273	428,837	411,503	431,024
Current					
Student loans	10	2	16	2	16
Trade and other receivables	12	50,123	31,079	49,424	30,341
Financial assets, at fair value through other comprehensive income (debt instruments)	9	1,507	4,007	1,507	4,007
Cash and cash equivalents	13	506,187	510,371	501,027	505,598
		557,819	545,473	551,960	539,962
Total assets		967,092	974,310	963,463	970,986
Liabilities					
Current					
Trade and other payables	14	41,218	58,411	41,191	58,500
Lease liabilities	15	25	70	25	70
Government grants received in advance	16	85,542	87,267	85,542	87,267
Contract liabilities	18	6,180	5,741	6,180	5,675
		132,965	151,489	132,938	151,512
Net current assets		424,854	393,984	419,022	388,450
Non-current					
Deferred capital grants	17	262,754	279,604	262,754	279,604
Contract liabilities	18	17,952	18,775	17,952	18,775
Lease liabilities	15	7	33	7	33
		280,713	298,412	280,713	298,412
Total liabilities		413,678	449,901	413,651	449,924
Net assets		553,414	524,409	549,812	521,062
Net assets of funds managed on behalf of the Ministry and other entities					
	20	10,802	12,284	10,860	12,378

See accompanying notes to financial statements.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME Year ended March 31, 2022

Note	Group					
	General Fund		Other Funds		Total	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating income						
Course fees	21	49,763	51,153	32,961	23,585	82,724
Consultancy fees	21	-	-	1,600	1,450	1,600
Other fees	21	580	400	-	-	580
		50,343	51,553	34,561	25,035	84,904
Operating expenditure						
Staff costs	22	(195,142)	(195,241)	(14,973)	(11,814)	(210,115)
Teaching materials		(2,720)	(2,872)	(419)	(464)	(3,139)
Repairs and maintenance		(16,494)	(15,399)	(936)	(904)	(17,430)
Depreciation of property, plant and equipment	4	(29,277)	(30,917)	(2,631)	(2,230)	(31,908)
Depreciation of right-of-use assets	5	(1,325)	(1,342)	-	-	(1,325)
Amortisation of intangible assets	6	(853)	(3,378)	(71)	(159)	(924)
Development expenses		(8,201)	(8,729)	-	-	(8,201)
Staff development and benefits		(3,390)	(3,244)	(111)	(159)	(3,501)
Other expenditure	23	(34,379)	(27,629)	(7,073)	(6,296)	(41,452)
		(291,781)	(288,751)	(26,214)	(22,026)	(317,995)
Operating (deficit) surplus		(241,438)	(237,198)	8,347	3,009	(233,091)
Non-operating income						
Donations		-	299	914	1,505	914
Interest income		842	2,191	479	2,134	1,321
Rental income		2,004	2,287	1,457	1,507	3,461
Fair value (losses) gains						
- financial assets at fair value through profit or loss		(715)	7,735	(159)	2,374	(874)
Fair value gains						
- financial assets at fair value through other comprehensive income (debt instruments)		-	-	-	928	-
Other income	24	6,850	6,123	2,082	1,521	8,932
Operating (deficit) surplus before grants and tax		(232,457)	(218,563)	13,120	12,978	(219,337)
Grants	25	246,206	240,837	104	196	246,310
Surplus before income tax		13,749	22,274	13,224	13,174	26,973
Income tax	26	-	-	7	-	7
Net surplus for the year		13,749	22,274	13,231	13,174	26,980

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME (cont'd)
Year ended March 31, 2022

Note	Group					
	General Fund		Other Funds		Total	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Other comprehensive income:						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Net change in fair value of financial assets, at fair value through other comprehensive income (debt instruments)						
19	-	(106)	(30)	450	(30)	344
Other comprehensive income for the year, net of tax	-	(106)	(30)	450	(30)	344
Total comprehensive income for the year	13,749	22,168	13,201	13,624	26,950	35,792

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME (cont'd) Year ended March 31, 2022

Note	The Polytechnic					
	General Fund		Other Funds		Total	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating income						
Course fees	21	49,763	51,153	32,961	23,590	82,724
Other fees	21	580	400	-	-	580
		50,343	51,553	32,961	23,590	83,304
						75,143
Operating expenditure						
Staff costs	22	(195,142)	(195,241)	(13,876)	(10,135)	(209,018)
Teaching materials		(2,720)	(2,872)	(405)	(419)	(3,125)
Repairs and maintenance		(16,494)	(15,399)	(931)	(894)	(17,425)
Depreciation of property, plant and equipment	4	(29,277)	(30,917)	(2,612)	(2,212)	(31,889)
Depreciation of right-of-use assets	5	(1,325)	(1,342)	-	-	(1,325)
Amortisation of intangible assets	6	(853)	(3,378)	(71)	(159)	(924)
Development expenses		(8,201)	(8,729)	-	-	(8,201)
Staff development and benefits		(3,390)	(3,251)	(92)	(131)	(3,482)
Other expenditure	23	(34,923)	(27,818)	(6,292)	(6,285)	(41,215)
		(292,325)	(288,947)	(24,279)	(20,235)	(316,604)
						(309,182)
Operating (deficit) surplus		(241,982)	(237,394)	8,682	3,355	(233,300)
						(234,039)
Non-operating income						
Donations		-	299	914	1,505	914
Interest income		842	2,191	479	2,134	1,321
Rental income		2,147	2,446	1,457	1,507	3,604
Fair value (losses) gains						
- financial assets at fair value through profit or loss		(715)	7,735	(159)	2,374	(874)
Fair value gains						
- financial assets at fair value through other comprehensive income (debt instruments)		-	-	-	928	-
Other income	24	7,228	6,358	1,626	1,119	8,854
						7,477
Operating (deficit) surplus before grants and tax		(232,480)	(218,365)	12,999	12,922	(219,481)
Grants	25	246,206	240,837	-	-	246,206
						240,837
Surplus before income tax		13,726	22,472	12,999	12,922	26,725
Income tax	26	-	-	-	-	-
Net surplus for the year		13,726	22,472	12,999	12,922	26,725
						35,394

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME (cont'd)
Year ended March 31, 2022

		The Polytechnic						
		General Fund		Other Funds		Total		
Note		2022	2021	2022	2021	2022	2021	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Other comprehensive income:								
Items that may be reclassified subsequently to profit or loss								
Net change in fair value of financial assets, at fair value through other comprehensive income (debt instruments)		19	-	(106)	(30)	450	(30)	344
Other comprehensive income for the year, net of tax			-	(106)	(30)	450	(30)	344
Total comprehensive income for the year			13,726	22,366	12,969	13,372	26,695	35,738

See accompanying notes to financial statements.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN FUNDS AND RESERVES

Year ended March 31, 2022

	Endowment Fund (Capital) \$'000 (Note 3(iii))	General Fund \$'000	Other Funds \$'000 (Note 3 (vii),(viii))	Fair value reserve \$'000	Total \$'000
The Group					
Balance at April 1, 2020	65,789	293,607	127,876	(390)	486,882
Net surplus for the year	-	22,274	13,174	-	35,448
Other comprehensive income for the year	-	-	-	344	344
Total comprehensive income for the year	-	22,274	13,174	344	35,792
Contributions and donations received for the endowment fund (capital)	1,735	-	-	-	1,735
Balance at March 31, 2021	67,524	315,881	141,050	(46)	524,409
Net surplus for the year	-	13,749	13,231	-	26,980
Other comprehensive income for the year	-	-	-	(30)	(30)
Total comprehensive income for the year	-	13,749	13,231	(30)	26,950
Cumulative loss on investments in equity instruments classified as at FVTOCI reclassified to accumulated surplus upon disposal	-	-	(81)	81	-
Contributions and donations received for the endowment fund (capital)	2,055	-	-	-	2,055
Balance at March 31, 2022	69,579	329,630	154,200	5	553,414

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN FUNDS AND RESERVES (cont'd) Year ended March 31, 2022

	Endowment Fund (Capital) \$'000 (Note 3(iii))	General Fund \$'000	Other Funds \$'000 (Note 3 (vii),(viii))	Fair value reserve \$'000	Total \$'000
The Polytechnic					
Balance at April 1, 2020	65,789	293,916	124,193	(309)	483,589
Net surplus for the year	-	22,472	12,922	-	35,394
Other comprehensive income for the year	-	-	-	344	344
Total comprehensive income for the year	-	22,472	12,922	344	35,738
Contributions and donations received for the endowment fund (capital)	1,735	-	-	-	1,735
Balance at March 31, 2021	67,524	316,388	137,115	35	521,062
Net surplus for the year	-	13,726	12,999	-	26,725
Other comprehensive income for the year	-	-	-	(30)	(30)
Total comprehensive income for the year	-	13,726	12,999	(30)	26,695
Contributions and donations received for the endowment fund (capital)	2,055	-	-	-	2,055
Balance at March 31, 2022	69,579	330,114	150,114	5	549,812

See accompanying notes to financial statements.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS Year ended March 31, 2022

