

PROFESSIONAL PROBLEM-SOLVER PASSIONATE CITIZEN



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VISION, MISSION & CORE VALUES



Vision

An educational institution of choice for nurturing innovative, entrepreneurial and cultured professionals.



Mission

We nurture individuals to prepare them for a dynamic world in partnership with stakeholders, leveraging on Problem-based Learning.



Core Values

Fundamental to our success in realising this mission are the values we believe in and practise. Every employee is expected to demonstrate behaviours consistent with Republic Polytechnic's Core Values.

“ExCITE”

Excellence

Continuous learning and innovation are crucial

Customer-Oriented

Customers are the focus of everything we do

Initiative

We will be pro-active and progressive

Teamwork

We are a team

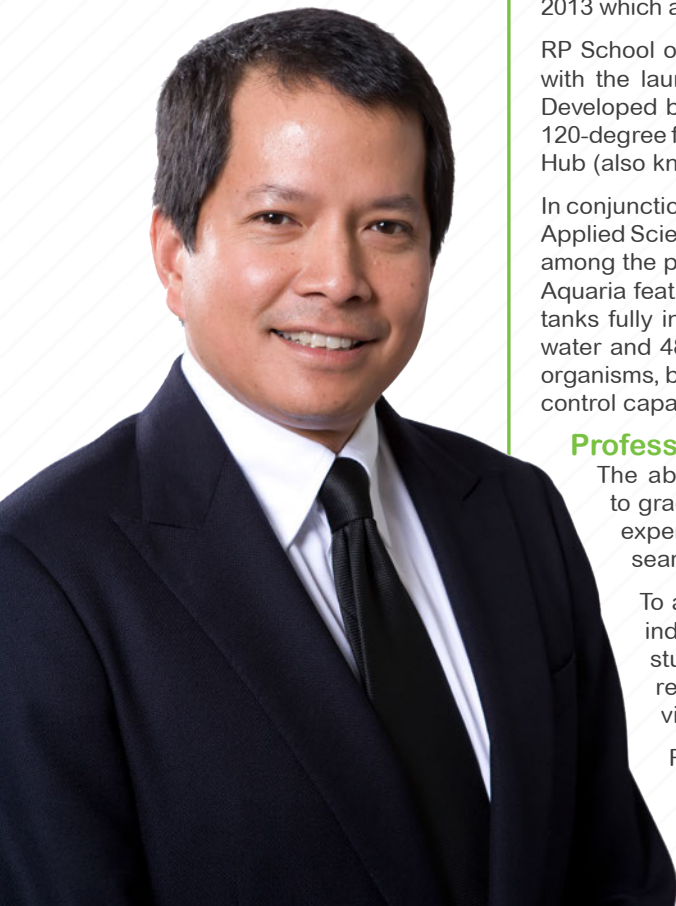
Ethics

Integrity is never compromised



MESSAGE FROM CHAIRMAN AND FROM PRINCIPAL/CHIEF EXECUTIVE OFFICER

Mr Richard Seow
Chairman
Board of Governors



Since its inception in 2002, Republic Polytechnic (RP) has transformed from the youngest polytechnic in Singapore to a renowned institution leveraging on the Problem-based Learning (PBL) pedagogy. With 37 diplomas and more than 15,000 students, these ever-growing numbers give testament to the strides that RP has made and we aim to continue in this positive direction.

We are delighted to share that Academic Year 2013/2014 follows the same vein as the previous years. It was a year filled with innovation, creativity, and a can-do spirit.

This report highlights some of the institution's key achievements in Academic Year 2013/2014. You will read about the milestones that RP has achieved and see examples of RP's ongoing commitment to being an educational institution of choice for nurturing *problem-solvers*, *professionals*, and *passionate* citizens.

Problem-Solver

Being a forward-thinking institution with a focus on Problem-based Learning, it is natural that all our students are trained to be astute problem-solvers and life-long learners. The ability to offer solutions to problems on a daily basis is a commodity that many companies yearn and it is also what sets RP graduates apart from others.

As part of our ongoing efforts to provide the best education experience for our students, we introduced two new diplomas for Academic Year 2014: the Diploma in Marine Science and Aquaculture and the Diploma in Human Resource Management with Psychology. In addition, to better reflect an evolving work landscape, we renamed the Diploma in Civil Aviation as the Diploma in Aviation Management; the Diploma in Technology and Arts Management as the Diploma in Arts and Theatre Management; and the Diploma in New Media as the Diploma in Media Production and Design. These changes were done in tandem with the needs and changes of the various industries.

To provide real-world experiences for students, RP added more facilities in 2013/2014. RP School of Hospitality's (SOH) new training facilities worth \$2.4 million will better mirror the very environment that SOH students will find themselves working in the future. Facilities include: *waters edge*, a training kitchen and restaurant, hotel guestrooms, and a barista laboratory. The new training grounds were officially opened on 19 November 2013 which also coincided with SOH's fifth anniversary.

RP School of Engineering (SEG) ushered in a new partnership with ST Electronics with the launch of the Virtual Aerodome Laboratory (VAL) on 6 December 2013. Developed by ST Electronics, the VAL mimics an actual airport control tower with a 120-degree field of vision. The state-of-the-art laboratory is housed in RP's Aerospace Hub (also known as The Arch), a 1,500 sqm hangar.

In conjunction with the new Diploma in Marine Science and Aquaculture, RP School of Applied Science (SAS) opened The Aquaria, the first purpose-built aquaculture centre among the polytechnics, on 11 January 2014. Complementing the new Diploma, The Aquaria features outdoors and indoors laboratories. Five outdoor circular fiberglass tanks fully integrated with life support systems carrying more than 20,000 litres of water and 48 indoor experimental tanks for research into a wide variety of aquatic organisms, both fresh and sea water; supported with ultraviolet light and temperature control capabilities complete the 180 sqm facility.

Professional

The ability to solve problems is merely the first step. We want our students to graduate into full-fledged professionals, equipped with positivity, hands-on experience, and tenacity, who can also fully integrate into the industry fabric seamlessly.

To achieve all this, we have to constantly engage and collaborate with our industry partners. Not only do they provide internship opportunities for our students, our partners also contribute in shaping the curriculum, providing research opportunities, and generous study grants. These partners play a vital role in shaping our students and the institution as a whole.

RP is big on building more bridges with other industry partners and 2013/2014 was no different. We signed numerous Memoranda of Understanding with an array of partners, including Certis Cisco, Jetstar

Asia Airway Pte Ltd, Teleperformance, Singapore Productivity Association, American Society for Quality, Project Management Institute Singapore Chapter, Contact Centre Association of Singapore, NTUC Income Insurance Co-Operative Limited, One Farrer Pte Ltd, People's Association, Hotel Properties Limited, DBS, Singapore National Co-operative Federation, Tropical Marine Science Institute of the National University of Singapore, the Temasek Life Sciences Laboratory, W Squared Live Entertainment Ltd, and Resorts World Sentosa Pte Ltd (Marine Life Park), amongst others.

Our students' professionalism is also evident in the way they operate the Media Lab. The student-run Newsroom opened by RP Centre for Enterprise and Communication (CEC) has already been producing videos and writing news stories for various organisations such as the Public Service Division, MediaCorp, Barclays-Habitat for Humanity, Ministry of Manpower, National Heritage Board, Travel Trade Gazette Asia, and People's Association even before its official launch on 15 August 2013.

Professionalism is also about competency, mettle, and the ability to get the job done well. RP's graduates have always done the institution proud but this academic year, one of them exceeded all expectations: SAS student, Claudia See Jing Mei, became the first RP student to be accepted into Yong Loo Lin School of Medicine at the National University of Singapore. With only 300 places available to read medicine at the School of Medicine, her inclusion is all the more remarkable. Her near-perfect GPA of 3.98 also won her the Lee Kuan Yew Award for Mathematics and Sciences.

Passionate Citizen

The next step of the transformation, and perhaps the most critical aspect; is to translate our graduates' potential into tangible qualities that society can benefit from. This is something we take pride in and we do our best to inculcate passion into every graduate.

As part of the Engineering-In-Community (EIC) project initiated and led by SEG Academic Staff Ms Mira Xie, RP invited 19 students from the Movement for the Intellectually Disabled of Singapore (MINDS) Woodlands Garden School for an Unmanned Aerial Vehicles (UAVs) workshop. Not only did the 19 students get to assemble these compact flying machines, they got to fly them as well. The students also managed to see various flying machines up-close when they toured The ARCH.

Being passionate also means encompassing the necessary passion to improve, to constantly reinvent oneself. SEG student, Ong Kang Yu, exemplified this quality when he attained a silver medal for Information Network Cabling at the Worldskills 2013 – a biennial competition that demonstrates young adults' excellence, ability, and skills in various areas.

RP also prides itself on utilising passion to make a difference beyond Singapore. This academic year saw RP training educators from Sri Lanka on the Problem-based Learning approach, in a bid to boost Sri Lanka's efforts to upgrade technical and vocational education and training. This project, funded by the Temasek Foundation, started on 18 February 2014 and is slated to run for a duration of two years.

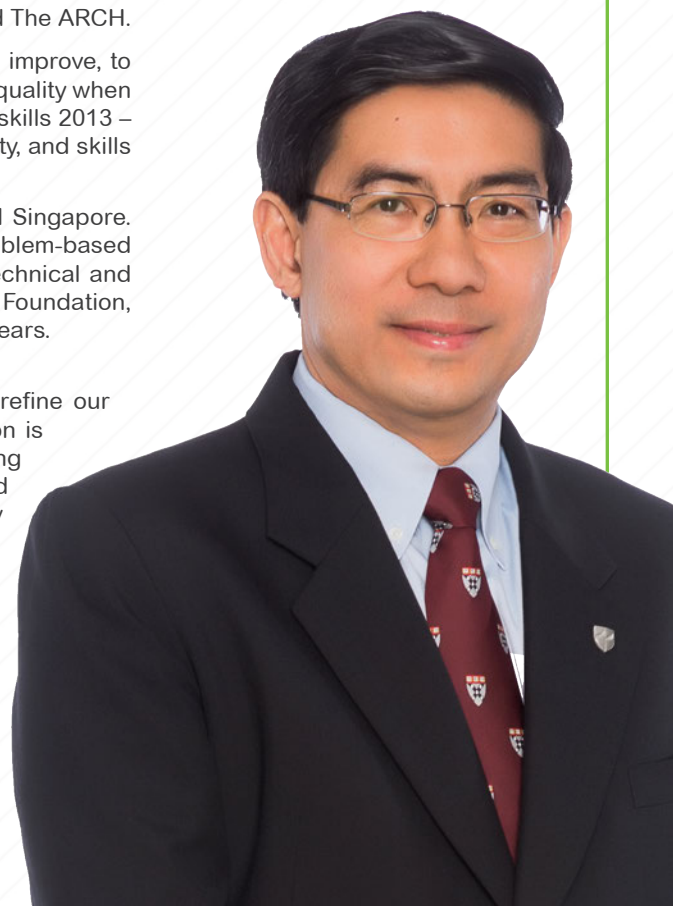
ASPIRE

The face of education is constantly changing and RP is on hand to refine our curriculum to match the students' ambitions. RP's push in this direction is aligned with the Ministry of Education's increasing focus on enhancing Polytechnic and Institute of Technical Education graduates' career and academic prospects as seen in the formation of ASPIRE (Applied Study in Polytechnics and ITE Review). The review will look at enhancing Polytechnic and ITE graduates' career and academic progression prospects through strengthening of industry relations.

With a rigorous internship system in place for all its diploma programmes, RP is well-placed to develop a comprehensive industry-benchmarked programme. RP understands the importance of nurturing relevant students who are equipped to strive in an ever-changing world. We believe that by constantly reinforcing relationships with our partners, investing in our staff, and supporting our students, we can fulfil all aspirations.

Mr Yeo Li Pheow

Principal/
Chief Executive Officer





BOARD OF GOVERNORS

CHAIRPERSON

Mr Richard Seow

Director
Pacific Heights Investments Pte Ltd

DEPUTY CHAIRPERSON

Mr Ong Chao Choon

Advisory Leader
PricewaterhouseCoopers LLP



MEMBERS

Mr Ang Hin Kee

Executive Secretary
Education Services Union



Professor Chan Eng Soon

Dean of Engineering
National University of Singapore



Dr Chong Yoke Sin

Chief Executive Officer
Integrated Health
Information Systems Pte Ltd



Mr Paul Chong

Group Chief Executive
Officer
Certis CISCO Security
Pte Ltd



Mrs Diana Ee-Tan

Board Member
Singapore Tourism Board



Dr Janice Khoo Swee Suan

General Practitioner
The Rafflesian Clinic
and Surgery



COL Lew Chuen Hong

Head
Joint Plans and Transformation
Department
MINDEF



Ms Lien Siaou-Sze

Senior Executive Coach
Mobley Group Pacific



Mr John Lim

Director
Higher Education
Ministry of Education



Dr Maszenan Bin Abdul Majid

Senior Research Fellow
Nanyang Environment and
Water Research Institute
(NEWRI)
Nanyang Technological
University



Dr Shashi Jayakumar

Visiting Senior Research
Fellow
Lee Kuan Yew School of
Public Policy



Mr Wilson Tan

Chief Executive Officer
CapitaMall Trust
Management Limited



Mr Christopher Tang

Chief Executive Officer,
Frasers Centrepoint
Commercial
Chief Executive Officer,
Greater China
Fraser and Neave Limited



Mr Yeo Li Pheow

Principal/
Chief Executive Officer
Republic Polytechnic



Mr Zahidi bin Abdul Rahman

Principal Architect
Zahidi A.R. Arkitek





SENATE

CHAIRMAN

Yeo Li Pheow
Principal/Chief Executive Officer

MEMBERS

Ashley Chua
Deputy Director and
Director (Covering)
School of Applied Science

Dr Wang Jianguo
Director
School of Engineering

Albert Toh
Director
School of Hospitality

Boo Chong-Han
Director
School of Infocomm

Sharen Liu
Director
School of Technology for the Arts

Goy Soon Lan
Director
School of Sports, Health and Leisure

APPOINTED MEMBERS

Seto Lok Yin
Deputy Principal (Industry Services)