	Note	Group	
		2022	2021
		\$'000	\$'000
Cash flows from operating activities			
Operating deficit before grants and tax		(219,337)	(205,585)
Adjustments for:			
Depreciation of property, plant and equipment	4	31,908	33,124
Depreciation of right-of-use assets	5	1,325	1,342
Amortisation of intangible assets	6	924	3,560
Interest income		(1,321)	(4,325)
Interest expense		1	2
Accrued grant income		(11,490)	(14,905)
Loss on disposal of property, plant and equipment	23	16	34
Fair value loss (gain) on financial assets, at fair value through profit or loss		874	(10,109)
Fair value gain on financial assets, at fair value through other comprehensive income (debt instruments)		-	(928)
Investment rebate		-	(15)
Amortisation of interest for bonds		9	(221)
Loss allowance		30	40
Operating cash flows before working capital changes		(197,061)	(197,986)
Change in trade and other receivables		658	15,766
Change in student loans		18	3
Change in trade and other payables		(11,405)	19,145
Cash used in operations		(207,790)	(163,072)
Development grants received from Government		218	4,826
IT and Furniture & Equipment grants received from Government		5,969	6,167
Innovation grants received from Government		446	1,452
Operating grants received from Government		199,668	189,757
Operating grants received from non-government organisations		203	602
Refund of unutilised balance received from Government		(471)	-
Contributions and donations received for the endowment fund (capital)		2,055	1,735
Net cash from operating activities		298	41,467
Cash flows from investing activities			
Interest received		1,321	4,325
Purchase of property, plant and equipment	A	(21,913)	(12,619)
Addition of intangible assets	B	(1,312)	(1,035)
Proceed from disposal of property, plant and equipment		28	-
Redemption and disposal of financial assets, at fair value through other comprehensive income (debt instruments)		4,000	49,928
Development grants received from Government		4,831	1,116
IT and Furniture & Equipment grants received from Government		7,231	10,833
Innovation grants received from Government		56	267
Operating grants received from Government		1,293	639
Operating grants received from non-government organisations		55	755
Net cash (used in) from investing activities		(4,410)	54,209

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd) Year ended March 31, 2022

		Group	
	Note	2022	2021
		\$'000	\$'000
Cash flows from financing activities			
Repayment of lease liability		(71)	(75)
Interest paid		(1)	(2)
Net cash used in financing activities		(72)	(77)
Net (decrease) increase in cash and cash equivalents		(4,184)	95,599
Cash and cash equivalents at beginning of year		510,371	414,772
Cash and cash equivalents at end of year	13	506,187	510,371

Reconciliation of liabilities arising from financing activities

The following is the disclosure of the reconciliation of liabilities arising from financing activities:

	At beginning of year \$'000	Financing cash flow \$'000	Non-cash changes New leases \$'000	Interest expense \$'000	At end of year \$'000
2022					
Lease liabilities	103	(72)	-	1	32
2021					
Lease liabilities	128	(77)	50	2	103

Note A

During the year, the Group accrued for the acquisition of property, plant and equipment with an aggregate cost of \$1,168,000 (2021 : \$7,373,000). The cash outflow on acquisition of property, plant and equipment amounted to \$21,913,000 (2021 : \$12,619,000).

Note B

During the year, the Group accrued for the acquisition of intangible assets with an aggregate cost of \$55,000 (2021 : \$21,000). The cash outflow on acquisition of intangible assets amounted to \$1,312,000 (2021 : \$1,035,000).

See accompanying notes to financial statements.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

1 GENERAL

Singapore Polytechnic (the "Polytechnic"), established under the Singapore Polytechnic Act 1954 (the "SP Act"), is domiciled in Singapore.

The Polytechnic is located at 500 Dover Road, Singapore 139651.

The Polytechnic is principally engaged in providing studies, training and research in technology, science, commerce and arts. The principal activities of its subsidiaries are disclosed in Note 7.

The consolidated financial statements of the Group and statement of financial position, statement of comprehensive income and statement of changes in funds and reserves of the Polytechnic for the year ended March 31, 2022 were authorised for issue by the Board of Governors on July 27, 2022.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

(a) Basis of accounting

The financial statements have been prepared in accordance with the applicable requirements of the Public Sector (Governance) Act 2018, the Singapore Polytechnic Act 1954, the Charities Act 1994 and Statutory Board Financial Reporting Standards ("SB-FRS"). SB-FRS include Statutory Board Financial Reporting Standards Interpretations of SB-FRS ("INT SB FRS") and SB-FRS Guidance Notes as promulgated by the Accountant General. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below. The financial statements are presented in Singapore dollars which is also the functional currency of the Polytechnic. All the financial information presented in Singapore dollars ("S\$") has been rounded to the nearest thousand ("000") unless otherwise stated.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of SB-FRS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SB-FRS 2 *Inventories* or value in use in SB-FRS 36 *Impairment of Assets*.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of preparation (cont'd)

(a) Basis of accounting (cont'd)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(b) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with SB-FRS requires the use of judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the end of each reporting period. However, 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.

Critical judgements in applying the entity's accounting policies

Management is of the opinion that there are no applications of judgement expected to have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Management is of the opinion that there are no key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2.2 Adoption of new and revised standards

On April 1, 2021, the Group has adopted all the new and revised SB-FRSs and Interpretations of SB-FRS ("INT SB-FRS") that are relevant to its operations and effective for annual periods beginning on or after April 1, 2021. The adoption of these new/revised SB-FRSs and INT SB-FRSs does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior financial years.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 New or revised accounting standards and interpretations not effective

At the date of authorisation of these financial statements, the following SB-FRSs and amendments to SB-FRS that are relevant to the Group were issued but not yet effective:

Effective for annual periods beginning on or after January 1, 2022

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

Effective for annual periods beginning on or after January 1, 2023

- Amendments to SB-FRS 1: *Classification of Liabilities as Current or Non-current*
- Amendments to SB-FRS 1 and SB-FRS Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to SB-FRS 8: *Definition of Accounting Estimates*

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

2.4 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Polytechnic and entities controlled by the Polytechnic and its subsidiaries. Control is achieved when the Polytechnic:

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

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

When the Polytechnic has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Polytechnic considers all relevant facts and circumstances in assessing whether or not the Polytechnic's voting rights in an investee are sufficient to give it power, including:

- The size of the Polytechnic's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Polytechnic, other vote holders or other parties;
- Rights arising from other contractual arrangements; and

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Basis of consolidation (cont'd)

- Any additional facts and circumstances that indicate that the Polytechnic has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Polytechnic obtains control over the subsidiary and ceases when the Polytechnic loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Polytechnic gains control until the date when the Polytechnic ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Polytechnic and to the non-controlling interests. Total comprehensive income of subsidiary is attributed to the owners of the Polytechnic and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies into line with the Group's accounting policies.

In the Polytechnic's financial information, investments in the subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

2.5 Funds

(i) General Fund

Income and expenditure relating to the main activities of the Group are accounted for through the General Fund in the Statement of Comprehensive Income.

(ii) Other Funds

Income and expenditure relating to funds set up for contributions received and expenditure incurred for specific purposes are accounted for through the "Other Funds" in the Statement of Comprehensive Income.

(iii) Endowment Fund

Donations, which donors have specified to be kept intact, are taken directly to the Endowment Fund (Capital). Other donations together with other income and expenditure of the Endowment Fund are accounted for in the Fund's operating account under "Other Funds - Endowment Fund (non-capital)" in profit or loss.

Assets and liabilities of these funds are accounted for separately. However, for presentation purposes, they are pooled together with those of General Fund in the Statement of Financial Position.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.6 Funds managed on behalf of others

Funds managed on behalf of others relate to funds set up to account for contributions received from external sources for specific purposes.

The net assets of the funds managed on behalf of Ministry of Education ("MOE") and Other Entities – Tuition Fee Loan, Student Loan, Opportunity Fund, Additional Funding Support, Temasek Foundation Projects Fund and Financial Literacy Fund are presented as a line item under the capital and funds managed on behalf of others section on the face of the statement of financial position as prescribed by SB-FRS Guidance Note 3. Income and expenditure relating to these funds are accounted for directly in these funds. Details of income, expenditure, net assets relating to these funds are disclosed in Note 20.

2.7 Property, plant and equipment

(a) *Measurement*

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. Donated assets are recorded at valuation and subsequently carried at aforementioned less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the cost of dismantling and removing the items and restoring the site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Property, plant and equipment costing less than \$5,000 each and renovations costing below \$200,000 are charged to profit or loss in the year of purchase.

The cost of major renovations and restoration is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard performance of the existing asset will flow to the Group and depreciated over the remaining useful life of the asset.

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.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.7 Property, plant and equipment (cont'd)

(b) Depreciation

Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Building (campus and staff quarters)	Maximum of 50 years
Building improvements	5 years
Equipment and furniture	3 to 10 years

No depreciation is provided for construction work-in-progress.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in the profit or loss when the changes arise.

(c) Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in the profit or loss as incurred.

(d) Disposal

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.8 Intangible assets

Computer software including software development costs are capitalised on the basis of the cost incurred to acquire or develop the software for its intended use. Computer software is stated at cost less accumulated amortisation and impairment loss, if any. These costs are amortised using the straight-line method over their estimated useful life of 3 to 5 years. Computer software costing less than \$5,000 is charged to profit or loss in the year of purchase.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.9 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.10 Financial instruments

Financial assets and financial liabilities are recognised on the Statement of Financial Position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition.

Financial assets

Classification of financial assets

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

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

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Financial instruments (cont'd)

Classification of financial assets (cont'd)

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

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

By default, all other financial assets are subsequently measured at fair value through profit or loss ("FVTPL").