Dr Michael Koh
(Deputy Chairman of Senate)
Senior Director
Academic Services
and
Director (Covering)
Centre for Educational Development

Fong Yew Chan
Senior Director
Student Services and Planning

Windersalam S
(Secretary of Senate)
Registrar
Office of the Registrar

Warren Wang
Director
Centre for Enterprise and Communication

Tan Huan Peow
Director
Academy for Continuing Education
@ RP (ACE@RP)

Chng Jiun Yih
Deputy Director and
Director (Covering)
Office of Planning

ELECTED MEMBERS

Ben Tan
Assistant Director
(Capability and Industry)
School of Hospitality

Dr Girija
Assistant Director (Academic) and
Covering Programme Chair (DBMS),
School of Applied Science

Sim Choon Hou
Assistant Director (Academic)
Centre for Enterprise and
Communication

Samson Tan
Senior Academic Staff
Centre for Educational Development

Koh Chee Keat
Programme Chair (DEEE & DDEE)
School of Engineering

Yow Hon Kong
Programme Chair (DIT)
School of Infocomm

SENIOR MANAGEMENT

CORPORATE OFFICES

Yeo Li Pheow

Principal/Chief Executive Officer

Seto Lok Yin

Deputy Principal (Industry Services)

Heng Guan Teck

Deputy Principal
(Student Services/Planning) (till Jun 2013)
Deputy Principal (Special Projects)
(from 1 Jul 2013)

Dr Michael Koh

Senior Director (Academic Services)

Anderson Lim

Director
Office of Corporate Services and Office
of Planning (till 23 July 2013)

Windersalam S

Registrar

Eric Teo

Chief Financial Officer
Senior Director (Corporate Services)
(from 4 Feb 2014)

Fong Yew Chan

Senior Director (Student Services and
Planning) (from 1 Jul 2013) and
Director
Office of Technology Development

Neo Yong Chiang

Chief Information Officer

Dr Albert Miao

Director
Office of Academic Services
(from 1 Nov 2013)

Ronald Wong

Director
Office of Corporate Communications

Geraldine Ang

Director
Office of Finance (from 4 Feb 2014)

Chia Chew Lee

Director
Office of Human Resources

Dr Terence Chong

Director
Office of International Relations

Chng Jiun Yih

Deputy Director and Director (Covering)
Office of Planning

Ng Tion Huat

Director
Office of Procurement and Business
Continuity (from 4 Feb 2014)

John Young

Director
Office of Quality Assurance and
Systems

Ganesh Kalyanam

Director
Office of Student and Graduate Affairs
and The Republic Cultural Centre

Lee Yat Cheong

Director
Office of Estates

Tui Jurn Mun

Deputy Director and
Director (Covering)
Office of Industry and Collaboration

ACADEMIC SCHOOLS/ CENTRES

Ashley Chua

Deputy Director and
Director (Covering)
School of Applied Science

Dr Wang Jianguo

Director
School of Engineering

Albert Toh

Director
School of Hospitality

Fong Yew Chan

Director (till 30 Jun 2013)
School of Infocomm

Boo Chong-Han

Director
School of Infocomm (from 1 Jul 2013)

Goy Soon Lan

Director
School of Sports, Health and Leisure

Sharen Liu

Director
School of Technology for the Arts

Warren Wang

Director
Centre for Enterprise and Communication

Dr Michael Koh

Director (Covering)
Centre for Educational Development

Dennis Quek

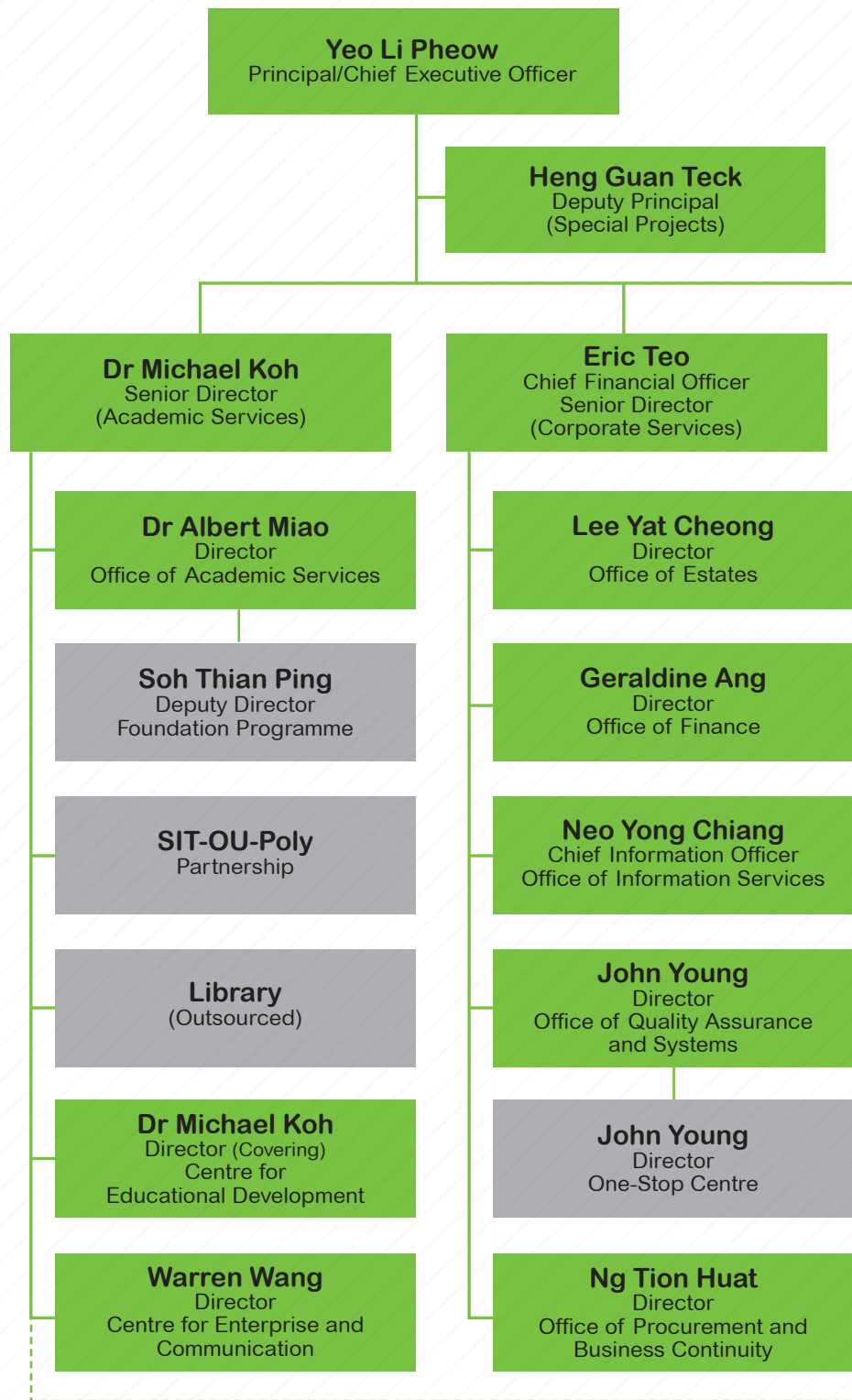
Director
Centre of Innovation for Supply Chain
Management

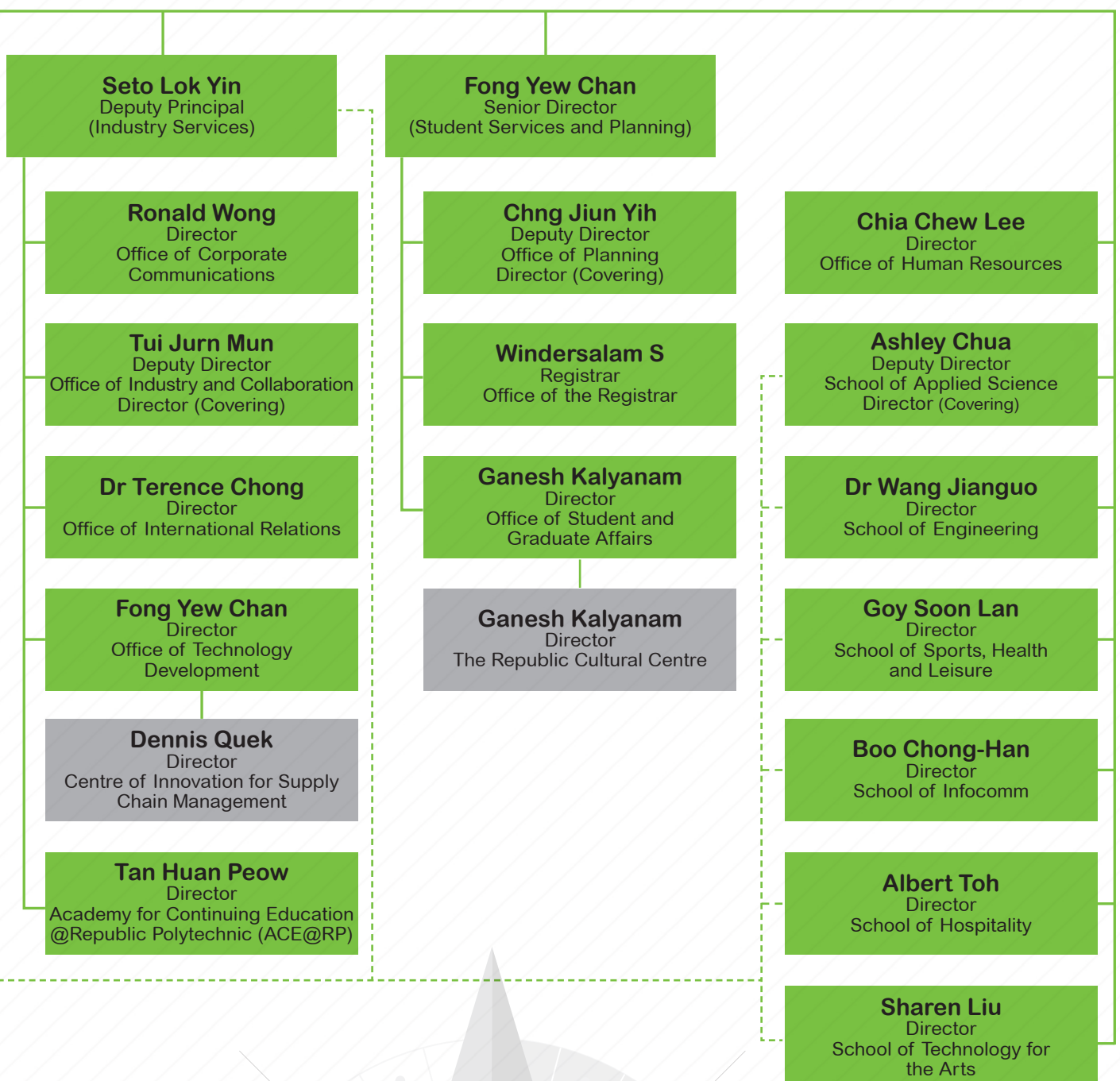
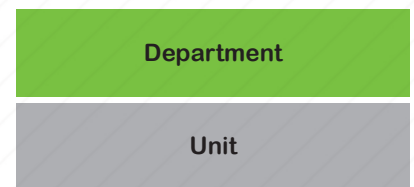
Tan Huan Peow

Director
Academy for Continuing Education



RP ORGANISATION CHART





ADVISORY COMMITTEES

School of Applied Science

CHAIRPERSON

**COL
Lew Chuen Hong**
Head Joint Plans and Transformation Department (MINDEF)

MEMBERS

Dr Yoong Siew Lee
Director
Integrated Care Operations
Eastern Healthcare Alliance

**Associate
Professor
Lee Yuan Kun**
Associate Professor
Dept. of Microbiology
Yong Loo Lin School of Medicine
National University of Singapore

**Dr Camilla Wong
Ming Lee**
Deputy Director
Allied Health
Clinical Pharmacy Services IC,
Dept of Pharmacy
Singapore General Hospital

Mr Kwok Yan Hoe
Deputy General Manager,
Corporate Development
Keppel Land International Limited

Mr Matthew Tan
Chief Risk Officer
The Oceanus Group Ltd

**Associate
Professor
Gan Chee Lip**
Director
Temasek Laboratories@
NTU
Nanyang Technological University

School of Engineering

CHAIRPERSON

**Professor
Chan Eng Soon**
Dean,
Faculty of Engineering,
National University of Singapore

MEMBERS

**Professor
Ashraf Kassim**
Vice Dean
(Undergraduate Programmes),
Faculty of Engineering,
National University of Singapore

Er. Yap Tiem Yew
Group Director,
Building and Infrastructure Group,
Housing and Development Board

**Professor
Yu Ching Man,
Simon**
Programme Director
(Sustainable Infrastructure Engineering), Academic Programmes Division
Singapore Institute of Technology

**Mr Loh Chen Yu,
Mark**
Vice President,
Operations,
Eurocopter Southeast Asia Pte Ltd

Mr Ang Cheng Nam
Vice President,
Changi Airports International Pte Ltd

Mr James Sung
Director,
Marketing,
Mapletree Logistics Trust Management Ltd

Mr Terence Gan
Director (Electronics),
Singapore Economic Development Board

Mr Ang Heng
Director,
Human Resource,
Land Transport Authority

School of Hospitality

CHAIRPERSON

Dr Richard C Helfer
Chairman,
RCH International Pte Ltd

MEMBERS

Mrs Diana Ee-Tan
Board Member,
Singapore Tourism Board

Mr Alan Tang
Chief Operating Officer,
Frasers Hospitality Pte Ltd

**Ms Neeta
Lachmandas-
Sakellariou**
Assistant Chief Executive,
Industry Development Group II,
Singapore Tourism Board

Mr Chin Yau Seng
Senior Vice President,
Sales and Marketing,
Singapore Airlines Ltd.

**Mrs Janet Tan-
Collis**
President,
Associate of Convention and Exhibition Organisers and Suppliers (SACEOS)

**Mr John R
Hallenbeck**
Vice President,
Attractions,
Resorts World Sentosa Pte Ltd

**Ms Kathy Lai
Sou Tien**
Chief Executive Officer,
National Arts Council

Ms Chan Yit Foon
Senior Vice President,
Human Resource,
Marina Bay Sands Pte Ltd

School of Infocomm

CHAIRPERSON

Dr Chong Yoke Sin
Chief Executive Officer,
Integrated Health Information Systems Pte Ltd

MEMBERS

Mr Robert Kim
Director (Manpower Development),
Consumer Infocomm,
Infocomm Development Authority of Singapore (IDA)

**Mr Lim
Swee Cheang**
Director
Institute of Systems Science
National University of Singapore

Mr Tan Shong Ye
Partner,
PricewaterhouseCoopers LLP

Mr Stephen Lim
CEO/Managing Director,
SQLView Pte Ltd

Mr Yap Chee Yuan
Executive Vice President,
Corporate Services,
Genting Singapore PLC

Mr Sung Lin Gun
Chief Executive Officer and Creative Director,
Peach Blossom Media Pte Ltd

Mr Edward Lim
Vice-President,
Solutions Development,
Fusionex Pte Ltd

Dr Chris Boesch
Associate Professor of Information Systems (Practice),
School of Information Systems,
Singapore Management University

**Professor David S.
Rosenblum**
Professor and Dean,
School of Computing,
National University of Singapore

School of Sports, Health and Leisure

CHAIRPERSON

Dr Janice Khoo
General Practitioner
Rafflesian Clinic and Surgery

MEMBERS

Mr Adrian Wee
Director
F1-Recreation Pte Ltd

Dr Bervyn Lee Peng Hui
Director
Office of Student Life
Singapore Management University

Mr Nicholas Conceicao
Director
Outward Bound Singapore

Mr Terence Khoo
Managing Director
Enterprise Sports Group

Mr Peter Goh
General Manager
Orchid Country Club

Mr Robert Sloan
Centre Head/
Chief Exercise Physiologist
Physical Activity Centre of Excellence
Health Promotion Board

Mr Chua Song Khim
Group Chief Executive Officer
NTUC Unity Healthcare and Executive Director
NTUC Eldercare

Mr Lenard Raymond Pattiselanno
Director, Business Partnership
Corporate Strategy Department
Singapore Sports Council

School of Technology for the Arts

CHAIRPERSON

Mr Zahidi bin Abdul Rahman
Principal Architect,
Zahidi A R Arkitek

MEMBERS

Mr Colin Goh
Chief Executive Officer,
The Rice Company Limited

Mr Colman Rupp
Production Director,
The Esplanade Co Ltd

Mr Mike Wiluan
Managing Director,
Infinite Frameworks

Mr Tan Chih Chong
Managing Director,
Sitting in Pictures

Ms Debbie Han
Managing Director and
Principal Consultant,
SKema Connexions Pte Ltd

Mr Chris Wiseman
User Experience Director,
OgilvyOne Singapore

Mr Seah Wee Thye
Director – Entertainment
and Events,
Resort World Sentosa

Ms Edwina Tang
Deputy Director
(Capability Development),
National Arts Council

Centre for Educational Development

CHAIRPERSON

Dr Maszenan Bin Abdul Majid
Senior Research Fellow,
Nanyang Environment and
Water Research Institute
(NEWRI)
Nanyang Technological
University

MEMBERS

Associate Professor Chee Yam San
Associate Professor,
Learning Sciences and
Technologies,
National Institute of
Education,
Nanyang Technological
University

Assistant Professor Chew Lee Chin
Sub-Dean, Higher Degrees
by Coursework,
Office of Graduate Studies
and Professional Learning,
Psychological Studies,
National Institute of
Education (NIE)
Nanyang Technological
University (NTU)

Mr Benedict Keh
Principal
Punggol Secondary School

Dr Gog Soon Joo
Executive Director
Institute for Adult Learning

Centre for Enterprise and Communication

CHAIRPERSON

Mr Shashi Jayakumar
Visiting Senior Research
Fellow,
Lee Kuan Yew School of
Public Policy

MEMBERS

Dr Aw Chye Huat
Executive Director,
Kimen Pte Ltd

Ms Cheah Kim Lean
Founder and CEO,
Acorn Marketing and
Research Consultants
Pte Ltd

Mr Peter Lee Hwai Kiat
Executive Director,
Chief Financial Officer and
Company Secretary,
OSIM International Ltd

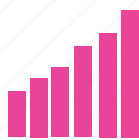
Mr Viswa Sadasivan
CEO,
Strategic Moves Pte Ltd

Ms Tan Lek Hwa
Vice President,
English Current Affairs
News,
MediaCorp Pte Ltd

Mr Ryan Lim
Co-Founder and
Business Director,
Blugrapes

Mr Jayson Goh
Senior Vice President,
Airport Operations
Management,
Changi Airport Group

FACTS & FIGURES (ACADEMIC YEAR 2013/2014)



Student Enrolment

15,089

full-time students, comprising of **14,995** students at diploma level and **94** students at foundation level kept Republic Polytechnic (RP) buzzing in the Academic Year 2013.



Staff Strength

1,040

staff members, comprising **677 academic staff** and **363 non-academic staff**, created a vibrant campus which was conducive for learning.



Diploma Programmes

37 full-time diploma programmes and one Common Engineering

Programme were offered by six schools and one centre, including two new diplomas – the Diploma in Electrical and Electronic Engineering and the Diploma in Social Enterprise Management.



Graduate Output



4,430

students graduated from **full-time diploma programmes** and another **161 students graduated** from **part-time programmes** at RP in Academic Year 2013.



Co-Curricular Activities

86 Co-Curricular Activities and **13 clubs** in myriad areas

such as sports, arts, leadership and service-learning offered many opportunities for our students to discover and transform themselves.



Internships

100%

of **Final-Year** students took part in work attachments with the industry, allowing them a chance to learn and sharpen work-related skills and build important industry networks to enhance their employability.

STUDENT INTAKE & ENROLMENT AY 2013/2014



Full-Time Programmes

	Intake	Enrolment
Polytechnic Foundation Programme	94	94
School of Applied Science		
Diploma in Biomedical Sciences	149	468
Diploma in Biotechnology	124	368
Diploma in Environmental Science	110	396
Diploma in Materials Science	127	297
Diploma in Pharmaceutical Sciences	244	755
School of Engineering		
Common Engineering Programme	298	298
Diploma in Aerospace Avionics	61	289
Diploma in Aerospace Engineering	69	318
Diploma in Biomedical Electronics	-	227
Diploma in Civil Aviation	86	320
Diploma in Digital Entertainment Electronics	-	226
Diploma in Electrical and Electronic Engineering	185	185
Diploma in Industrial and Operations Management	119	506
Diploma in Micro and Nanotechnology	-	158
Diploma in Renewable Energy Engineering	59	233
Diploma in Supply Chain Management	79	358
School of Hospitality		
Diploma in Customer Relationship and Service Management	292	748
Diploma in Hotel and Hospitality Management	180	478
Diploma in Integrated Events Management	264	705
Diploma in Restaurant and Culinary Operations	80	213
Diploma in Wellness, Lifestyle and Spa Management	103	252
School of Sports, Health and Leisure		
Diploma in Health Management and Promotion	91	279
Diploma in Healthcare Administration	147	309
Diploma in Outdoor and Adventure Learning	133	399
Diploma in Sports and Exercise Sciences	120	470
Diploma in Sports and Leisure Management	157	499
Diploma in Sports Coaching	44	83
School of Technology for the Arts		
Diploma in Design for Interactivity	105	237
Diploma in Game Design	82	235
Diploma in New Media	184	573
Diploma in Sonic Arts	73	185
Diploma in Technology and Arts Management	102	273
Centre for Enterprise and Communication		
Diploma in Communication and Information Design	-	201
Diploma in Mass Communication	146	146
Diploma in Consumer Behaviour and Research	58	107
Diploma in Social Enterprise Management	37	37
School of InfoComm		
Diploma in Business Applications	221	843
Diploma in Business Computing	-	1
Diploma in Business Information Systems	222	894
Diploma in Information Technology	250	730
Diploma in Interactive and Digital Media	124	381
Diploma in IT Service Management	64	205
Diploma in Mobile Software Development	65	110



MILESTONES

March 2013

New Partnership with SIT-University of Glasgow

Republic Polytechnic (RP) launched the Bachelor of Science (Hons) in Computing Science degree programme in partnership with Singapore Institute of Technology (SIT)-University of Glasgow on 26 March 2013. This is a full-time programme and it received the first intake of 60 students. Through this partnership, students get to pursue a world-class education with one of the most distinguished universities globally. It also marks SIT's first degree being conducted at RP's campus.

April 2013

National Assistive & Rehabilitation Technology Challenge 2013

School of Technology for the Arts (STA) students from the Diploma in Design for Interactivity won the Best Ergonomic Award in the annual National Assistive & Rehabilitation Technology (A&RTs) Students' Challenge 2013. The four students, Cheng Kam Ler, Gavin Lum Qi Rui, Samatha Ang Wei Qi and Sim Weng Hong, designed a steamboat pot specially for the visually handicapped. More than 60 teams from various institutes of higher learning participated in this national competition organised by the Institute of Engineers Singapore.



MILESTONES

May 2013



Centre of Innovation for Supply Chain Management

Minister of State for Ministry of Finance and Ministry of Transport, Mrs Josephine Teo graced the launch of RP's Centre of Innovation for Supply Chain Management (COI-SCM) on 22 April 2013. A joint effort between SPRING Singapore, the Economic Development Board, and RP, COI-SCM aims to promote supply chain excellence for Singapore-based companies through innovation and development of supply chain expertise. One of the projects includes the Cloud Logistics Tracking Software Kit, which utilizes cloud technology and technologies that are already present in today's smart phones to monitor delivery and transaction operations in real-time.

Brain controlled home

Four RP students from the School of Engineering (SEG) Ren Shuheng, Zhang Zhenwu, Zhang Nan and Ho Zong Hua developed a system for the handicapped to communicate by using brain and facial muscles. The system works on a brain-computer interface which creates a direct link between the brain and a machine to be controlled. Other than people who suffered from locked-in syndrome, this system helps people who lost their vocal and physical functions to express their needs and wants. This project also won the Young Creators Award at the Institution of Engineers Singapore Prestigious Engineering Achievement Awards.



Memorandum of Understanding with Cisco Systems USA

RP's School of Infocomm (SOI) signed a Memorandum of Understanding (MOU) with Cisco Systems USA on 14 May 2013 that will offer greater training and certification opportunities geared toward the security and networking industry.

New programmes such as the CCNA-Security certification programme will place RP students in the latest and most relevant training. Other opportunities include internship placements with Cisco Systems, awards, and book prizes. Since 2005, the RP-Cisco Systems partnership has created a number of initiatives, such as the Cisco Certified Network Associate certification programme - an industry-recognised programme offered to SOI students that will equip them with useful network operating and troubleshooting skills.



MILESTONES

May 2013



Engineering-In-Community

On 27 May 2013, SEG initiated the Engineering-In-Community Project and invited 19 students from the Movement for the Intellectually Disabled of Singapore (MINDS) Woodlands Gardens School to experience assembling and controlling Unmanned Aerial Vehicles (UAVs) with the guidance from RP student leaders. In order to provide a fruitful learning experience for the MINDS students, 13 RP student leaders prepared the various UAV parts and practiced flying the UAVs beforehand. The MINDS students were also taken on a tour of The ARCH (Aerospace Hub) which showcases the various flying machines housed within the facility. Through this community project, students from RP and MINDS were able to interact and forge friendships.

Momentum 2013

RP's annual performing arts festival celebrates dance as a medium of human expression while showcasing the best student dance talents. Since its inauguration in 2008, the festival has celebrated various themes. It returned with the theme SynchroniCITY this year and explored how technology and modernity in urban spaces exist seamlessly alongside traditional Asian cultures and beliefs. One of the main highlights was a dance item performed by the Maya Dance Company, featuring dancers from RP's Create Co-Curriculum Activity Club together with children from the Down Syndrome Association (DSA).



June 2013



MOU with W Squared Live Entertainment

The partnership with W Squared Live Entertainment brought RP staff and students together in the making of IP Man the Musical. RP STA provided support in areas such as documentary and stage production, arts event management, audio design and production, as well as social media initiatives. The musical will portray the story of the legendary Wing Chun Chinese martial art form and it will be making its theatrical premiere in Singapore in 2014. Students involved in the musical gained exposure to work with a world-class international production team and understood the process of the arts industry.



MILESTONES

July 2013



Media Challenge 2013

RP hosted its inaugural Media Challenge over the span of three days from 4 to 6 June 2013. A total of 18 teams from 15 secondary schools participated. Students got a taste of being media professionals and took on roles as reporters or photographers. Workshops in journalism, photography and videography were conducted before the students interacted with their peers to craft news packages within the given time frame. RP student leaders guided the teams throughout the challenge. Aside from providing participants with hands-on experience such as getting interviews and taking photographs for their articles, this event also helps to create awareness for the Diploma in Mass Communication.

Claudia See accepted into NUS Yong Loo Lin School of Medicine

An RP student from the Diploma in Biomedical Sciences, Claudia See, attained a place in the National University of Singapore (NUS) Yong Loo Lin School of Medicine. This sets a new record for RP as she is the first RP student to be accepted into the prestigious institution. Claudia managed to prove that despite RP being the youngest polytechnic; it is rapidly gaining recognition among top local universities.



Supply Chain Challenge 2013

Supply Chain Challenge 2013 organised by the Singapore Logistics Association (SLA) attracted 65 teams comprising 202 participants across the five polytechnics. The competition had three rounds, with the grand final held at the Singapore Institute of Management University on 26 July 2013. The finalist teams were assigned to a Small and Medium Enterprise (SME) company to work on a case. Team Republic Solutions, which clinched the first prize, was assigned to work on a case with Bok Seng Logistics Pte Ltd on their transport routing, human resources and delivery tracking issues. Team Saviour who received the second runner-up prize was assigned to work on Addicon Logistics Management Pte Ltd's warehouse process and layout management. Both teams won praises from the judges as they expertly applied their skills learnt from their lessons and internship experiences to solve the cases.