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

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

Amortised cost and effective interest method

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

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

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

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Financial instruments (cont'd)

Amortised cost and effective interest method (cont'd)

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination to which SB-FRS 103 applies.

A financial asset is held for trading if:

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

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

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with SB-FRS 109, unless the dividends clearly represent a recovery of part of the cost of the investment.

Debt instruments classified as at FVTOCI

The corporate bonds held by the Group are classified as at FVTOCI. Fair value is determined in the manner described in Note 31. The corporate bonds are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these corporate bonds as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these corporate bonds had been measured at amortised cost. All other changes in the carrying amount of these corporate bonds are recognised in other comprehensive income and accumulated under the heading of fair value reserve. When these corporate bonds are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Financial instruments (cont'd)

Financial assets at FVTPL

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

Specifically:

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

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "Non-operating income" line item in profit or loss.

Impairment of financial assets

The Group recognises a loss allowance for ECL on trade and other receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

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

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Financial instruments (cont'd)

Significant increase in credit risk

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

The Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 6 months past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

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

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

Definition of default

The Group considers that default has occurred when a financial asset is more than 24 months past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

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

Write-off policy

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

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Financial instruments (cont'd)

Measurement and recognition of ECL

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

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

Derecognition of financial assets

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

Financial liabilities

Classification as debt

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities

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

All financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Financial instruments (cont'd)

Derecognition of financial liabilities (cont'd)

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount is presented in the Statement of Financial Position when the Group has legally enforceable right to set-off the recognised amounts; and intends either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

2.11 Leases

The Group as lessee

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

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

The incremental borrowing rate is defined as the rate of interest that the Group would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

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

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

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

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.11 Leases (cont'd)

The Group as lessee (cont'd)

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

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

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

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

Whenever the Group incurs an obligation for costs to dismantle and remove a lease asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SB-FRS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

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

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

The Group applies SB-FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2.9.

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

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.11 Leases (cont'd)

The Group as lessor

The Group enters into lease arrangements as a lessor with respect to its staff apartments and on-campus premises.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

2.12 Cash and cash equivalents

The Polytechnic is required to participate in the Centralised Liquidity Management Framework ("CLM") in accordance with the Accountant-General's Circular No.4/2009 dated November 2, 2009. Selected bank accounts of the Polytechnic maintained with selected banks are linked up with the Accountant-General's Department's ("AGD") bank accounts for available excess cash to be automatically aggregated for central management on a daily basis. The deposits held with AGD are short-term highly liquid investments that are readily convertible to known amounts of cash and are classified in cash and cash equivalents as "Cash with AGD".

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and at bank and cash held with AGD.

2.13 Revenue recognition

The Polytechnic recognises revenue from the following major sources:

- Rendering of services.
- Rental income.
- Interest income.
- Donations.

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

Rendering of services

Revenue for course and other fees is earned from the provision of studies, training and research services in technology, science, commerce and arts. Consultancy fees are revenue derived by the subsidiaries related to training, education and education-related services. Revenue for course, consultancy and other fees for the year are recognised as a performance obligation which is satisfied over time.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.13 Revenue recognition (cont'd)

Payments received from students for course and other fees in which the courses have not been rendered is recognised as deferred income, under contract liabilities, until the services have been rendered to the students.

Rental income

Rental income from operating leases is recognised on a straight-line basis over the lease term.

Interest income

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

Donations

Donations are recognised at a point in time, when received.

2.14 Employee compensation

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

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Employee leave entitlement

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

(c) Key Management Personnel

Key management personnel are those persons having the authority and responsibility for planning, directing, and controlling the activities of the Polytechnic and the Group. Board of Governors, directors and heads of departments are considered as key management personnel.

2.15 Grants

Grants are not recognised until there is reasonable assurance that the Polytechnic will comply with the conditions attaching to them and the grants will be received.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.15 Grants (cont'd)

Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Development grants from government and contributions from other organisations utilised for the purchase of depreciable assets or to finance capital projects are recorded in the deferred capital grants account if the assets are capitalised or taken to profit or loss if the assets purchased are written off in the year of purchase.

Deferred capital grants are 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 grants is recognised in profit or loss to match the net book value of property, plant and equipment written off.

Government grants to meet the current year's operating expenses are taken to profit or loss for the year. Government grants are accounted for on an accrual basis. With effect from 1 April 2016, based on the Board of Governor's endorsement, Information Technology and Furniture and Equipment grants are set aside from the government operating grants and are included in the "Government grants received in advance" prior to utilisation.

Other government grant received but not utilised are included in the "Grant received in advance" account.

2.16 Income taxes

The Polytechnic is a tax-exempted institution under the provisions of the Income Tax Act 1947. The subsidiaries of the Polytechnic are subject to local income tax legislation.

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is expected tax payable on the taxable income for the year, using tax rates (and tax laws) enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised, using the balance sheet method, providing for all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

A deferred tax asset is recognised to the extent that it is probable that future taxable income will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at the end of the reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current and deferred tax are recognised as an expense or income in profit or loss, except when relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.17 Foreign currency transactions

The financial statements of the Group are measured and presented in the currency of the primary economic environment in which the Group operates (its functional currency).

Transactions in currencies other than the Group's functional currency are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

3 ENDOWMENT FUND AND OTHER FUNDS

Details of the Polytechnic's funds are as follows:

(i)	<u>Name of Fund</u>	<u>Purpose</u>
	Endowment Fund	Provides financial assistance to needy students, recognise achievements of outstanding students and provides assistance for the benefit of graduates.

Interest income and expenditure of the Endowment Fund are taken to the operating account under "Other Funds" in the statement of comprehensive income.

(ii) The total amount of tax-deductible donations received during the year is \$756,000 (2021 : \$945,000).

(iii) The Endowment Fund (Capital) is kept intact and it comprises the following:

	<u>2022</u>	<u>2021</u>
	<u>\$'000</u>	<u>\$'000</u>
The Group and The Polytechnic		
At beginning of the year	67,524	65,789
MOE matching donation grant	1,655	1,435
Donations received from third parties	400	300
At end of the year	<u>69,579</u>	<u>67,524</u>

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

3 ENDOWMENT FUND AND OTHER FUNDS (cont'd)

	2022	2021
	\$'000	\$'000
Represented by:		
Financial assets, fair value through other comprehensive income (debt instruments)	1,534	5,572
Cash and cash equivalents	68,045	61,952
	<u>69,579</u>	<u>67,524</u>

- (iv) The Endowment Fund (non-capital) is presented under Other Funds.
- (v) Student Welfare and Development Fund provides funding to support student welfare and development activities and is presented under Other Funds.
- (vi) Miscellaneous Funds provides funding for:
 - (i) short and continuing education courses;
 - (ii) upgrading courses;
 - (iii) upgrading campus facilities to meet the demand for development in technological skills;
 - (iv) implementation of programmes to achieve the goals of the Polytechnic;
 - (v) maintenance and upgrading of staff quarters;
 - (vi) exploitation of technologies developed within the Polytechnic; and
 - (vii) provision of training, education and education-related services.

Miscellaneous Funds is presented under Other Funds.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

3 ENDOWMENT FUND AND OTHER FUNDS (cont'd)

(vii) The details of the income and expenditure for Other Funds are as follows:

	Endowment Fund (non-capital)		Student Welfare and Development Fund		Miscellaneous Funds		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Group								
Operating income								
Course fees	-	-	-	-	32,961	23,585	32,961	23,585
Consultancy fees	-	-	-	-	1,600	1,450	1,600	1,450
	-	-	-	-	34,561	25,035	34,561	25,035
Operating expenditure								
Staff costs	-	-	-	-	(14,973)	(11,814)	(14,973)	(11,814)
Teaching materials	-	-	-	-	(419)	(464)	(419)	(464)
Repairs and maintenance	-	-	-	-	(936)	(904)	(936)	(904)
Depreciation of property, plant and equipment	-	-	(48)	(49)	(2,583)	(2,181)	(2,631)	(2,230)
Amortisation of intangible assets	-	-	-	-	(71)	(159)	(71)	(159)
Staff development and benefits	-	-	-	-	(111)	(159)	(111)	(159)
Other expenditure	(2,701)	(3,246)	(56)	(55)	(4,316)	(2,995)	(7,073)	(6,296)
	(2,701)	(3,246)	(104)	(104)	(23,409)	(18,676)	(26,214)	(22,026)
Operating (deficit) surplus	(2,701)	(3,246)	(104)	(104)	11,152	6,359	8,347	3,009
Non-operating income								
Donations	914	1,505	-	-	-	-	914	1,505
Interest income	310	1,569	7	24	162	541	479	2,134
Rental income	-	-	-	-	1,457	1,507	1,457	1,507
Fair value (loss) gains	-	-	-	-	-	-	-	-
- financial assets at fair value through profit or loss	-	-	-	-	(159)	2,374	(159)	2,374
Fair value gains	-	-	-	-	-	-	-	-
- financial assets at fair value through other comprehensive income (debt instruments)	-	928	-	-	-	-	-	928
Other income	57	26	238	237	1,787	1,258	2,082	1,521
(Deficit) Surplus before grants and tax	(1,420)	782	141	157	14,399	12,039	13,120	12,978
Grants	-	-	-	-	104	196	104	196
(Deficit) Surplus before income tax	(1,420)	782	141	157	14,503	12,235	13,224	13,174
Income tax	-	-	-	-	7	-	7	-
Net (deficit) surplus for the year	(1,420)	782	141	157	14,510	12,235	13,231	13,174

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS March 31, 2022

3 ENDOWMENT FUND AND OTHER FUNDS (cont'd)

(vii) The details of the income and expenditure for Other Funds are as follows:

	Endowment Fund (non-capital)		Student Welfare and Development Fund		Miscellaneous Funds		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Polytechnic								
Operating income								
Course fees	-	-	-	-	32,961	23,590	32,961	23,590
Operating expenditure								
Staff costs	-	-	-	-	(13,876)	(10,135)	(13,876)	(10,135)
Teaching materials	-	-	-	-	(405)	(419)	(405)	(419)
Repairs and maintenance	-	-	-	-	(931)	(894)	(931)	(894)
Depreciation of property, plant and equipment	-	-	(48)	(49)	(2,564)	(2,163)	(2,612)	(2,212)
Amortisation of intangible assets	-	-	-	-	(71)	(159)	(71)	(159)
Staff development and benefits	-	-	-	-	(92)	(131)	(92)	(131)
Other expenditure	(2,701)	(3,246)	(56)	(55)	(3,535)	(2,984)	(6,292)	(6,285)
	(2,701)	(3,246)	(104)	(104)	(21,474)	(16,885)	(24,279)	(20,235)
Operating (deficit) surplus	(2,701)	(3,246)	(104)	(104)	11,487	6,705	8,682	3,355
Non-operating income								
Donations	914	1,505	-	-	-	-	914	1,505
Interest income	310	1,569	7	24	162	541	479	2,134
Rental income	-	-	-	-	1,457	1,507	1,457	1,507
Fair value (loss) gains								
- financial assets at fair value through profit or loss	-	-	-	-	(159)	2,374	(159)	2,374
Fair value gains								
- financial assets at fair value through other comprehensive income (debt instruments)	-	928	-	-	-	-	-	928
Other income	57	26	238	237	1,331	856	1,626	1,119
(Deficit) Surplus before grants and tax	(1,420)	782	141	157	14,278	11,983	12,999	12,922
Grants	-	-	-	-	-	-	-	-
(Deficit) Surplus before income tax	(1,420)	782	141	157	14,278	11,983	12,999	12,922
Income tax	-	-	-	-	-	-	-	-
Net (deficit) surplus for the year	(1,420)	782	141	157	14,278	11,983	12,999	12,922

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

3 ENDOWMENT FUND AND OTHER FUNDS (cont'd)

(viii) Other Funds comprise the following:

	Endowment Fund (non-capital)		Student Welfare and Development Fund		Miscellaneous Funds		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Group								
Accumulated surplus at March 31	20,114	21,533	4,883	4,742	129,203	114,775	154,200	141,050
Represented by:								
Property, plant and equipment	-	-	137	185	15,163	14,507	15,300	14,692
Intangible assets	-	-	-	-	110	83	110	83
Student loans	-	-	2	20	-	-	2	20
Financial assets, at fair value through profit or loss	-	-	-	-	22,083	22,243	22,083	22,243
Fair value reserve	(32)	(60)	-	-	-	80	(32)	20
Cash and cash equivalents	19,990	21,423	4,746	4,537	67,954	64,438	92,690	90,398
Receivables, deposits and prepayments	164	181	-	-	30,532	14,752	30,696	14,933
Payables, deposits and accruals	(8)	(11)	(2)	-	(6,647)	(1,336)	(6,657)	(1,347)
Deferred tax assets	-	-	-	-	8	8	8	8
	20,114	21,533	4,883	4,742	129,203	114,775	154,200	141,050

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS March 31, 2022

3 ENDOWMENT FUND AND OTHER FUNDS (cont'd)

(viii) Other Funds comprise the following:

	Endowment Fund (non-capital)		Student Welfare and Development Fund		Miscellaneous Funds		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Polytechnic								
Accumulated surplus at March 31	20,114	21,533	4,883	4,742	125,117	110,840	150,114	137,115
Represented by:								
Property, plant and equipment	-	-	137	185	15,150	14,452	15,287	14,637
Intangible assets	-	-	-	-	110	83	110	83
Student loans	-	-	2	20	-	-	2	20
Investment in subsidiaries	-	-	-	-	2,250	2,250	2,250	2,250
Financial assets, at fair value through profit or loss	-	-	-	-	22,083	22,243	22,083	22,243
Fair value reserve	(32)	(60)	-	-	-	-	(32)	(60)
Cash and cash equivalents	19,990	21,423	4,746	4,537	62,467	59,339	87,203	85,299
Receivables, deposits and prepayments	164	181	-	-	29,479	13,832	29,643	14,013
Payables, deposits and accruals	(8)	(11)	(2)	-	(6,422)	(1,359)	(6,432)	(1,370)
	20,114	21,533	4,883	4,742	125,117	110,840	150,114	137,115

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS March 31, 2022

4 PROPERTY, PLANT AND EQUIPMENT

The Group

Cost

	Building (campus and staff quarters) \$'000	Building improvements \$'000	Equipment and furniture \$'000	Total \$'000
At April 1, 2020	361,081	168,325	280,059	809,465
Additions	105	1,896	14,906	16,907
Disposals	-	(379)	(7,591)	(7,970)
Transfer from intangible assets (Note 6)	-	-	529	529
At March 31, 2021	361,186	169,842	287,903	818,931
Additions	6	2,397	13,305	15,708
Disposals	(42)	(28,099)	(18,088)	(46,229)
Transfer to intangible assets (Note 6)	-	-	(66)	(66)
At March 31, 2022	361,150	144,140	283,054	788,344

Accumulated depreciation

At April 1, 2020	161,180	127,510	238,039	526,729
Depreciation for the year	7,557	11,614	13,953	33,124
Eliminated on disposals	-	(379)	(7,557)	(7,936)
Transfer from intangible assets (Note 6)	-	-	23	23
At March 31, 2021	168,737	138,745	244,458	551,940
Depreciation for the year	7,443	10,383	14,082	31,908
Eliminated on disposals	(42)	(28,099)	(18,044)	(46,185)
Transfer to intangible assets (Note 6)	-	-	(66)	(66)
At March 31, 2022	176,138	121,029	240,430	537,597

Carrying amount

At March 31, 2022	185,012	23,111	42,624	250,747
At March 31, 2021	192,449	31,097	43,445	266,991

Asset under construction

The Group's property, plant and equipment includes \$9.4 million (2021 : \$19.6 million) relating to in-progress renovation classified within building improvements and equipment and furniture.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS March 31, 2022

4 PROPERTY, PLANT AND EQUIPMENT (cont'd)

The Polytechnic

Cost

	Building (campus and staff quarters) \$'000	Building improvements \$'000	Equipment and furniture \$'000	Total \$'000
At April 1, 2020	361,081	168,325	279,951	809,357
Additions	105	1,896	14,890	16,891
Disposals	-	(379)	(7,591)	(7,970)
Transfer from intangible assets (Note 6)	-	-	529	529
At March 31, 2021	361,186	169,842	287,779	818,807
Additions	6	2,397	13,295	15,698
Disposals	(42)	(28,099)	(18,019)	(46,160)
Transfer to intangible assets (Note 6)	-	-	(66)	(66)
At March 31, 2022	361,150	144,140	282,989	788,279

Accumulated depreciation

At April 1, 2020	161,180	127,510	237,988	526,678
Depreciation for the year	7,557	11,614	13,935	33,106
Eliminated on disposals	-	(379)	(7,557)	(7,936)
Transfer from intangible assets (Note 6)	-	-	23	23
At March 31, 2021	168,737	138,745	244,389	551,871
Depreciation for the year	7,443	10,383	14,063	31,889
Eliminated on disposals	(42)	(28,099)	(18,009)	(46,150)
Transfer to intangible assets (Note 6)	-	-	(66)	(66)
At March 31, 2022	176,138	121,029	240,377	537,544

Carrying amount

At March 31, 2022	185,012	23,111	42,612	250,735
At March 31, 2021	192,449	31,097	43,390	266,936

Asset under construction

The Polytechnic's property, plant and equipment includes \$9.4 million (2021 : \$19.6 million) relating to in-progress renovation classified within building improvements and equipment and furniture.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

5 RIGHT-OF-USE ASSETS

The Group leases certain leasehold land and office equipment. The lease term ranges from 21 to 86 years (2021 : 21 to 86 years) for leasehold land. The lease term of office equipment is 5 years (2021 : 5 years).