MILESTONES

July 2013

Singapore HR Awards 2013

The Office of Human Resource continued its excellent performance at the Singapore HR Awards by winning six awards at the 2013 edition.

1. Leading HR Leader Award
2. Leading HR Practices in HR Communications and Branding
3. Leading HR Practices in Workplace Safety & Health
4. Leading HR Practices in E-Human Resource Management (Special Mention)
5. Leading HR Practices in Human Capital Development.
6. HR Advocate Award for Leading HR Practices in Human Capital Development



Healthier sugar rolls

Polar Puffs and Cakes' low glycaemic (GI) wholegrain sugar rolls developed with the School of Applied Science (SAS) were formally commercialised in July 2013. A low GI translates to food being digested slower compared to food with higher GI. This type of food helps to stabilise blood sugar levels and regulate the body's metabolism rate. To cope with the increasing demand for healthier food, RP also introduced the only part-time Diploma in Applied Science (Nutrition and Food Science).



Ong Kang Yu sets new record at Worldskills 2013

SEG student, Ong Kang Yu won the Silver medal for Information Network Cabling amidst fierce competition from participants from countries such as Korea, Germany, France and Switzerland. The competition was held in Leipzig, Germany on 9 July 2013. Ong Kang Yu faced the competition with good preparation and aided by his experienced coaches, Mr Edmund Tang and Ms Lim Chiew Yen. The achievement this year was an encouraging improvement from the previous result in Worldskills 2011, where RP won a Bronze medal.



MILESTONES

August 2013



Opening of the Media Lab

Centre for Enterprise and Communication (CEC) launched the Media Lab on 15 August 2013. It is a student-run newsroom set up to produce news articles and broadcast clips. To date, the newsroom has been involved in a line-up of projects from notable organisations such as Public Service Division (PSD), MediaCorp, Barclays-Habitat for Humanity, Ministry of Manpower, National Heritage Board, Travel Trade Gazette Asia and People's Association. Mr Lee Hsien Loong, Prime Minister of Singapore also made a special mention on his Facebook page about a video produced by RP students for PSD. The Media Lab serves as a platform for students to have hands-on practice with the skills and knowledge learnt in the classroom.

September 2013



Training Sri Lanka educators

September 2013 signified the half-way point for RP's partnership with the Vocational Training Authority of Sri Lanka and Sri Lanka's Ministry of Youth Affairs and Skills Development.

As part of the MOU, a two-year programme will see 60 vocational lead trainers learn and apply RP Problem-based Learning (PBL) pedagogy in TVET. With the support of RP trainers, a further 120 trainers will be trained by the initial 60 lead trainers to multiply the benefits of the programme. Temasek Foundation has committed a grant of about S\$433,000 to this programme which has passed the half-way point and will be completed by June 2014.



MOU with Contact Centre Association of Singapore

RP signed a three-year MOU with Contact Centre Association of Singapore on 14 August 2013. The partnership allows RP to stay relevant as it paves the development of students with the right qualities, and also a chance for companies to shape the type of manpower they need in the near future. There will be collaborations in areas such as student attachment programmes, site visits to contact centres, joint research and recruitment initiatives for RP's graduating cohort through this MOU. In addition, RP students will also be able to gain valuable industry experience and improve their employability in the future.

MILESTONES

September 2013



Patents filed for two SAS projects

SAS has filed Patent Cooperation Treaty (PCT) for two projects: new chemical entities with potential applications in photodynamic anticancer therapy and a dengue/chikungunya virus diagnostic kit. To move the novel chemical compounds developed in house to the commercialised stage, studies were expanded with more targeted cell lines and featured comparison between the efficacy of the compounds with existing anticancer drugs.

The dengue/chikungunya diagnostic kit was jointly developed by SAS and National University of Singapore. Favourable results have been obtained on dengue and chikungunya samples originating from patients who had suffered from one of the four dengue serotypes or from chikungunya provided by the Environment Health Institute. Validation of clinical samples will soon be underway.



Cisco NetRiders and NetExcellence Challenge 2013

SOI Senior Academic Staff Ivan Wee – a RP staff for 10 years - won first place in the Cisco NetRiders and NetExcellence Challenge held on 30 Sep 2013. This is the second win in as many years for Ivan and RP. The annual competition serves to test participants' networking and IT skills through a series of online exams and simulations.

October 2013



Youth Entrepreneurial Competition 2013

A team comprising students from the School of Sports, Health and Leisure (SHL) and SOI won the Best Business Plan Award at the Singapore Discovery Centre's Youth Entrepreneurship Competition on 26 October 2013.

Muhammad Danial Bin Hamdan (SHL), Ron Tan Zi Kai (SHL), Michelle Ong Hwee Sze (SOI), and Muhammad Haiqal Bin Idris (SHL) sold music CDs and sought advice from the CEC for this competition.



November 2013

6th Technology Day

RP's 6th annual Technology Day was another resounding success bringing together speakers, exhibitors, and participants from the environmental technology, information and communication technology, and food and nutrition industries. The theme of this year's event was Productivity and Sustainability 360 and was categorised into three different areas namely, Green 360, Food 360 and Smart IT 360.

Two agreements were signed during the event - one with ST Kinetics and another with the Institute of Chemical and Engineering Sciences (ICES) of A*STAR.



MOU with Singapore National Co-operative Federation

CEC and Singapore National Co-operative Federation (SNCF) inked a MOU marking the start of a three-year collaboration between the two partners.

The signing was held at the award ceremony of the 7th National Pushcart Challenge at the Causeway Point Atrium on 17 November 2013. Students from the Diploma in Social Enterprise Management (DSEM) course can look forward to a refined curriculum that will better prepare them for a future in effective business marketing while helping the community, and more internship opportunities.



National Climate Change Competition 2013

Students from STA clinched second place in the National Climate Change Video Competition.

The students, See Jin Jie, Benjamin Loh Lun Xing, Chan Ler Sin, and Triphthal S Gill, shot a light-hearted short film on climate change, and competed against more than 200 teams from various institutes of higher learning.

MILESTONES

November 2013



New Facilities for the School of Hospitality

RP's School of Hospitality (SOH) added \$2.4 million worth of new training facilities that will mimic the very environment 2,400 SOH students will work in in the future. The facilities include: waters edge, a training kitchen and restaurant, hotel guestrooms, and a barista laboratory. The new training grounds were officially opened on 19 November which also coincided with SOH's fifth anniversary.

Spread over more than 400 square metres, the hotel training facilities include a lobby, front desk, and three guest rooms furnished in Balinese, contemporary, and minimalist styles. Aspiring baristas can look forward to brewing coffee at the barista laboratory, which is fitted with five coffee machines commonly found at established coffee houses. Training restaurant waters edge, which serves ala-carte dishes, sits 70 patrons and will serve as an additional and different training environment for culinary students. The other training restaurant, Oliva, which opened its doors in 2011, serves only set menus.

Chartered Institute of Marketing Singapore International Marketing Competition 2013

RP came in tops at the Chartered Institute of Marketing Singapore (CIMS) International Marketing Competition 2013 on 16 November.

Six CEC students from the Diploma in Social Enterprise Management (DSEM) and the Diploma in Consumer Behaviour and Research (DCBR) devised a business idea of a social enterprise where the elderly could be engaged to manufacture a detachable shirt. The team, made up of Tan Shwee Ghee Sandra (DCBR), Tang Yu Xuan Rachel (DCBR), Campos Kaiser Ian Teope (DCBR), Jeanette Yip San May (DCBR), Rachel Mok Jia Hui (DSEM), and William Marthiono (DSEM) beat four other finalists from other tertiary institutions.



December 2013



Launch of Virtual Aerodrome Laboratory

The Virtual Aerodrome Laboratory (VAL) – the first of its kind in a tertiary institution in Singapore – was launched in RP on 6 December 2013. Developed by ST Electronics, the lab mimics an actual control tower with a 120-degree field of vision and is housed in RP's The ARCH, a 1,500 square metres hangar. The VAL allows trainers to create scenarios such as plane crashes or extreme weather conditions that will otherwise be limited or dangerous in real life.

Besides the commissioning of the aerodrome lab, RP and ST Electronics also signed an agreement which will open up further collaborations and internship opportunities for students. The company will also sponsor a scholarship worth \$2,500.



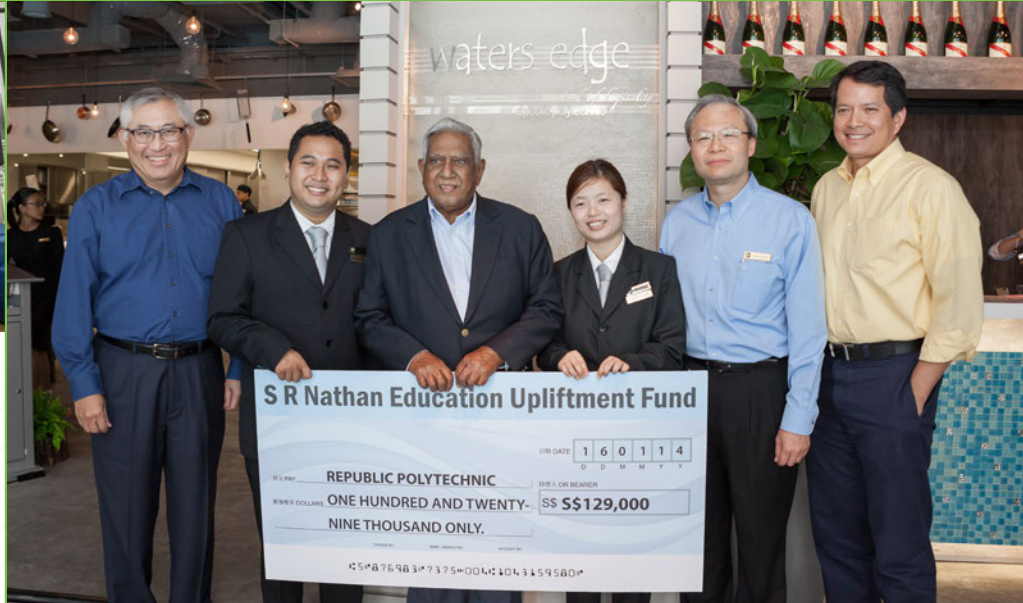
January 2014



Launch of first aquaculture centre in a polytechnic

RP SAS opened the first aquaculture centre among polytechnics on 11 January 2014. Named Aquaria, the centre will support the running of the new Diploma in Marine Science and Aquaculture, which teaches students marine conservation, sustainability, and aquaculture.

The 180-square metre facility consists of indoor and outdoor laboratories. Students can expect more hands-on learning and learn how to identify cost-effective health management with the fish bred in the centre.



S R Nathan Education Upliftment Fund

RP received a donation of \$129,000 from the S R Nathan Education Upliftment Fund on 16 January 2014 at an appreciation luncheon at *waters edge*, RP's training restaurant.

The donation will provide financial assistance to disadvantaged ITE graduates who are now pursuing their diplomas at RP. The fund will be used to support bursary awards of \$1,500 per student for a maximum of six students per year.

REPUBLIC POLYTECHNIC EDUCATION FUND

(FORMERLY KNOWN AS STUDENT DEVELOPMENT & WELFARE FUND)

Charity Registration No.: 1740

UEN: T03CC1740J

Charity Registration Date: 15 Nov 2003

Registered Address: 9 Woodlands Avenue 9, Singapore 738964

Republic Polytechnic Education Fund (RPEF) was set up to provide funding support for student development and welfare programmes, service-learning activities, staff's continuing education and development and infrastructure upgrading amongst others. The fund was conferred the Institutions of Public Character (IPC) status in April 2003 and the donations received are tax deductible. RPEF is a member of Education Central Fund administered by the Ministry of Education. It is managed by a management committee set up by the polytechnic to ensure that the usage of the donations received is in line with its objectives.

OBJECTIVES OF THE FUND

- To provide bursaries, equipment loans, and other forms of financial assistance schemes to students, as well as scholarships/book prizes to students who excel academically and in core curricular activities.
- To provide funding support for activities associated with student development, welfare, and social activities. This can include donation of computer and other equipment in lieu of cash.
- To provide funding for continuing education, upgrading courses/seminars/lectures, and other programmes for staff.
- To fund the setting up and upgrading of physical infrastructure, equipment and applications which are in line with the development of technological skills and special projects undertaken by the polytechnic for the students. This can include donation of equipment and other donation in kind besides cash.

MANAGEMENT COMMITTEE

The following members are appointed as Management Committee of Republic Polytechnic Education Fund (RPEF) for two years, with effect from 1st January 2013 to 31 December 2014:

Appointment	Name and Occupation
Chairman:	Mr Fong Yew Chan (wef 1 Jan 2014 ~31 Dec 2014) Senior Director (Student Services and Planning), Republic Polytechnic
Deputy Chairman:	Mr Albert Toh Director, School of Hospitality, Republic Polytechnic
Deputy Chairman:	Mr Ganesh Kalyanam Director, Office of Student and Graduate Affairs, Republic Polytechnic
Secretary:	Mr Tui Jurn Mun Director, Office of Industry and Collaboration, Republic Polytechnic
Treasurer:	Mr Eric Teo Chief Financial Officer and Senior Director (Corporate Services), Republic Polytechnic

REPUBLIC POLYTECHNIC EDUCATION FUND

(FORMERLY KNOWN AS STUDENT DEVELOPMENT & WELFARE FUND)

FUNDING SOURCES

In the financial year 2013/2014, RPEF has received donations from generous organizations and individuals.

In the same financial year, staff from Republic Polytechnic (RP) have also contributed generously to RPEF through their monthly payroll or one-off contributions.

Proceeds from a few fund raising activities organised by staff and students of RP were also donated to RPEF. Some examples of the fund raising activities include the Jive Fiesta, Graduate Gift Campaign, and sales of Graduation Bears.

CONFLICT OF INTEREST POLICY

Upon assuming their appointment, the committee members of RPEF are required to read and understand the conflict of interest policy as prescribed under the Code of Governance guideline for Charities and Institutions of a Public Character. They are also required to make full disclosure of any interest and relationship that could potentially result in conflict of interests in the course of operation. When conflict of interest situation arises, the affected member(s) shall abstain from discussion, decision making, and voting of such transaction.