	Leasehold land	Office equipment	Total
	\$'000	\$'000	\$'000
The Group and The Polytechnic			
<u>Cost</u>			
At April 1, 2020	75,618	188	75,806
Additions	-	50	50
Derecognition	-	(9)	(9)
At March 31, 2021	75,618	229	75,847
Derecognition	-	(104)	(104)
At March 31, 2022	75,618	125	75,743
<u>Accumulated depreciation</u>			
At April 1, 2020	28,869	63	28,932
Depreciation for the year	1,262	80	1,342
Eliminated on derecognition	-	(9)	(9)
At March 31, 2021	30,131	134	30,265
Depreciation for the year	1,262	63	1,325
Eliminated on derecognition	-	(104)	(104)
At March 31, 2022	31,393	93	31,486
<u>Carrying amount</u>			
At March 31, 2022	44,225	32	44,257
At March 31, 2021	45,487	95	45,582

Leasehold land includes donated assets. The valuations of two pieces of leasehold land were provided by the Chief Valuer, Inland Revenue Department in 1986 (\$52,660,000) and Colliers Jardine (S) Pte Ltd in 1994 (\$740,000), on a market value basis.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS March 31, 2022

6 INTANGIBLE ASSETS

	2022	2021
The Group and The Polytechnic	\$'000	\$'000
Computer software		
<u>Cost</u>		
At April 1	23,812	24,524
Additions	1,346	297
Transfer from/(to) property, plant and equipment (Note 4)	66	(529)
Disposals	-	(480)
At March 31	25,224	23,812
<u>Accumulated amortisation</u>		
At April 1	22,389	19,332
Amortisation for the year	924	3,560
Transfer from/(to) property, plant and equipment (Note 4)	66	(23)
Eliminated on disposals	-	(480)
At March 31	23,379	22,389
<u>Carrying amount</u>		
At March 31	1,845	1,423

The Group's computer software includes \$0.6 million (2021 : \$0.5 million) relating to in-progress software development projects.

7 SUBSIDIARIES

	2022	2021
The Polytechnic	\$'000	\$'000
Unquoted equity shares, at cost		
At April 1 and March 31	2,250	2,250

The balances with subsidiaries are unsecured, interest-free, repayable on demand and expected to be settled in cash unless otherwise stated.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

7 SUBSIDIARIES (cont'd)

Details of the subsidiaries are as follows:

Name	Country of Incorporation/ principal place of business	Proportion of ownership and voting rights held by the Group		Principal activities
		2022 %	2021 %	
Singapore Polytechnic Enterprise Pte. Ltd.	Singapore	100	100	(a) To receive fees and other payments in respect of research, workshops, trainings and other services; and (b) To enter into collaborative arrangements with other entities for the purpose of research, education, design and development of products and services.
Singapore Polytechnic International Pte Ltd	Singapore	100	100	Provision of training, education and education-related services

With effect from November 1, 2021, Singapore Polytechnic Enterprise Pte. Ltd ("SPE") has transferred certain businesses and operations to Singapore Polytechnic International Pte. Ltd ("SPI") arising from a restructuring exercise within the Singapore Polytechnic Group.

8 FINANCIAL ASSETS, AT FAIR VALUE THROUGH PROFIT OR LOSS

	2022 \$'000	2021 \$'000
The Group and The Polytechnic		
Financial assets at fair value through profit or loss:		
Quoted unit trusts	112,416	113,290

The appointed fund managers are awarded by the Ministry of Finance under Accountant-General's Department's Demand Aggregate Schemes for Fund Management Services.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

9 FINANCIAL ASSETS, AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (DEBT INSTRUMENTS)

	2022 \$'000	2021 \$'000
The Group and The Polytechnic		
Quoted debt securities - Singapore	1,507	5,546
Represented by:		
Current	1,507	4,007
Non-current	-	1,539
	1,507	5,546
Balance at beginning of year	5,546	53,981
Redemption and disposals (including amortisation of interest for bonds)	(4,009)	(49,707)
Fair value (loss) gain recognised in other comprehensive income	(30)	1,272
Balance at end of year	1,507	5,546

Details of the quoted debt securities:

	2022	2021
Interest rates	3.08%	2.68% - 3.08%
Maturity dates	2022	2021 - 2022

The Group holds an interest in quoted debt securities including various government bonds and corporate bonds with a range of interest rates and maturity periods.

The quoted debt securities are held by the Group within a business model whose objective is both to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding and to sell these financial assets. Hence the corporate bonds are classified as at FVTOCI.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS March 31, 2022

10 STUDENT LOANS

	2022 \$'000	2021 \$'000
The Group and The Polytechnic		
Repayable after 12 months	-	4
Repayable within 12 months	2	16
Total	2	20

Student loans are interest-free and repayable by monthly instalments over the period of 2 years (2021 : 2 years) after their graduation.

11 DEFERRED TAX ASSETS

	2022 \$'000	2021 \$'000
The Group		
Balance at beginning and end of year	8	8

12 TRADE AND OTHER RECEIVABLES

	The Group		The Polytechnic	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Grants receivables	40,528	23,445	40,528	23,436
Fees receivables	2,140	1,486	2,140	1,486
Other receivables	3,800	3,369	2,860	2,243
Deposits	25	26	25	26
Subsidiaries – non-trade (Note 7)	-	-	247	463
Goods and services tax receivable	1,654	1,110	1,654	1,110
Prepayments	2,006	1,683	2,000	1,617
	50,153	31,119	49,454	30,381
Less: Loss allowance on fees receivables	(30)	(40)	(30)	(40)
	50,123	31,079	49,424	30,341

As at April 1, 2020, the Group and Polytechnic's trade receivables from contracts with customers amounted to \$994,000 (net of loss allowance of \$31,000) and \$994,000 (net of loss allowance of \$31,000) respectively.

The average credit period given by the Group is 30 days (2021 : 30 days). No interest is charged on the outstanding balances except for late interest charges on rental receivables which ranges from 8.5% to 12% (2021 : 8.5% to 12%) per annum.

Grant receivables relate to amounts granted to the Group and the Polytechnic from MOE, government agencies and non-government agencies on a reimbursement basis to fund the Polytechnic's activities. Such grant income is set off against expenses in the statement of comprehensive income.

Included in the Group's and the Polytechnic's other receivables are interest to be received from cash held with Accountant-General's Department ("AGD") of \$793,000 (2021 : \$821,000).

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

12 TRADE AND OTHER RECEIVABLES (cont'd)

Loss allowance for trade receivables has been measured at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Group has recognised a loss allowance of 100 per cent for all receivables over two years past due and assessed not to be recoverable based on historical experience.

Other receivables are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month ECL. In determining the ECL, the Group has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

The Group has recognised a loss allowance of \$30,000 (2021 : \$40,000) which is due to specific credit impaired factors arising on certain debtors. The Group has assessed and noted immaterial loss allowance required for the remaining balances as historical experience has indicated that these receivables are generally recoverable.

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

Movement of the loss allowance is as follows:

	2022 \$'000	2021 \$'000
The Group and The Polytechnic		
Balance at beginning of year	40	31
Amounts written off	(38)	(28)
Change in loss allowance due to new trade receivables originated, net of those derecognised due to settlement	28	37
Balance at end of year	30	40

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

13 CASH AND CASH EQUIVALENTS

	The Group		The Polytechnic	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	65,343	157,273	60,183	152,500
Cash with Accountant-General's Department	440,844	353,098	440,844	353,098
	<u>506,187</u>	<u>510,371</u>	<u>501,027</u>	<u>505,598</u>

Cash held with Accountant-General's Department ("AGD") earns interest based on fixed deposits rates determined by financial institutions with which AGD deposits the monies. The interest rate for cash placed with AGD at the reporting date is 0.27% (2021 : 1.54%) per annum.

The Polytechnic manages bank accounts on behalf of the Singapore Polytechnic Students' Union. As at the reporting date, the bank balance of \$1,445,000 (2021 : \$1,323,000) has not been included in the cash and cash equivalents of the Polytechnic.

14 TRADE AND OTHER PAYABLES

	The Group		The Polytechnic	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Sundry creditors	4,583	6,556	4,582	6,434
Advances received - others	1,349	1,366	1,349	1,366
Deposits	945	603	945	609
Provision for unutilised leave	14,123	13,600	14,099	13,502
Accrued operating expenses and capital expenditures	19,322	35,504	19,156	35,347
Goods and services tax payable	689	575	656	554
Subsidiary (Note 7)	-	-	197	481
Amount due to MOE	207	207	207	207
Trade and other payables	<u>41,218</u>	<u>58,411</u>	<u>41,191</u>	<u>58,500</u>

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 30 days (2021 : 30 days).

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS March 31, 2022

15 LEASE LIABILITIES

	2022	2021
	\$'000	\$'000
The Group and The Polytechnic		
Undiscounted lease payments due:		
- Year 1	25	71
- Year 2	5	26
- Year 3	2	6
- Year 4	-	2
	32	105
Less: Unearned interest cost	-	(2)
Lease liabilities	32	103
Presented as:		
Current	25	70
Non-current	7	33
	32	103

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

16 GOVERNMENT GRANTS RECEIVED IN ADVANCE

	Note	2022	2021
		\$'000	\$'000
The Group and The Polytechnic			
Balance at beginning of year		87,267	88,126
Grants received (refunded) during the year			
- Government development grants		5,285	1,438
- Government IT and Furniture & Equipment grants		13,200	17,000
- Government innovation grants		580	1,648
- Government polytechnic baseline		(471)	-
Transfer to deferred capital grants (Government)	17	(12,118)	(12,216)
Amount recorded in profit or loss	25	(8,201)	(8,729)
Balance at end of year		85,542	87,267

Unutilised IT and Furniture & Equipment balance of \$84.0 million (2021 : \$83.9 million) is retained by the Polytechnic for future use.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

17 DEFERRED CAPITAL GRANTS

	Government		Non-Government		Total	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Group and The Polytechnic						
Balance at beginning of year	276,527	297,559	3,077	2,991	279,604	300,550
Development grants, Furniture and equipment and Information Technology grants and Innovation grants from MOE (Note 16)	12,118	12,216	-	-	12,118	12,216
Transfer from operating grants (Note 27)	1,293	639	-	-	1,293	639
Grants received	-	-	55	755	55	755
	13,411	12,855	55	755	13,466	13,610
Amortisation to profit or loss (Note 25)	(29,769)	(33,887)	(547)	(669)	(30,316)	(34,556)
Balance at end of year	260,169	276,527	2,585	3,077	262,754	279,604

18 CONTRACT LIABILITIES

The contract liabilities primarily relate to advance consideration received in respect of:

- (i) Course fees, for which revenue is recognised over the course period; and
- (ii) Service fees from Singapore Institute of Technology ("SIT") for the usage of the Polytechnic's facilities by SIT students.

The details are as follows:

	The Group			The Polytechnic		
	March 31, 2022	March 31, 2021	April 1, 2020	March 31, 2022	March 31, 2021	April 1, 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Course fees	5,357	4,851	4,668	5,357	4,851	4,668
Service fees	18,775	19,599	20,422	18,775	19,599	20,422
Other fees	-	66	-	-	-	-
	24,132	24,516	25,090	24,132	24,450	25,090

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS March 31, 2022

18 CONTRACT LIABILITIES (cont'd)

	The Group			The Polytechnic		
	March 31, 2022	March 31, 2021	April 1, 2020	March 31, 2022	March 31, 2021	April 1, 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Represented by:						
Current	6,180	5,741	5,492	6,180	5,675	5,492
Non-current	17,952	18,775	19,598	17,952	18,775	19,598
	<u>24,132</u>	<u>24,516</u>	<u>25,090</u>	<u>24,132</u>	<u>24,450</u>	<u>25,090</u>

During the year, revenue recognised by the Group and the Polytechnic that was included in contract liability balance at the beginning of the year includes:

	The Group		The Polytechnic	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Course fees	4,701	4,475	4,701	4,475
Service fees	824	824	824	824

19 FAIR VALUE RESERVE

The fair value reserve represents the cumulative gains and losses arising on the revaluation of:

- (i) investments in equity instruments designated as at FVTOCI, net of cumulative gain/loss transferred to accumulated surplus upon disposal; and
- (ii) investments in debt instruments classified as at FVTOCI, net of cumulative gain/loss reclassified to profit or loss upon disposal.

	The Group		The Polytechnic	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of year	(46)	(390)	35	(309)
Fair value (loss) gain on investments in debt instruments classified as at FVTOCI	(30)	1,272	(30)	1,272
Cumulative loss on investments in equity instruments classified as at FVTOCI reclassified to accumulated surplus upon disposal	81	-	-	-
Cumulative gain on investments in debt instruments classified as at FVTOCI reclassified to profit or loss upon disposal	-	(928)	-	(928)
Balance at end of year	<u>5</u>	<u>(46)</u>	<u>5</u>	<u>35</u>

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

20 FUNDS MANAGED ON BEHALF OF THE MINISTRY AND OTHER ENTITIES

	The Group		The Polytechnic	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
(i) Tuition Fee Loan and Student Loan	10,471	11,132	10,471	11,132
(ii) Opportunity Fund	526	692	526	692
(iii) Additional Funding Support	56	201	56	201
(iv) Temasek Foundation Projects Fund	(193)	353	(193)	353
(v) Financial Literacy Fund	(58)	(94)	-	-
Funds managed on behalf of the Ministry and other entities	10,802	12,284	10,860	12,378

(i) Tuition Fee Loan and Student Loan

Pursuant to the Tuition Fee and Study Loan Schemes, the Polytechnic acts as the agent for tuition fee and student loans and the MOE as the financier providing the advances.

The student loans funds were set up from advances from the MOE for the purpose of providing loans to students.

Loans given to students are interest-free until June 1 or December 1 in the year of their graduation, or for those with National Service obligations, in the year in which they finish their National Service. Thereafter, loans are repayable by monthly instalments with interest at 4.75% (2021 : 4.75%) per annum which is based on the average prime rates of banks or such other rates as may be determined by the Polytechnic from time to time. The interest on the tuition fee loans is remitted in full to the MOE. The students are given an option to repay by monthly instalments over a period of up to 10 years after the borrowers' graduation. Student loans received by the Polytechnic amounted to \$2,959,000 (2021 : \$819,000) were repaid to the MOE.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

20 FUNDS MANAGED ON BEHALF OF THE MINISTRY AND OTHER ENTITIES (cont'd)

(i) Tuition Fee Loan and Student Loan (cont'd)

The details of the Tuition Fee Loan and Student Loan as at March 31 are as follows:

	2022 \$'000	2021 \$'000
The Group and The Polytechnic		
Balance at beginning of year	11,132	9,348
Advances received	2,253	2,584
Interest income	99	45
Bad debts written off	(54)	(2)
Advances repaid	(2,959)	(843)
Balance at end of year	10,471	11,132
Represented by:		
Tuition fees and study loans	10,468	11,137
Other receivables	3	-
Other payables	-	(5)
Net assets	10,471	11,132

(ii) Opportunity Fund

The Opportunity Fund was set up to provide enrichment opportunities for Singapore Citizen students from lower income households. The fund can be used to provide assistance for overseas trips and purchase of computer devices.

The Opportunity Fund is disbursed on an annual basis.

The details of the Opportunity Fund as at March 31 are as follows:

	2022 \$'000	2021 \$'000
The Group and The Polytechnic		
Balance at beginning of the year	692	602
Amount received during the year	324	531
Amount utilised during the year	(490)	(441)
Balance at end of the year	526	692
Represented by:		
Cash and cash equivalents	526	692

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NOTES TO FINANCIAL STATEMENTS

March 31, 2022

20 FUNDS MANAGED ON BEHALF OF THE MINISTRY AND OTHER ENTITIES (cont'd)

(iii) Additional Funding Support

The Additional Funding Support was provided by the MOE to help students who are affected by the current economic slowdown due to the COVID-19 situation and need further financial assistance for their studies, beyond the existing aid provisions during normal times.

The funds were disbursed to the Polytechnic over two financial years, with 75% disbursed in the previous financial year and the remaining 25% disbursed in the current financial year.

The Polytechnic can carry forward any unutilised funds at the end of March 31, 2021. Any unutilised funds at the end of March 31, 2022 will have to be returned to the MOE.

The details of the Additional Funding Support from MOE as at March 31 are as follows:

	2022 \$'000	2021 \$'000
The Group and The Polytechnic		
Balance at beginning of the year	201	-
Amount received during the year	-	450
Amount utilised during the year	(145)	(249)
Balance at end of the year	56	201
Represented by:		
Cash and cash equivalents	56	201

(iv) Temasek Foundation Projects Fund

The Polytechnic collaborates with Temasek Foundation International ("Temasek Foundation") on several projects which aim to develop and enhance educational capabilities in Asia. In these projects, the Polytechnic is responsible for establishing proper objectives for the approved programmes and to monitor and evaluate the progress of the project based on terms agreed with Temasek Foundation.

Funds are disbursed by Temasek Foundation on a regular basis to support approved project expenditures. Funds disbursed in excess are to be returned to Temasek Foundation at the end of each project. Temasek Foundation Projects Fund is maintained in a separate bank account.

The details of the Temasek Foundation Projects Fund as at March 31 are as follows:

	2022 \$'000	2021 \$'000
The Group and The Polytechnic		
Balance at beginning of the year	353	410
Amount received during the year	233	436
Amount utilised during the year	(779)	(493)
Balance at end of the year	(193)	353
Represented by:		
Cash and cash equivalents	330	647
Trade and other payables	(523)	(294)
	(193)	353

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

20 FUNDS MANAGED ON BEHALF OF THE MINISTRY AND OTHER ENTITIES (cont'd)

(iv) Temasek Foundation Projects Fund (cont'd)

In current year, the credit balance represented expenditures incurred by the Group for the intended projects on behalf of Temasek Foundation which were pending reimbursement.

(v) Financial Literacy Fund

The Singapore Polytechnic Institute of Financial Literacy was launched in collaboration with Monetary Authority of Singapore ("MAS") to provide free and unbiased financial programmes to the public. Under the arrangement, the Group is responsible for the administration and monitoring of the programme.

Funds are disbursed by MAS to support the expenditures of Institute of Financial Literacy on a semi-annual basis. Unutilised funds at the end of the funding period are to be returned to MAS. Financial Literacy Fund is maintained in a separate bank account. This collaboration agreement with MAS ended on June 30, 2019.

With effect from July 1, 2019, a new collaboration was established between the subsidiary, Singapore Polytechnic Enterprise Pte. Ltd. and MAS. Subsequently from November 1, 2021, the entire business and operations of Institute of Financial Literacy is transferred from Singapore Polytechnic Enterprise Pte. Ltd. to another subsidiary, Singapore Polytechnic International Pte. Ltd. where the terms and conditions remained the same.