Disclosure involving committee members should be made to the Chairman. If the Chairman is the one with the conflict, disclosure will be made to the Secretary who shall bring the matter to Principal/Chief Executive Officer of Republic Polytechnic.

RPEF does not remunerate committee members for their services rendered to RPEF.

REPUBLIC POLYTECHNIC EDUCATION FUND

(FORMERLY KNOWN AS STUDENT DEVELOPMENT & WELFARE FUND)

RESERVES POLICY

Donations received by RPEF are well defined by the respective donors to be executed for specific purpose in one or more of the following programmes or activities:

- Scholarships
- Bursaries
- Book Prizes
- Student Emergency Money Scheme
- Student Pocket Money Scheme
- Student Financial Aid
- Glitz Award
- Other student-related activities

As such, RPEF does not set aside reserves. In the event that a donation is not utilised in the current financial year, the donation will be carried forward to the subsequent financial year to be utilised for the same purpose.

RPEF's received donations are as follows:

	Current Year FY2013 \$'000	Previous Year FY2012 \$'000	% Increase/ (Decrease)
Non-endowed donations and interest income carried forward to next financial year¹:	2,843	1,380	106%
Endowed Donation	8,790	8,537	3%
Matching Grants	4,814	3,053	58%
Endowment Fund	13,604	11,590	17%
Total Funds²	16,447	12,970	27%
Expenditure³	1,452	964	50%
Ratio of Non-endowed donations¹ to Expenditure³	1.96 : 1	1.43 : 1	

¹ Unutilised non-endowed donation that is carried forward to new financial year

² Total funds include non-endowed donation and endowment fund

³ Disbursement and expenses as supported/specified by donors

REPUBLIC POLYTECHNIC EDUCATION FUND

(FORMERLY KNOWN AS STUDENT DEVELOPMENT & WELFARE FUND)

PROGRAMMES & ACTIVITIES

Scholarships

Scholarships are awarded to RP students based on merits of their academic and co-curriculum activity achievements. 199 scholarships were awarded to deserving candidates in the financial year 2013/2014.

Bursaries

Bursaries are awarded to RP students who come from low-income families. Factors such as gross household income, number of family members in the household, and special needs or medical challenges are taken into consideration when RP evaluates the applications. 126 bursaries were awarded to deserving candidates in the financial year 2013/2014.

Book Prizes

Book prizes are awarded to RP students who have excelled in their studies. The three major categories of book prizes are:

- Gold Medals. This is awarded to the top graduating student who excelled in the diploma
- Diploma Prizes. This is awarded to the top student who excelled in the diploma.
- Module Prizes. This is awarded to the top student who excelled in the module.

A total of 359 book prizes were awarded to deserving candidates in the financial year 2013/2014.

Student Emergency Money Scheme (SEMS)

SEMS aims to provide compassionate assistance to needy RP students from low-income families. It is intended to assist needy students during times of crisis by providing financial support where a clear need exists such as sudden death or hospitalisation of the family members of the needy students. In the financial year 2013/2014, six students benefited from the scheme.

Student Pocket Money Scheme (SPMS)

SPMS aims to support needy RP students from low-income families who are struggling with their daily expenses on transportation or meals in school. In the financial year 2013/2014, 583 students benefited from the scheme.

Student Financial Aid

In this financial year of 2013/2014, 596 needy students benefited from the student financial aid scheme that targets the neediest students in RP. Each recipient received a one-off amount of \$500.

Glitz Award (Sports Excellence Award)

RP's Glitz Award (Sports Excellence Award) is awarded to student athletes who have achieved high standards and excellence in sports. It aims to encourage more student participation in sports. In the financial year 2013/2014, the award was given out to one sportsman and one sportswoman of the year, as well to provide funding support to deserving athletes to pursue sports related courses.

REPUBLIC POLYTECHNIC EDUCATION FUND

(FORMERLY KNOWN AS STUDENT DEVELOPMENT & WELFARE FUND)

Other Student-related Activities

Other student-related activities that were funded by respective donors in this financial year 2013 include:

1. Inter-Poly Service-Learning Project - One Heart

An event organised by RP Service Learning Club jointly supported by the other 4 polytechnics, i.e. Singapore Polytechnic, Ngee Ann Polytechnic, Temasek Polytechnic and Nanyang Polytechnic. The event served approximately 100 seniors from two beneficiaries, namely Indus Moral Care and Sunlove Marsiling Seniors Activity Centre. The event provided an opportunity for our students to experience the intercultural and intergenerational connection within the community.

2. Longest Flavored Pasta

Republic Polytechnic set a new record in the Singapore Book of Records and the World Record Academy for the longest strand of flavored pasta, made by staff and students from the School of Hospitality (SOH), measuring nearly 502 meters. The green tea flavored pasta was distributed to 250 elderly beneficiaries from voluntary welfare organisations such as Caregiving Welfare Association, Care Corner Seniors Activity Centre (Toa Payoh), Care Corner Student Care Centre (Woodlands and Admiralty), and Geylang East Home for the Aged.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY FINANCIAL STATEMENTS

POLYTECHNIC INFORMATION

ADDRESS 9 WOODLANDS AVENUE 9
SINGAPORE 738964

CHAIRMAN, BOARD OF GOVERNORS MR RICHARD SEOW

PRINCIPAL/CHIEF EXECUTIVE OFFICER MR YEO LI PHEOW

INDEPENDENT AUDITOR DELOITTE & TOUCHE LLP
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS
6 SHENTON WAY, OUE
DOWNTOWN 2 #32-00
SINGAPORE 068809



REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY FINANCIAL STATEMENTS

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REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY STATEMENT BY BOARD OF GOVERNORS

For the financial year ended 31 March 2014

In the opinion of the Board of Governors, the accompanying financial statements set out on pages 37 to 77 of Republic Polytechnic (the “Polytechnic”) and its subsidiary (collectively the “Group”) are drawn up so as to present fairly, in all material respects, the state of affairs of the Group and Polytechnic as at 31 March 2014, and the results, changes in accumulated surplus and cash flows of the Group and the results and changes in accumulated surplus of the Polytechnic for the year then ended, in accordance with the provisions of the Republic Polytechnic Act, Chapter 270 (the “Act”), the Singapore Charities Act, Chapter 37 (the “Charities Act”) and Statutory Board Financial Reporting Standards.

On behalf of the Board of Governors



.....
RICHARD SEOW
Chairman, Board of Governors



.....
YEO LI PHEOW
Principal/Chief Executive Officer

30 June 2014

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF REPUBLIC POLYTECHNIC

Report on the Financial Statements

We have audited the accompanying financial statements of Republic Polytechnic (the "Polytechnic") and its subsidiary (collectively the "Group"), which comprise the consolidated statement of financial position of the Group and statement of financial position of the Polytechnic as at 31 March 2014, and the statements of profit or loss and other comprehensive income and statements of changes in accumulated surplus of the Group and Polytechnic and the consolidated statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 37 to 77.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Republic Polytechnic Act, Chapter 270 (the "Act"), the Singapore Charities Act, Chapter 37 (the "Charities Act") and Statutory Board Financial Reporting Standards ("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.

Auditors' Responsibility

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

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

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF REPUBLIC POLYTECHNIC (cont'd)

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position, statement of profit or loss and other comprehensive income and statement of changes in accumulated surplus of the Polytechnic are properly drawn up in accordance with the provisions of the Act, the Charities Act and SB-FRS so as to present fairly, in all material respects, the state of affairs of the Group and the Polytechnic as at 31 March 2014 and of the results, changes in accumulated surplus and cash flows of the Group and of the results and changes in accumulated surplus of the Polytechnic for the year ended on that date.

Report on Other Legal and Regulatory Requirements

Management's Responsibility 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 Act. This responsibility includes implementing accounting and internal controls as management determines are necessary to enable compliance with the provisions of the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We conducted our audit in accordance with Singapore Standards on Auditing. 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 Act.

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.

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 AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF REPUBLIC POLYTECHNIC (cont'd)

Opinion

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 Act; and
- (b) proper accounting and other records have been kept, including records of all assets of the Polytechnic and of the subsidiary incorporated in Singapore of which we are the auditors whether purchased, donated or otherwise.

During the course of our audit in relation to the Republic Polytechnic Education 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 Polytechnic as required under regulation 16 of the Charities (Institutions of a Public Character) Regulations; and
- (b) the Polytechnic has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

There was no fund raising appeal conducted by the Fund during the year ended 31 March 2014.



Public Accountants and
Chartered Accountants
Singapore

30 June 2014

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2014

	Note	Group			Polytechnic	
		2013/2014 \$'000	2012/2013 \$'000	2011/2012 \$'000	2013/2014 \$'000	2012/2013 \$'000
Accumulated surplus						
General fund		196,361	167,486	144,910	196,300	167,480
Other funds		2,843	1,380	991	2,843	1,380
		<u>199,204</u>	<u>168,866</u>	<u>145,901</u>	<u>199,143</u>	<u>168,860</u>
Endowment fund (capital)	3	13,604	11,590	8,410	13,604	11,590
Total capital and other funds		<u>212,808</u>	<u>180,456</u>	<u>154,311</u>	<u>212,747</u>	<u>180,450</u>
Represented by:						
Assets						
Non-current assets						
Property, plant and equipment	4	395,505	404,958	424,147	395,505	404,958
Intangible assets	5	19,385	21,742	14,685	19,385	21,742
Subsidiary	6	-	-	-	60	60
Held-to-maturity investments	7	29,932	32,176	21,949	29,932	32,176
		<u>444,822</u>	<u>458,876</u>	<u>460,781</u>	<u>444,882</u>	<u>458,936</u>
Current assets						
Held-to-maturity investments	7	2,008	-	-	2,008	-
Trade and other receivables	8	15,208	17,972	13,725	15,233	18,008
Non-government grants receivable		117	555	493	117	555
Cash and cash equivalents	9	203,822	142,612	129,995	203,632	142,498
		<u>221,155</u>	<u>161,139</u>	<u>144,213</u>	<u>220,990</u>	<u>161,061</u>
Current liabilities						
Government grants received in advance	10	29,565	13,767	9,772	29,565	13,767
Non-government grant received in advance		334	339	307	334	339
Trade and other payables	11	26,190	18,310	18,169	26,182	18,298
Fees received in advance	12	4,022	4,283	3,216	3,986	4,283
		<u>60,111</u>	<u>36,699</u>	<u>31,464</u>	<u>60,067</u>	<u>36,687</u>
Net current assets		<u>161,044</u>	<u>124,440</u>	<u>112,749</u>	<u>160,923</u>	<u>124,374</u>
Non-current liabilities						
Fees received in advance	12	4,523	-	-	4,523	-
Provision for reinstatement of land	13	2,200	1,970	1,970	2,200	1,970
Deferred capital grants:						
- Government	14	385,544	400,059	416,152	385,544	400,059
- Non-government	14	791	831	1,097	791	831
		<u>393,058</u>	<u>402,860</u>	<u>419,219</u>	<u>393,058</u>	<u>402,860</u>
Net assets		<u>212,808</u>	<u>180,456</u>	<u>154,311</u>	<u>212,747</u>	<u>180,450</u>
Funds managed on behalf of others	15	10,062	5,423	4,691	10,062	5,423

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

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 March 2014

Group	Note	Other Funds								
		General Fund		Republic Polytechnic Education Fund		Endowment Fund		Total		
		Year 2013/2014	Year 2012/2013	Year 2013/2014	Year 2012/2013	Year 2013/2014	Year 2012/2013	Year 2013/2014	Year 2012/2013	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Operating income										
Student fees		43,558	39,977	-	-	-	-	43,558	39,977	
Donations:										
- Tax deductible		-	-	2,594	1,046	-	-	2,594	1,046	
- Non tax deductible		108	102	34	26	-	-	142	128	
Rental income		3,383	3,283	-	-	-	-	3,383	3,283	
Other operating income	16	1,904	1,784	-	-	-	-	1,904	1,784	
		<u>48,953</u>	<u>45,146</u>	<u>2,628</u>	<u>1,072</u>	-	-	<u>51,581</u>	<u>46,218</u>	
Less:										
Operating expenditure										
Staff costs	17	134,608	119,687	-	-	-	-	134,608	119,687	
Depreciation of property, plant and equipment	4	32,142	34,064	1	1	-	-	32,143	34,065	
Amortisation of intangible assets	5	6,502	4,988	-	-	-	-	6,502	4,988	
Repairs, maintenance and utilities		28,615	29,142	-	-	-	-	28,615	29,142	
Office equipment and furniture		720	732	-	-	-	-	720	732	
Computing resources		827	691	-	-	-	-	827	691	
Travelling and communication		1,245	1,243	-	-	-	-	1,245	1,243	
Student welfare and CCA activities		6,164	5,415	1,217	903	215	55	7,596	6,373	
Teaching materials and resources		2,687	3,630	6	1	-	-	2,693	3,631	
Public relations and publicity		2,145	2,278	13	5	-	-	2,158	2,283	
Consultancy, legal and other professional services		8,912	8,922	-	-	-	-	8,912	8,922	
Office supplies and stationery		676	762	-	-	-	-	676	762	
Rental expense		120	172	-	-	-	-	120	172	
Other expenditure	18	738	509	-	-	-	-	738	509	
		<u>226,101</u>	<u>212,235</u>	<u>1,237</u>	<u>910</u>	<u>215</u>	<u>55</u>	<u>227,553</u>	<u>213,200</u>	
Operating (deficit) surplus		<u>(177,148)</u>	<u>(167,089)</u>	<u>1,391</u>	<u>162</u>	<u>(215)</u>	<u>(55)</u>	<u>(175,972)</u>	<u>(166,982)</u>	
Non-operating income										
Interest income		1,412	1,177	9	8	278	274	1,699	1,459	
Non-operating expense										
Loss on disposal of property, plant and equipment and intangible assets		(31)	-	-	-	-	-	(31)	-	
(Deficit) Surplus before grants		<u>(175,767)</u>	<u>(165,912)</u>	<u>1,400</u>	<u>170</u>	<u>63</u>	<u>219</u>	<u>(174,304)</u>	<u>(165,523)</u>	

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (cont'd)

For the financial year ended 31 March 2014

Group	Note	----- Other Funds -----							
		General Fund		Republic Polytechnic Education Fund		Endowment Fund		Total	
		Year 2013/2014 \$'000	Year 2012/2013 \$'000	Year 2013/2014 \$'000	Year 2012/2013 \$'000	Year 2013/2014 \$'000	Year 2012/2013 \$'000	Year 2013/2014 \$'000	Year 2012/2013 \$'000
Grants									
Deferred capital grants amortised:									
- Government	14	34,428	35,140	-	-	-	-	34,428	35,140
- Non-Government	14	369	448	-	-	-	-	369	448
Grants utilised:									
- Government	10	2,547	2,862	-	-	-	-	2,547	2,862
- Non-Government		466	929	-	-	-	-	466	929
Operating grants from:									
- Government	19	165,543	149,019	-	-	-	-	165,543	149,019
- Non-Government		1,289	90	-	-	-	-	1,289	90
		<u>204,642</u>	<u>188,488</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>204,642</u>	<u>188,488</u>
Surplus after grants		<u>28,875</u>	<u>22,576</u>	<u>1,400</u>	<u>170</u>	<u>63</u>	<u>219</u>	<u>30,338</u>	<u>22,965</u>
Income tax	20	-	-	-	-	-	-	-	-
Surplus for the year, representing total comprehensive income for the year		<u>28,875</u>	<u>22,576</u>	<u>1,400</u>	<u>170</u>	<u>63</u>	<u>219</u>	<u>30,338</u>	<u>22,965</u>

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (cont'd)

For the financial year ended 31 March 2014

	Note	----- Other Funds -----								
		General Fund		Republic Polytechnic Education Fund		Endowment Fund		Total		
		Year 2013/2014	Year 2012/2013	Year 2013/2014	Year 2012/2013	Year 2013/2014	Year 2012/2013	Year 2013/2014	Year 2012/2013	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Polytechnic										
Operating income										
Student fees		43,655	40,155	-	-	-	-	43,655	40,155	
Donations:										
- Tax deductible		-	-	2,594	1,046	-	-	2,594	1,046	
- Non tax deductible		108	102	34	26	-	-	142	128	
Rental income		3,383	3,283	-	-	-	-	3,383	3,283	
Other operating income	16	1,768	1,545	-	-	-	-	1,768	1,545	
		<u>48,914</u>	<u>45,085</u>	<u>2,628</u>	<u>1,072</u>	-	-	<u>51,542</u>	<u>46,157</u>	
Less:										
Operating expenditure										
Staff costs	17	134,572	119,644	-	-	-	-	134,572	119,644	
Depreciation of property, plant and equipment	4	32,142	34,064	1	1	-	-	32,143	34,065	
Amortisation of intangible assets	5	6,502	4,988	-	-	-	-	6,502	4,988	
Repairs, maintenance and utilities		28,615	29,142	-	-	-	-	28,615	29,142	
Office equipment and furniture		720	732	-	-	-	-	720	732	
Computing resources		827	691	-	-	-	-	827	691	
Travelling and communication		1,240	1,231	-	-	-	-	1,240	1,231	
Student welfare and CCA activities		6,153	5,397	1,217	903	215	55	7,585	6,355	
Teaching materials and resources		2,687	3,630	6	1	-	-	2,693	3,631	
Public relations and publicity		2,145	2,278	13	5	-	-	2,158	2,283	
Consultancy, legal and other professional services		8,977	8,913	-	-	-	-	8,977	8,913	
Office supplies and stationery		676	762	-	-	-	-	676	762	
Rental expense		120	172	-	-	-	-	120	172	
Other expenditure	18	736	509	-	-	-	-	736	509	
		<u>226,112</u>	<u>212,153</u>	<u>1,237</u>	<u>910</u>	<u>215</u>	<u>55</u>	<u>227,564</u>	<u>213,118</u>	
Operating (deficit) surplus		<u>(177,198)</u>	<u>(167,068)</u>	<u>1,391</u>	<u>162</u>	<u>(215)</u>	<u>(55)</u>	<u>(176,022)</u>	<u>(166,961)</u>	
Non-operating income										
Interest income		1,412	1,177	9	8	278	274	1,699	1,459	
Non-operating expense										
Loss on disposal of property, plant and equipment and intangible assets		(31)	-	-	-	-	-	(31)	-	
(Deficit) Surplus before grants		<u>(175,817)</u>	<u>(165,891)</u>	<u>1,400</u>	<u>170</u>	<u>63</u>	<u>219</u>	<u>(174,354)</u>	<u>(165,502)</u>	

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (cont'd)

For the financial year ended 31 March 2014

	----- Other Funds -----								
	General Fund		Republic Polytechnic Education Fund		Endowment Fund		Total		
	Note	Year 2013/2014	Year 2012/2013	Year 2013/2014	Year 2012/2013	Year 2013/2014	Year 2012/2013	Year 2013/2014	Year 2012/2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Polytechnic									
Grants									
Deferred capital grants amortised:									
- Government	14	34,428	35,140	-	-	-	-	34,428	35,140
- Non-Government	14	369	448	-	-	-	-	369	448
Grants utilised:									
- Government	10	2,547	2,862	-	-	-	-	2,547	2,862
- Non-Government		466	929	-	-	-	-	466	929
Operating grants from:									
- Government	19	165,543	149,019	-	-	-	-	165,543	149,019
- Non-Government		1,284	90	-	-	-	-	1,284	90
		<u>204,637</u>	<u>188,488</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>204,637</u>	<u>188,488</u>
Surplus for the year, representing total comprehensive income for the year		<u>28,820</u>	<u>22,597</u>	<u>1,400</u>	<u>170</u>	<u>63</u>	<u>219</u>	<u>30,283</u>	<u>22,986</u>

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

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

STATEMENTS OF CHANGES IN ACCUMULATED SURPLUS

For the financial year ended 31 March 2014

Group	----- Other Funds -----							
	General Fund		Republic Polytechnic Education Fund		Endowment Fund		Total	
	Year 2013/2014 \$'000	Year 2012/2013 \$'000	Year 2013/2014 \$'000	Year 2012/2013 \$'000	Year 2013/2014 \$'000	Year 2012/2013 \$'000	Year 2013/2014 \$'000	Year 2012/2013 \$'000
Balance at 1 April	167,486	144,910	986	816	394	175	168,866	145,901
Surplus for the year, representing total comprehensive income for the year	28,875	22,576	1,400	170	63	219	30,338	22,965
Balance at 31 March	<u>196,361</u>	<u>167,486</u>	<u>2,386</u>	<u>986</u>	<u>457</u>	<u>394</u>	<u>199,204</u>	<u>168,866</u>
Polytechnic								
Balance at 1 April	167,480	144,883	986	816	394	175	168,860	145,874
Surplus for the year, representing total comprehensive income for the year	28,820	22,597	1,400	170	63	219	30,283	22,986
Balance at 31 March	<u>196,300</u>	<u>167,480</u>	<u>2,386</u>	<u>986</u>	<u>457</u>	<u>394</u>	<u>199,143</u>	<u>168,860</u>

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

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2014

	Note	Year 2013/2014 \$'000	Year 2012/2013 \$'000
Cash Flows from Operating Activities			
Deficit before grants		(174,304)	(165,523)
Adjustments for:			
Interest income		(1,699)	(1,459)
Loss on disposal of property, plant and equipment and intangible assets		31	-
Impairment loss and bad debts	18	120	(36)
Depreciation of property, plant and equipment	4	32,143	34,065
Amortisation of intangible assets	5	6,502	4,988
Deficit before working capital changes		<u>(137,207)</u>	<u>(127,965)</u>
Changes in working capital:			
Trade and other receivables		2,987	(1,524)
Trade and other payables		4,594	801
Fees received in advance		3,857	1,067
Cash used in operations		<u>(125,769)</u>	<u>(127,621)</u>
Interest received		657	589
Net cash used in operating activities		<u>(125,112)</u>	<u>(127,032)</u>
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(22,811)	(15,548)
Proceeds from disposal of property, plant and equipment		6	12
Purchase of intangible assets		(4,145)	(12,045)
Investment in quoted bonds		-	(10,443)
Interest received from held-to-maturity investments		1,010	773
Net cash used in investing activities		<u>(25,940)</u>	<u>(37,251)</u>
Cash Flows from Financing Activities			
Government grants received:			
- Operating grants		166,000	147,879
- Development grants		12,166	1,894
- Information technology and furniture and equipment grants		24,287	23,641
- Other grants		2,174	667
Refund of development grant		-	(283)
Operating grants received from non-government organisations		2,052	242
Contributions received for Endowment Fund (Capital)		1,947	2,860
Net cash from financing activities		<u>208,626</u>	<u>176,900</u>
Net increase in cash and cash equivalents		57,574	12,617
Cash and cash equivalents at beginning of the year		142,612	129,995
Cash and cash equivalents at end of the year	9	<u>200,186</u>	<u>142,612</u>

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

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

1 General information

Republic Polytechnic (the “Polytechnic”) was established in 2002 under the Republic Polytechnic Act, Chapter 270 (the “Act”) and domiciled in the Republic of Singapore.

The Polytechnic is located at 9 Woodlands Avenue 9, Singapore 738964.

The principal activities of the Polytechnic are to provide diploma level education and training in preparation for career in domains associated with engineering, science and technology, sports and wellness management, creative arts and hospitality.

The principal activities of the subsidiary are disclosed in Note 6 to the financial statements.

The consolidated financial statements relate to the Polytechnic and its subsidiary (referred to as the “Group”). The consolidated financial statements of the Group and statement of financial position, statement of profit or loss and other comprehensive income and statement of changes in accumulated surplus of the Polytechnic for the year ended 31 March 2014 were authorised for issue by the Board of Governors on 30 June 2014.

2(a) Basis of accounting

The financial statements have been prepared in accordance with the provisions of the Act and the Statutory Board Financial Reporting Standards (“SB-FRS”). SB-FRS include Statutory Board Financial Reporting Standards, Interpretations of SB-FRS and SB-FRS Guidance Notes as promulgated by the Accountant-General.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore dollars which is the functional currency of the Polytechnic. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

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

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

2(a) Basis of accounting (cont'd)

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 consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SB-FRS 102, leasing transactions that are within the scope of SB-FRS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SB-FRS 2 or value in use in SB-FRS 36.

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 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.

Significant accounting estimates and judgements

The preparation of the financial statements in conformity with SB-FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Critical assumptions used and accounting estimates in applying accounting policies are described below:

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

2(a) Basis of accounting (cont'd)

Significant accounting estimates and judgements (cont'd)

Depreciation of property, plant and equipment and amortisation of intangible assets

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amounts of property, plant and equipment are disclosed in Note 4 to the financial statements.

During the year, the Group revised the useful life of an asset to 10 years (FY 2012/2013 : 27 years) as the management assessed that the useful life of the asset should be shortened to 10 years due to a reduction in its operable life. The financial effect of this reassessment, assuming the asset is held until the end of its estimated useful life, is to increase the annual depreciation expense by \$653,000.

Impairment of trade and other receivables

Impairment of bad and doubtful debts is based on an assessment of the recoverability of trade and other receivables. Impairment is applied to trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the expected outcome is different from the original estimate, such difference will impact carrying value of trade and other receivables and doubtful debt expenses in the period in which such estimate has been changed. The carrying amounts of trade and other receivables are disclosed in Note 8 to the financial statements.

Provision for reinstatement of land

As described in Note 13, the provision for reinstatement of land is based on the best estimate of the direct expenditures to be incurred which are both necessarily entailed by the reinstatement of land and not associated with the on-going activities of the Group. Changes in the expected cost of reinstatement, changes in the lease and reinstatement terms may significantly impact the value of reinstatement asset, liability and annual charge on recognition of depreciation.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

2(b) Adoption of new and revised standards

On 1 April 2013, the Group adopted all the new and revised SB-FRSs and Interpretations to SB-FRS (“INT SB-FRSs”) that are effective from that date and are relevant to its operations. The adoption of these new/revised SB-FRS 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 years.

At the date of authorisation of the financial statements, the management anticipates that the adoption of the SB-FRSs, INT SB-FRSs and amendments to SB-FRS that were issued but effective only in future periods will not have a material impact on the financial statements of the Group in the period of their initial adoption.

2(c) Summary of significant accounting policies

Fund accounting

General Fund

Income and expenditure relating to the main activities of the Group are accounted for in the “General Fund” column in the statements of profit or loss and other comprehensive income.

Other funds

Funds are set up to account for contributions received and expenditure incurred for specific purposes, mainly to cater for financial assistance to students, scholarships, staff development and ad-hoc projects undertaken by the academic staff/students. Income and expenditure relating to these funds are accounted for in the “Other funds” column in the statements of profit or loss and other comprehensive income. The assets and liabilities of these funds are accounted for separately. For presentation purposes, the assets and liabilities of these funds are pooled together with those of the General Fund in the statement of financial position.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

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

Fund accounting (cont'd)

Other funds comprise the following funds:

- (i) *Republic Polytechnic Education Fund*, formerly known as Student Development & Welfare Fund (Charity registration no. 1740, effective from 15 November 2003)

The purpose of this fund is to provide scholarship, bursaries, equipment loans, etc to students as well as to fund student development and welfare activities.

This fund is also used to fund continuing education, upgrading of the Polytechnic's physical infrastructure, equipment and special projects of the staff.

Income and expenditure of the Republic Polytechnic Education Fund are accounted for in the "Other Funds – Republic Polytechnic Education Fund" column in the statement of profit or loss and other comprehensive income.

- (ii) *Endowment Fund*

The Endowment Fund provides financial assistance to needy students, promotes excellence in teaching amongst the academic staff. Income and expenditure of the Endowment Fund are accounted for in the "Other Funds – Endowment Fund" column in the statement of profit or loss and other comprehensive income.