The details of the Financial Literacy Fund as at March 31 are as follows:

	The Group		The Polytechnic	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the year	(94)	719	-	-
Amount received from MAS	2,410	1,298	-	-
Amount utilised during the year	(2,374)	(2,111)	-	-
Balance at end of the year	(58)	(94)	-	-
Represented by:				
Cash and cash equivalents	85	173	-	-
Trade and other payables	(143)	(267)	-	-
	(58)	(94)	-	-

The credit balance represented expenditures incurred by the Group for the intended projects on behalf of MAS which were pending reimbursement.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS March 31, 2022

21 OPERATING INCOME

	The Group		The Polytechnic	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Course fees	82,724	74,738	82,724	74,743
Consultancy fees	1,600	1,450	-	-
Other fees	580	400	580	400
	<u>84,904</u>	<u>76,588</u>	<u>83,304</u>	<u>75,143</u>
Timing of revenue recognition:				
At a point in time	804	566	-	-
Over time	<u>84,100</u>	<u>76,022</u>	<u>83,304</u>	<u>75,143</u>
	<u>84,904</u>	<u>76,588</u>	<u>83,304</u>	<u>75,143</u>

22 STAFF COSTS

	The Group		The Polytechnic	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Wages and salaries	185,343	182,615	184,464	181,219
Employer's contribution to Central Provident Fund	21,400	21,478	21,215	21,232
Other staff benefits	3,372	2,962	3,339	2,925
	<u>210,115</u>	<u>207,055</u>	<u>209,018</u>	<u>205,376</u>

Included in the above is key management's remuneration as follows:

	The Group		The Polytechnic	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Wages and salaries	8,088	7,512	7,937	7,487
Employer's contribution to defined contribution plans, including Central Provident Fund	558	567	550	564
	<u>8,646</u>	<u>8,079</u>	<u>8,487</u>	<u>8,051</u>

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

23 OTHER EXPENDITURE

	The Group		The Polytechnic	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Water and electricity	6,073	4,705	6,073	4,705
IT support and other services	3,110	1,628	3,618	1,628
IT related expenditure	8,346	5,423	8,346	5,423
Local/overseas industrial training	2,300	2,491	2,300	2,491
Campus events and activities	2,203	2,045	2,203	2,045
Bursaries and scholarships	2,701	3,246	2,701	3,246
Maintenance and upgrading of facilities	830	822	830	822
Security and epidemic expenses	2,213	3,089	2,213	3,089
Publication, marketing and advertising	2,101	2,859	2,101	2,859
Loss on disposal of property, plant and equipment	16	34	10	34
Other expenses	11,559	7,583	10,820	7,761
	<u>41,452</u>	<u>33,925</u>	<u>41,215</u>	<u>34,103</u>

24 OTHER INCOME

	The Group		The Polytechnic	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Non-recurring Research and Development service income	1,915	1,528	1,915	1,528
Student welfare fund, prizes and award	296	263	296	263
Income from use of campus and sports facilities	1,422	1,409	1,422	1,409
Project revenue and other consulting fee	2,940	1,813	2,940	1,813
Miscellaneous income	2,359	2,631	2,281	2,464
	<u>8,932</u>	<u>7,644</u>	<u>8,854</u>	<u>7,477</u>

25 GRANTS

	General Fund		Other Funds		Total	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Group						
Operating grants received from:						
- Government (Note 27)	204,411	194,319	-	-	204,411	194,319
- Non-government	3,278	3,233	104	196	3,382	3,429
Development and other grants utilised (Note 16)	8,201	8,729	-	-	8,201	8,729
Deferred capital grants amortised:						
- Government (Note 17)	29,769	33,887	-	-	29,769	33,887
- Non-government (Note 17)	547	669	-	-	547	669
	<u>246,206</u>	<u>240,837</u>	<u>104</u>	<u>196</u>	<u>246,310</u>	<u>241,033</u>

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

25 GRANTS (cont'd)

	General Fund		Other Funds		Total	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Polytechnic						
Operating grants received from:						
- Government (Note 27)	204,411	194,319	-	-	204,411	194,319
- Non-government	3,278	3,233	-	-	3,278	3,233
Development and other grants utilised (Note 16)	8,201	8,729	-	-	8,201	8,729
Deferred capital grants amortised:						
- Government (Note 17)	29,769	33,887	-	-	29,769	33,887
- Non-government (Note 17)	547	669	-	-	547	669
	<u>246,206</u>	<u>240,837</u>	<u>-</u>	<u>-</u>	<u>246,206</u>	<u>240,837</u>

26 INCOME TAX

The tax on surplus before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax of 17% (2021 : 17%) as follows:

	The Group		The Polytechnic	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Surplus before income tax	26,973	35,448	26,725	35,394
Tax at statutory rate of 17% (2021 : 17%)	4,585	6,026	4,543	6,017
Tax effect on surplus of the Polytechnic exempted from tax	(4,543)	(6,017)	(4,543)	(6,017)
Tax effect on income not subject to tax and non-deductible expense	(42)	(55)	-	-
Adjustment in respect in prior years	(7)	-	-	-
Others	-	46	-	-
	<u>(7)</u>	<u>-</u>	<u>-</u>	<u>-</u>

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

27 OPERATING GRANTS - GOVERNMENT

	2022	2021
The Group and The Polytechnic	\$'000	\$'000
Operating grants received/receivable during the year	223,189	213,338
Less:		
Grants utilised on property, plant and equipment transferred to deferred capital grants (Note 17)	(1,293)	(639)
Operating grants received for goods and services tax subsidies on tuition fees and tuition grants	(17,485)	(18,380)
Operating grants taken to profit or loss (Note 25)	<u>204,411</u>	<u>194,319</u>

28 CAPITAL COMMITMENTS

Capital expenditure approved but not provided for in the accounts:

	2022	2021
The Group and The Polytechnic	\$'000	\$'000
Amount approved and contracted for	<u>21,446</u>	<u>25,803</u>

29 RELATED PARTY TRANSACTIONS

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

In addition to the information disclosed elsewhere in the financial statements, the Group and the Polytechnic entered into certain significant transactions with MOE, and other related parties during the financial year. The transactions disclosed below took place between the Group and related parties at terms agreed between the parties.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

29 RELATED PARTY TRANSACTIONS (cont'd)

(a) Sales and purchase of goods and services

The Group provides continuing education training to various Ministries, Organs of States and other Statutory Boards. The Group also engages IT and miscellaneous services from various Ministries, Organs of States and other Statutory Boards. The transactions are conducted in the ordinary course of business at market terms.

	2022 \$'000	2021 \$'000
The Group		
Related party		
Rental received from related party	22	24
MOE		
Operating grants (including Information technology and furniture and equipment grants)	208,054	202,280
Development grants and innovation grants	7,211	3,812
Matching grants	1,655	1,435
Entities affiliated to Board of Governors		
Newspaper subscription	(45)	(514)
Other Ministries and Statutory boards		
Grants	34,596	28,902
Training fees	(332)	(281)
GEBIZ charges	(332)	(293)
License network fees	(1,012)	(101)
Training and assessment fees	(105)	(115)
Course fees, project and consultancy services	2,911	1,387
Manpower fees	(437)	(243)
System maintenance fees	(691)	-
Other Polytechnics		
Projects and events costs	(449)	(227)

(b) Key management's remuneration

Key management personnel remuneration as disclosed in Note 22 relates to directors and heads of departments.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS March 31, 2022

30 OPERATING LEASE COMMITMENTS

Group as a lessor

Operating leases, in which the Group is the lessor, relates to on-campus premises and staff apartments owned by the Group with lease terms of between 1 to 30 years. The lessee does not have an option to renew the leases nor to purchase at the expiry of the lease periods.

During the year ended March 31, 2022 the Group recognised rental income of \$3,461,000 (2021 : \$3,794,000).

	2022	2021
	\$'000	\$'000
Maturity analysis of operating lease payment:		
Year 1	2,565	2,970
Year 2	2,045	2,112
Year 3	1,807	1,875
Year 4	1,300	1,537
Year 5	846	1,467
Year 6 and onwards	11,060	11,655
Total	19,623	21,616

31 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

Categories of financial instruments

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

	Group		Polytechnic	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Financial assets, mandatorily measured at FVTPL	112,416	113,290	112,416	113,290
Financial assets, at FVTOCI (debt instruments)	1,507	5,546	1,507	5,546
Financial assets at amortised cost	512,124	515,232	506,271	509,796
Financial liabilities				
Financial liabilities at amortised cost	40,529	57,836	40,535	57,946
Lease liabilities	32	103	32	103

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

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

Financial risk management policies and objectives

Risk management is integral to the operations of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The treasury team/principal/Board of Governors continually monitor its risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Financial risk factors

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group are trade and other receivables, cash and cash equivalents, funds managed by external fund managers and quoted debt securities.

Measures are in place to ensure that credit risk is continuously monitored and managed. The maximum exposure is represented by the carrying amount of each financial asset stated in the financial statements. At the end of the reporting period, there is no significant concentration of credit risk except for government grant receivables, funds managed by external fund managers and quoted debt securities.

The Group develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The Group uses its own records to rate its major customers and other debtors. The ECLs on other receivables is estimated by reference to track record of the counterparties, their financial conditions where information is available, knowledge of any events or circumstances impeding recovery of the amounts, and forward-looking macroeconomic influences.

The Group's procedures on assessing ECL comprises the following categories:

Category	Description	Basis for recognising ECL
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is > 6 months past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is > 24 months past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.	Amount is written-off

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

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

Group	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
<u>2022</u>						
Financial assets at fair value through profit or loss	8	Performing	12-month ECL	112,416	-	112,416
Financial assets at fair value through other comprehensive income (Debt instruments)	9	Performing	12-month ECL	1,507	-	1,507
Student loans	10	(i)	Lifetime ECL (simplified approach)	2	-	2
Trade receivables	12	(i)	Lifetime ECL (simplified approach)	2,140	(30)	2,110
Other receivables	12	Performing	12-month ECL	3,825	-	3,825
Cash and cash equivalents	13	Performing	12-month ECL	506,187	-	506,187
<u>2021</u>						
Financial assets at fair value through profit or loss	8	Performing	12-month ECL	113,290	-	113,290
Financial assets at fair value through other comprehensive income (Debt instruments)	9	Performing	12-month ECL	5,546	-	5,546
Student loans	10	(i)	Lifetime ECL (simplified approach)	20	-	20
Trade receivables	12	(i)	Lifetime ECL (simplified approach)	1,486	(40)	1,446
Other receivables	12	Performing	12-month ECL	3,395	-	3,395
Cash and cash equivalents	13	Performing	12-month ECL	510,371	-	510,371

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

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
Polytechnic						
<u>2022</u>						
Financial assets at fair value through profit or loss	8	Performing	12-month ECL	112,416	-	112,416
Financial assets at fair value through other comprehensive income (Debt instruments)	9	Performing	12-month ECL	1,507	-	1,507
Student loans	10	(i)	Lifetime ECL (simplified approach)	2	-	2
Trade receivables	12	(i)	Lifetime ECL (simplified approach)	2,140	(30)	2,110
Other receivables	12	Performing	12-month ECL	3,132	-	3,132
Cash and cash equivalents	13	Performing	12-month ECL	501,027	-	501,027
<u>2021</u>						
Financial assets at fair value through profit or loss	8	Performing	12-month ECL	113,290	-	113,290
Financial assets at fair value through other comprehensive income (Debt instruments)	9	Performing	12-month ECL	5,546	-	5,546
Student loans	10	(i)	Lifetime ECL (simplified approach)	20	-	20
Trade receivables	12	(i)	Lifetime ECL (simplified approach)	1,486	(40)	1,446
Other receivables	12	Performing	12-month ECL	2,732	-	2,732
Cash and cash equivalents	13	Performing	12-month ECL	505,598	-	505,598

- (i) The Group determines the ECL on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

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

The carrying amount of financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the Group's maximum exposure to credit risk without taking into account of the value of any collateral obtained.

At the end of the reporting period, there was no significant concentration of credit risk except for grant receivables. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. Cash, fixed deposits and funds are placed with banks and financial institutions which are regulated.

Cash at bank is held with creditworthy financial institutions. Cash held with the AGD under the CLM are placed with high credit quality financial institutions, and are available upon request. Trade and other receivables that are neither past due nor impaired are substantially counterparties with good collection track records with the Group. Financial assets at fair value through profit or loss are investments held with high credit quality counterparties.

Liquidity risk management

The Group monitors its liquidity risk and maintain a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flow.

The total contractual undiscounted cash flow of the Group's financial assets, other than financial assets at fair value, and financial liabilities are the same as their carrying amounts and are due within one year, except for lease liabilities as disclosed in Note 15.

Interest rate risk management

As the Group does not have any financial assets and financial liabilities that bear interest at floating rates, no sensitivity analysis is prepared.

The interest rates for cash with Accountant-General's Department disclosed in Note 13 are based on deposit rates determined by the financial institutions with which the cash are deposited and are expected to move in tandem with market interest rate movements.

Foreign exchange risk management

The Group is not exposed to significant foreign currency risk as its transactions are mainly denominated in Singapore dollars, which is the functional currency of the Group.

Price risk management

Price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

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

The financial assets at fair value through profit or loss and fair value through other comprehensive income that are subject to price risks total \$112,416,000 (2021 : \$113,290,000) and \$1,507,000 (2021 : \$5,546,000), as disclosed in Note 8 and Note 9 respectively. The market risk associated with these financial assets is the potential loss in fair value resulting from the decrease in market prices of these financial assets. The Group's management regularly monitors the potential loss in fair value, if any. The Group's strategies and policies relating to financial assets at fair value are determined by its Investment Committee. The sensitivity rate of 5% represents management's assessment of the reasonably possible change in market risk that the Group is exposed to.

With all other variables held constant, a 5% (2021 : 5%) increase/decrease of market values of all equities and debt instrument will result in \$5,621,000 (2021 : \$5,665,000) increase/decrease in the fair value of financial assets at fair value through profit or loss and \$75,000 (2021 : \$277,000) increase/decrease in the fair value of financial assets at fair value through other comprehensive income.

Fair value measurements

The following table shows an analysis of financial instruments carried at fair value by the different level of the value hierarchy:

		Quoted prices in active markets for identical instruments	Significant other observable inputs	Significant unobservable inputs	
	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
The Group and The Polytechnic					
<u>2022</u>					
Financial assets, at fair value through profit or loss					
- Quoted equity securities managed by fund managers	8	112,416	-	-	112,416
Financial assets, at fair value through other comprehensive income					
- Quoted debt securities	9	1,507	-	-	1,507
<u>2021</u>					
Financial assets, at fair value through profit or loss					
- Quoted equity securities managed by fund managers	8	113,290	-	-	113,290
Financial assets, at fair value through other comprehensive income					
- Quoted debt securities	9	5,546	-	-	5,546

There was no transfer between the levels in the hierarchy during the year.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

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

Determination of fair values

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of the Group's quoted financial assets was determined on the basis set out in Note 2.10.

The fair values of quoted securities, if traded in active markets such as over-the counter securities, are based on quoted market prices at the end of the reporting period.

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Trade and other receivables, Student loans, Cash and cash equivalents, Trade and other payables and lease liabilities

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

Student loans and lease liabilities (non-current)

The carrying amounts of these financial assets and liabilities are not materially different from the fair values determined using discounted estimated cash flows.

Capital management policies and objectives

The Group regularly reviews and manages its capital structure to ensure that the Group will be able to continue as a going concern. The capital structure of the Group comprises only accumulated surplus and endowment fund. The Group's overall strategy remains unchanged from prior year.

32 IPC REGULATIONS

The Polytechnic has complied with the requirement that the total fund-raising and sponsorship expenses have not exceeded 30% of the total gross receipts from the fund raising and sponsorships for the financial year.

The donation monies received are used in accordance with the objective of the Fund.

To promote greater disclosure and accountability to the public, the Governance Evaluation Checklist of all IPCs will be published on the Charity Portal (www.charities.gov.sg) from April 1, 2009. In line with the requirement, the Fund's checklist can be found on the above website.

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

33 RECLASSIFICATION AND COMPARATIVE FIGURES

- a) In prior year's financial statements, the Group did not present the statement of comprehensive income of the Polytechnic for the year ended March 31, 2021. In the current year's financial statements, management has elected to present the statement of comprehensive income of the Polytechnic for the year ended March 31, 2022. Accordingly, the statement of comprehensive income of the Polytechnic for the year ended March 31, 2021 has also been presented for comparative purposes.
- b) Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements.

As a result, certain line items have been amended in the statement of financial position, statement of comprehensive income, statement of cash flows and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation.

The items were reclassified as follows:

	Previously reported 2021 \$'000	Reclassification 2021 \$'000	After reclassification 2021 \$'000
<u>Statement of financial position</u>			
The Group			
Trade and other receivables	29,534	1,545	31,079
Trade and other payables	56,866	1,545	58,411
The Polytechnic			
Trade and other receivables	28,796	1,545	30,341
Trade and other payables	56,955	1,545	58,500

SINGAPORE POLYTECHNIC AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

33 RECLASSIFICATION AND COMPARATIVE FIGURES (cont'd)

	Previously reported			Reclassification			After reclassification		
	General fund	Other fund	Total	General fund	Other fund	Total	General fund	Other fund	Total
	----- 2021 -----	----- 2021 -----	----- 2021 -----	----- 2021 -----	----- 2021 -----	----- 2021 -----	----- 2021 -----	----- 2021 -----	----- 2021 -----
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Statement of comprehensive income</u>									
The Group									
Course fee	51,136	23,580	74,716	17	5	22	51,153	23,585	74,738
Teaching materials	(5,118)	(177)	(5,295)	2,246	(287)	1,959	(2,872)	(464)	(3,336)
Repairs and maintenance	(15,055)	(410)	(15,465)	(344)	(494)	(838)	(15,399)	(904)	(16,303)
Staff development and benefits	(3,326)	(28)	(3,354)	82	(131)	(49)	(3,244)	(159)	(3,403)
Other expenditure	(25,628)	(7,203)	(32,831)	(2,001)	907	(1,094)	(27,629)	(6,296)	(33,925)

The Polytechnic

Course fee	51,136	23,585	74,721	17	5	22	51,153	23,590	74,743
Teaching materials	(5,118)	(132)	(5,250)	2,246	(287)	1,959	(2,872)	(419)	(3,291)
Repairs and maintenance	(15,055)	(400)	(15,455)	(344)	(494)	(838)	(15,399)	(894)	(16,293)
Staff development and benefits	(3,333)	-	(3,333)	82	(131)	(49)	(3,251)	(131)	(3,382)
Other expenditure	(25,817)	(7,192)	(33,009)	(2,001)	907	(1,094)	(27,818)	(6,285)	(34,103)

Statement of cash flows

The Group

Cash Flows from Operating Activities

	Previously reported 2021 \$'000	Reclassification 2021 \$'000	After reclassification 2021 \$'000
Operating cash flows before working capital changes	(183,081)	(14,905)	(197,986)
Change in trade and other receivables	2,406	13,360	15,766
Change in trade and other payables	17,600	1,545	19,145