Endowment Fund (Capital)

This fund consists of donations or contributions which are specifically designed to be kept intact to earn income. The principal sum is kept intact and presented separately in the statement of financial position. The fund's income and expenditure are taken to the statement of profit or loss and other comprehensive income as described in "Other Funds - Endowment Fund".

Consolidation

The consolidated financial statements incorporate the financial statements of the Polytechnic and entities controlled by the Polytechnic (its subsidiary). Control is achieved where the Polytechnic has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

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

Consolidation (cont'd)

Where necessary, adjustments are made to the financial statements of the subsidiary to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured (at date of original business combination) either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another SB-FRS. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

In the Polytechnic's separate financial statements, investment in subsidiary is carried at cost less impairment losses.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Donated assets are stated at valuation at initial recognition.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Property, plant and equipment costing less than \$2,000 each, building renovations below \$200,000 and library books are expensed as incurred.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

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

Property, plant and equipment and depreciation (cont'd)

Depreciation on property, plant and equipment is calculated using the straight-line method over their estimated useful lives as follows:

Leasehold land and buildings	-	Lease period of 30 years
Building improvements	-	5 years
Building systems	-	10 to 20 years
Computer systems	-	3 to 5 years
Furniture, fittings and equipment	-	5 to 10 years

No depreciation is computed on capital work-in-progress. Depreciation will commence when the asset is completed and ready for its intended use.

Depreciation methods, useful lives and residual values of property, plant and equipment are reviewed and adjusted as appropriate at each reporting date.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before that expenditure was made, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

The gain or loss arising from disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in the statement of profit or loss and other comprehensive income.

Intangible assets

Computer software including software development costs are capitalised on the basis of the costs incurred to acquire or develop and bring the software to use. Direct expenditure, which enhances or extends the performance of computer software beyond its specifications and which can be reliably measured, is recognised as a capital improvement and added to the original cost of the software. Cost associated with maintaining computer software is recognised as an expense when incurred.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

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

Intangible assets (cont'd)

Computer software is stated at cost less accumulated amortisation and any accumulated impairment losses. These costs are amortised using the straight-line method over their estimated useful lives of 3 to 5 years. Computer software costing less than \$2,000 each is expensed as incurred.

Computer software shall be derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses from derecognition are determined by comparing proceeds with carrying amount and are included in the statement of profit or loss and other comprehensive income.

Foreign currency

Transactions in foreign currencies are translated to the functional currency of the Polytechnic and its subsidiary at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in statement of profit or loss and other comprehensive income.

Financial instruments

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

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest basis for debt instruments.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

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

Financial assets

All financial assets are recognised and de-recognised on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value plus transaction costs.

The Group determines the classification of its financial assets at the time of initial recognition.

Held-to-maturity investments

Bonds with fixed or determinable payments and fixed maturity dates where the Group has a positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

Loans and receivables

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate method, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the statement of profit or loss and other comprehensive income.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

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

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity, if the Group neither transfers nor retains substantially all the risk 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits and other short-term highly liquid investments which are readily convertible to cash and which are subject to an insignificant risk of changes in value.

Financial liabilities

The Group's financial liabilities include trade and other payables.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument.

Trade and other payables are initially measured at fair value, and 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 a financial liability when its contractual obligations are discharged, cancelled or they expire.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

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

Grants

Government grants and contributions from other organisations for the purchase of depreciable assets or to finance research or capital projects are taken to the grants received in advance account in the first instance. They are taken to the deferred capital grants account upon the utilisation of the grants for purchase of assets, which are capitalised, or to the statement of profit or loss and other comprehensive income for purchase of assets which are written off in the year of purchase.

Deferred capital grants are recognised in the statements of profit or loss and other comprehensive income over the periods necessary to match the depreciation, write off and/or impairment loss of the assets purchased with the related grants. Upon the disposal of property, plant and equipment, the balance of the related deferred capital grants is recognised in the statement of profit or loss and other comprehensive income to match the carrying amount of the property, plant and equipment written off.

Government grants to meet the current year's operating expenses are recognised as income in the same year. Government grants are accounted for on the accrual basis.

Impairment of non-financial assets

The carrying amounts of non-financial assets subject to impairment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use, based on an internal discounted cash flow evaluation. Impairment loss is charged pro rata to other assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

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

Impairment of non-financial assets (cont'd)

Any impairment loss is charged to the statement of profit or loss and other comprehensive income unless it reverses a previous revaluation in which case it is charged to equity.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A provision for reinstatement of land is recognised for the expected costs associated with reinstatement of land used by the Group (Note 13). The provision is based on the best estimate of the direct expenditures to be incurred which are both necessarily entailed by the reinstatement of land and not associated with the on-going activities of the Group.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

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

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. 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.

The Group as lessee

Rentals payable under operating leases are charged to statement of profit or loss and other comprehensive income on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Employee benefits

Defined contribution plans

Contributions on the employees' salaries are made to the Central Provident Fund ("CPF") as required by law. The CPF contributions are recognised as expenses in the period when the employees rendered their services.

Short term employee benefits

All short term employee benefits, including entitlement to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

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

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. Principal, Deputy Principals and Directors are considered key management personnel.

Revenue recognition

Student fees and other fees for the academic year are recognised on an accrual basis.

Donations which are unconditional are recognised upon receipt.

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

Revenue from workshops are recognised when conducted.

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

Income from consultancy projects is recognised when the project is completed.

Income tax

The Polytechnic is registered as a charitable institution.

With effect from the Year of Assessment 2008 or the financial year ended 31 March 2007, all registered charities will enjoy automatic income tax exemption without having the need to meet the 80% spending rule and there is no need to file income tax returns by virtue of Section 13(1)(zm) of the Income Tax Act, Chapter 134.

The subsidiary of the Polytechnic is subject to tax under Singapore income tax legislation.

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

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

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

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

Income tax (cont'd)

Deferred tax is recognised, using the balance sheet liability 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 by 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 they 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).

3 Endowment Fund (Capital)

	<u>Group and Polytechnic</u>	
	2013/2014	2012/2013
	\$'000	\$'000
At 1 April	11,590	8,410
Externally restricted donated funds	2,014	3,180
At 31 March	<u>13,604</u>	<u>11,590</u>
Represented by:		
Cash placed with Accountant-General's Department	1,677	9
Matching grant receivable from MOE	1,762	1,695
Bonds (at amortised cost)	10,165	9,886
	<u>13,604</u>	<u>11,590</u>

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

4 Property, plant and equipment

	Leasehold land and buildings	Building improvements	Building systems	Computer systems	Furniture, fittings and equipment	Capital work-in- progress	Total property, plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group and Polytechnic							
Cost							
At 1 April 2012	426,987	1,804	126,953	21,907	111,021	1,526	690,198
Additions	440	137	221	5,919	4,488	3,683	14,888
Transfers	2,066	-	-	-	-	(2,066)	-
Disposals	-	-	-	(106)	(917)	-	(1,023)
At 31 March 2013	429,493	1,941	127,174	27,720	114,592	3,143	704,063
Additions	256	150	124	1,341	3,226	17,630	22,727
Transfers	383	636	-	-	708	(1,727)	-
Reclassification	(2,633)	-	2,633	-	-	-	-
Disposals	-	-	(37)	(341)	(3,350)	-	(3,728)
At 31 March 2014	427,499	2,727	129,894	28,720	115,176	19,046	723,062
Accumulated depreciation							
At 1 April 2012	104,492	907	45,186	19,918	95,548	-	266,051
Depreciation for the year	15,562	319	7,977	2,180	8,027	-	34,065
Disposals	-	-	-	(106)	(905)	-	(1,011)
At 31 March 2013	120,054	1,226	53,163	21,992	102,670	-	299,105
Depreciation for the year	15,645	398	8,367	2,601	5,132	-	32,143
Reclassification	(759)	-	759	-	-	-	-
Disposals	-	-	(37)	(341)	(3,313)	-	(3,691)
At 31 March 2014	134,940	1,624	62,252	24,252	104,489	-	327,557
Carrying amount							
At 31 March 2014	292,559	1,103	67,642	4,468	10,687	19,046	395,505
At 31 March 2013	309,439	715	74,011	5,728	11,922	3,143	404,958

During the year, the Group and the Polytechnic accrued for the acquisition of property, plant and equipment with an aggregate cost of \$140,000 (FY 2012/2013: \$454,000). The cash outflow on acquisition of plant and equipment amounted to \$22,811,000 (FY 2012/2013 : \$15,548,000). The Group and the Polytechnic capitalised the increase in estimated cost of reinstatement of the leasehold land of \$230,000 (FY 2012/2013: \$Nil).

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

5 Intangible assets

	Computer software \$'000	Capital work- in-progress \$'000	Total intangible assets \$'000
Group and Polytechnic			
Cost			
At 1 April 2012	14,923	10,352	25,275
Additions	8,342	3,703	12,045
Transfers	13,784	(13,784)	-
Disposals	(5)	-	(5)
At 31 March 2013	<u>37,044</u>	<u>271</u>	<u>37,315</u>
Additions	3,535	610	4,145
Transfers	120	(120)	-
Disposals	(704)	-	(704)
At 31 March 2014	<u>39,995</u>	<u>761</u>	<u>40,756</u>
Accumulated amortisation			
At 1 April 2012	10,590	-	10,590
Amortisation for the year	4,988	-	4,988
Disposals	(5)	-	(5)
At 31 March 2013	<u>15,573</u>	<u>-</u>	<u>15,573</u>
Depreciation for the year	6,502	-	6,502
Disposals	(704)	-	(704)
At 31 March 2014	<u>21,371</u>	<u>-</u>	<u>21,371</u>
Carrying amount			
At 31 March 2014	<u>18,624</u>	<u>761</u>	<u>19,385</u>
At 31 March 2013	<u>21,471</u>	<u>271</u>	<u>21,742</u>

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

6 Subsidiary

		<u>Polytechnic</u>			
		2013/2014	2012/2013		
		\$'000	\$'000		
Investment, at cost		<u>60</u>	<u>60</u>		
Name of subsidiary (Country of incorporation)	Principal activities (Place of business)	<u>Cost</u>		<u>Effective equity interest held by the Polytechnic</u>	
		2013/2014 \$'000	2012/2013 \$'000	2013/2014 %	2012/2013 %
Republic Polytechnic International Pte. Ltd (The Republic of Singapore)	To support the Polytechnic's students overseas programme (The Republic of Singapore)	60	60	100	100

7 Held-to-maturity investments

		<u>Group and Polytechnic</u>	
		2013/2014	2012/2013
		\$'000	\$'000
Held-to-maturity quoted bonds, at amortised cost		<u>31,940</u>	<u>32,176</u>
Fair value		<u>32,040</u>	<u>32,859</u>
Represented by:			
Current		2,008	-
Non-current		<u>29,932</u>	<u>32,176</u>
		<u>31,940</u>	<u>32,176</u>

The bonds bear interest ranging from 2.82% to 5.75% (FY 2012/2013 : 2.82% to 5.75%) per annum. The effective interest rate ranges from 1.80% to 4.33% (FY 2012/2013 : 1.80% to 4.33%) per annum. The maturity period of the bonds ranges from October 2015 to August 2022 (FY 2012/2013 : October 2015 to August 2022).

At the reporting date, the fair values of the quoted bonds were determined by reference to published market prices.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

8 Trade and other receivables

	<u>Group</u>		<u>Polytechnic</u>	
	2013/2014 \$'000	2012/2013 \$'000	2013/2014 \$'000	2012/2013 \$'000
Receivables from students	804	1,087	804	1,087
Allowance for impairment loss	(182)	(161)	(182)	(161)
	<u>622</u>	<u>926</u>	<u>622</u>	<u>926</u>
Receivables from non-students	532	1,142	532	1,141
	<u>1,154</u>	<u>2,068</u>	<u>1,154</u>	<u>2,067</u>
Non-trade amount owing by subsidiary	-	-	25	37
Other receivables	1,191	2,554	1,191	2,554
Cash advances	16	13	16	13
	<u>2,361</u>	<u>4,635</u>	<u>2,386</u>	<u>4,671</u>
Matching grants receivable from MOE	1,762	1,695	1,762	1,695
Operating government grants receivable	7,985	8,442	7,985	8,442
Goods and services tax receivable	1,127	876	1,127	876
Prepayments	1,972	2,324	1,972	2,324
Deposits	1	-	1	-
	<u>15,208</u>	<u>17,972</u>	<u>15,233</u>	<u>18,008</u>

The average credit period on trade receivables from students is 7 to 14 days (FY 2012/2013 : 7 to 14 days). No interest is charged on the outstanding trade receivables.

(i) Analysis of receivables from students and non-students

Student receivables:

	<u>Group and Polytechnic</u>	
	2013/2014 \$'000	2012/2013 \$'000
Not past due and not impaired	578	897
Past due but not impaired	44	29
Impaired receivables	182	161
Total	<u>804</u>	<u>1,087</u>
Less: Allowance for impairment	<u>(182)</u>	<u>(161)</u>
	<u>622</u>	<u>926</u>

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

8 Trade and other receivables (cont'd)

(i) Analysis of receivables from students and non-students (cont'd)

Non-student receivables:

	<u>Group</u>		<u>Polytechnic</u>	
	2013/2014 \$'000	2012/2013 \$'000	2013/2014 \$'000	2012/2013 \$'000
Not past due and not impaired	324	862	324	861
Past due but not impaired	208	280	208	280
	<u>532</u>	<u>1,142</u>	<u>532</u>	<u>1,141</u>

(ii) Aging of receivables that are past due but not impaired:

Student receivables:

	<u>Group and Polytechnic</u>	
	2013/2014 \$'000	2012/2013 \$'000
Past due 1 semester*	<u>44</u>	<u>29</u>

* Semesters at the Polytechnic can range between 142 to 153 days.

Non-student receivables:

	<u>Group and Polytechnic</u>	
	2013/2014 \$'000	2012/2013 \$'000
Past due less than 30 days	163	105
Past due 31 to 60 days	4	106
Past due 61 to 90 days	3	44
Past due over 90 days	38	25
	<u>208</u>	<u>280</u>

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

8 Trade and other receivables (cont'd)

(iii) Movements in allowance for impairment:

Allowance for impairment of student receivables:

	<u>Group and Polytechnic</u>	
	<u>2013/2014</u>	<u>2012/2013</u>
	<u>\$'000</u>	<u>\$'000</u>
At 1 April	161	292
Amounts written off during the year	(92)	(99)
Amounts recovered during the year`	(30)	(83)
Increase in allowance recognised in the statement of profit or loss and other comprehensive income	143	51
Impairment loss recognised (reversed) (Note 18)	113	(32)
At 31 March	<u>182</u>	<u>161</u>

9 Cash and cash equivalents

	<u>Group</u>		<u>Polytechnic</u>	
	<u>2013/2014</u>	<u>2012/2013</u>	<u>2013/2014</u>	<u>2012/2013</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Cash at bank	717	767	677	753
Cash placed with Accountant-General's Department	202,955	141,745	202,955	141,745
Fixed deposits	150	100	-	-
	<u>203,822</u>	<u>142,612</u>	<u>203,632</u>	<u>142,498</u>
Less: Cash held in trust [Note 15 (ii) and (iii)]	(3,636)	-	(3,636)	-
Net cash and cash equivalents in consolidated statement of cash flows	<u>200,186</u>	<u>142,612</u>	<u>199,996</u>	<u>142,498</u>

The effective interest rate for cash placed with Accountant-General's Department at the reporting date is 0.7% (FY 2012/2013 : 0.55%) per annum. Interest rates are repriced within 12 months.

As at the end of the reporting period, the Group's fixed deposits bear effective interest of 0.05% (FY 2012/2013 : 0.05%) per annum and for a tenure of approximately 30 days (FY 2012/2013 : 30 days).

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

10 Government grants received in advance

	Group and Polytechnic	
	2013/2014 \$'000	2012/2013 \$'000
At 1 April	13,767	9,772
Grants received/ receivable during the year:		
- Development grants	12,166	1,894
- Information technology and furniture and equipment grants	24,287	23,641
- Other grants	2,174	667
Reclassification of service fees received in advance from SIT	(369)	-
Refund of development grant	-	(283)
Interest on grants reversed during the year	-	(15)
Amount taken to the statement of profit or loss and other comprehensive income (Note *)	(2,547)	(2,862)
Grants utilised during the year (Note 14)	(19,913)	(19,047)
At 31 March	<u>29,565</u>	<u>13,767</u>

* Note: This represents property, plant and equipment expensed off and project staff expenses funded by MOE.

11 Trade and other payables

	Group		Polytechnic	
	2013/2014 \$'000	2012/2013 \$'000	2013/2014 \$'000	2012/2013 \$'000
Sundry payables	12,453	6,630	12,453	6,593
Amount owing to subsidiary	-	-	-	37
Accrued expenses	5,403	2,994	5,395	2,982
Accrued capital expenditure	140	454	140	454
CPF payable	6,551	6,763	6,551	6,763
Provision for unconsumed leave	262	345	262	345
Advance payments received	380	358	380	358
Other payables and deposits	1,001	766	1,001	766
	<u>26,190</u>	<u>18,310</u>	<u>26,182</u>	<u>18,298</u>

Trade payables have credit terms of between 30 to 90 days (FY 2012/2013 : 30 to 90 days).

Included in the Group's and the Polytechnic's sundry payables are funds managed by MOE of \$3,531,000 (FY 2012/2013 : \$Nil) and is disbursed to the Group and the Polytechnic under the Opportunity Fund scheme as disclosed in Note 15(iii) to the financial statements.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

12 Fees received in advance

	Group		Polytechnic	
	2013/2014 \$'000	2012/2013 \$'000	2013/2014 \$'000	2012/2013 \$'000
Fees received in advance	<u>8,545</u>	<u>4,283</u>	<u>8,509</u>	<u>4,283</u>
Represented by:				
Current ⁽ⁱ⁾	4,022	4,283	3,986	4,283
Non-current ⁽ⁱⁱ⁾	4,523	-	4,523	-
	<u>8,545</u>	<u>4,283</u>	<u>8,509</u>	<u>4,283</u>

- (i) The fees received in advance are mainly enrolment fees (for Singaporean/ PR students) and Academic Year 2014/2015 Semester 1 advance fees (required only for international students) from all international students. These payments will be used to offset the tuition and supplementary fees chargeable for the new academic year starting April 2014.
- (ii) The Polytechnic received fees in advance from Singapore Institute of Technology ("SIT") during the financial year for the usage of the Polytechnic's facilities by SIT students. The fees received in advance will only be recognised as revenue when services are rendered by the Polytechnic in accordance to the service agreement between the Polytechnic and SIT.

13 Provision for reinstatement of land

Under the land lease agreement, the Polytechnic has the obligation to reinstate the land to its original state when the lease expires if the lessor so required. In compliance with SB-FRS 16, an estimation of the cost to remove all buildings and structures on the land has been made and a provision made amounting to \$1,750,000 in FY2006/2007, with additional provision of \$220,000 made in FY2010/2011 and \$230,000 made in FY2013/2014 to reflect the best estimate of the direct expenditures to be incurred which are entailed by the reinstatement of land.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

14 Deferred capital grants

	Government		Non-Government		Total	
	2013/2014 \$'000	2012/2013 \$'000	2013/2014 \$'000	2012/2013 \$'000	2013/2014 \$'000	2012/2013 \$'000
Group and Polytechnic						
Balance at 1 April	400,059	416,152	831	1,097	400,890	417,249
Grants utilised during the year (Note 10):						
- Development grants	11,043	3,222	-	-	11,043	3,222
- Information technology and furniture and equipment grants	8,763	15,585	-	-	8,763	15,585
- Other grants	107	240	329	182	436	422
	19,913	19,047	329	182	20,242	19,229
Amount taken to the statement of profit or loss and other comprehensive income	(34,428)	(35,140)	(369)	(448)	(34,797)	(35,588)
Balance at 31 March	<u>385,544</u>	<u>400,059</u>	<u>791</u>	<u>831</u>	<u>386,335</u>	<u>400,890</u>

15 Funds managed on behalf of others

	Group and Polytechnic	
	2013/2014 \$'000	2012/2013 \$'000
(i) Tuition fee and Study loans	6,426	5,489
(ii) Khoo Teck Puat International Opportunity Programme Trust Fund	105	(66)
(iii) Opportunity Fund	3,531	-
	<u>10,062</u>	<u>5,423</u>

(i) Tuition fee and study loans

The Polytechnic acts as an agent for the Ministry of Education (the "MOE") to disburse student loans on behalf of MOE.

Tuition fee loans and study loans funds are provided by MOE to students and administered by financial institutions appointed by the Polytechnic. The interest rate policy for the tuition fee and study loans is governed by MOE. The Polytechnic draws down the loans from MOE for student tuition and fees when the loans are approved. In accordance with student loan terms, students make loan repayment to financial institutions.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

15 Funds managed on behalf of others (cont'd)

(i) Tuition fee and study loans (cont'd)

The Polytechnic will return the funds back to MOE after receiving the loan repayments from the financial institutions. Accordingly, the carrying amounts of tuition fee and study loans approximate their fair values. The disclosure on allowance of impairment for funds managed on behalf of others does not have any financial impact to the Group's and the Polytechnic's statement of profit or loss and other comprehensive income.

	Group and Polytechnic	
	2013/2014	2012/2013
	\$'000	\$'000
At 1 April	6,291	5,580
Funds received from MOE	2,101	1,830
Funds repaid to MOE	(1,119)	(956)
Funds pending repayment to MOE	<u>(98)</u>	<u>(163)</u>
	7,175	6,291
Allowance for impairment loss	<u>(749)</u>	<u>(802)</u>
At 31 March	<u><u>6,426</u></u>	<u><u>5,489</u></u>
Represented by:		
Tuition fee and study loans	<u><u>6,426</u></u>	<u><u>5,489</u></u>

Movement of the allowance for impairment is as follows:

	Group and Polytechnic	
	2013/2014	2012/2013
	\$'000	\$'000
At 1 April	802	834
Amounts written off during the year	(13)	-
Amounts reversed during the year	(94)	(118)
Increase in allowance recognised	<u>54</u>	<u>86</u>
At 31 March	<u><u>749</u></u>	<u><u>802</u></u>

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

15 Funds managed on behalf of others (cont'd)

(ii) Khoo Teck Puat International Opportunity Programme Trust Fund

The Estate of Tan Sri Khoo Teck Puat launched the Khoo Teck Puat Education Fund on 18 December 2007. The Khoo Teck Puat International Opportunity Programme (“KTPIOP”) is supported by this fund. This programme aims to provide needy students from the Polytechnic with an opportunity to obtain an overseas education experience. The fund is managed by MOE and is disbursed to the Group and Polytechnic for administration of application and awards processing on behalf of the donor.

	Group and Polytechnic	
	2013/2014	2012/2013
	\$'000	\$'000
At 1 April	(66)	(55)
Reversal of prior year fund disbursement	16	-
Funds received during the year from MOE	167	242
Funds disbursed during the year	(12)	(253)
At 31 March	<u>105</u>	<u>(66)</u>
Represented by:	105	-
Cash and bank balances	-	(66)
Other receivables (included in other receivables in Note 8)	<u>105</u>	<u>(66)</u>

(iii) Opportunity Fund

The Opportunity Fund (“OF”) scheme was established in 2006 to level up enrichment opportunities for Singapore Citizen (“SC”) students from lower income household groups from all schools, junior colleges and centralised institutes and the Institute of Technical Education. This scheme was extended to the polytechnics in 2013 and aims to provide needy SC students with assistance for overseas trips, local enrichment programmes and personal computer purchases. This fund is managed by MOE and is disbursed to the Group and the Polytechnic for administration of application and awards processing on behalf of MOE.

These funds are to be utilised over a three-year period and any unutilised amounts will be returned to MOE at the end of the three-year period.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

15 Funds managed on behalf of others (cont'd)

(iii) Opportunity Fund (cont'd)

	<u>Group and Polytechnic</u>	
	2013/2014	2012/2013
	\$'000	\$'000
At 1 April	-	-
Funds received during the year from MOE	3,618	-
Funds disbursed during the year	(87)	-
At 31 March	<u>3,531</u>	<u>-</u>
Represented by:		
Cash and bank balances	<u>3,531</u>	<u>-</u>

16 Other operating income

	<u>Group</u>		<u>Polytechnic</u>	
	2013/2014	2012/2013	2013/2014	2012/2013
	\$'000	\$'000	\$'000	\$'000
Income from workshops	619	807	472	551
Income from provision of shared services	14	38	14	38
Management fee income from subsidiary	-	-	11	20
Sundry income	559	570	559	567
Income from consultancy projects	712	368	712	368
Foreign exchange gain (net)	-	1	-	1
	<u>1,904</u>	<u>1,784</u>	<u>1,768</u>	<u>1,545</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

17 Staff costs

	Group		Polytechnic	
	2013/2014 \$'000	2012/2013 \$'000	2013/2014 \$'000	2012/2013 \$'000
Key management personnel:				
- Salaries and related costs	5,982	5,536	5,982	5,536
- CPF contributions	338	333	338	333
	<u>6,320</u>	<u>5,869</u>	<u>6,320</u>	<u>5,869</u>
Other than key management personnel:				
- Salaries and related costs	115,656	101,532	115,624	101,495
- CPF contributions	12,632	12,286	12,628	12,280
	<u>128,288</u>	<u>113,818</u>	<u>128,252</u>	<u>113,775</u>
	<u>134,608</u>	<u>119,687</u>	<u>134,572</u>	<u>119,644</u>

18 Other expenditure

	Group		Polytechnic	
	2013/2014 \$'000	2012/2013 \$'000	2013/2014 \$'000	2012/2013 \$'000
Impairment loss recognised (reversed) on student receivables (Note 8)	113	(32)	113	(32)
Impairment loss on amount owing by non-students	6	-	6	-
Bad debts written off (recovered)	1	(4)	1	(4)
Staff recruitment expenses	175	131	175	131
License fees and property taxes	394	257	394	257
Miscellaneous expenses	49	157	47	157
	<u>738</u>	<u>509</u>	<u>736</u>	<u>509</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

19 Operating grants from Government

	Group and Polytechnic	
	2013/2014	2012/2013
	\$'000	\$'000
Operating grants received / receivable during the year	<u>165,543</u>	<u>149,019</u>

MOE has reimbursed \$17,590,997 (FY 2012/2013 : \$16,678,674) for the amount of output goods and services tax on the full tuition fees paid to the Inland Revenue Authority of Singapore. This amount is not included in the above operating grants received from Government.

20 Income Tax Expense

Domestic income tax is calculated at 17% (FY 2012/2013 : 17%) of the estimated assessable profit for the year.

The income tax for the year can be reconciled to the accounting profit as follows:

	Group	
	2013/2014	2012/2013
	\$'000	\$'000
Surplus after grants	<u>30,338</u>	<u>22,965</u>
Tax benefit at domestic tax rate of 17% (FY 2012/2013 : 17%) in determining taxable profit	5,157	3,904
Effect of income that is exempt from taxation	(5,148)	(3,908)
Deferred tax assets on losses not recognised	-	4
Utilisation of deferred tax benefits previously not recognised	(9)	-
Total income tax	<u>-</u>	<u>-</u>

Subject to the agreement by the tax authorities, at the end of the reporting period, the Group had unutilised tax losses of \$17,000 (FY 2012/2013 : \$70,000) available for offset against future profits. No deferred tax assets has been recognised in respect of \$3,000 (FY 2012/2013 : \$12,000) due to the unpredictability of future profit streams.

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

21 Commitments

(a) Capital commitments

	Group and Polytechnic	
	2013/2014	2012/2013
	\$'000	\$'000
Commitments approved and contracted for but not provided for	25,445	16,102
Commitments approved but not contracted for	<u>32,491</u>	<u>75,129</u>

The capital commitments are mainly funded from government grants.

(b) Operating lease commitments (non-cancellable)

Where the Group is the lessor

At the reporting date, the Group had the following rentals receivable under non-cancellable operating leases for leasing its premises to third parties.

	Group and Polytechnic	
	2013/2014	2012/2013
	\$'000	\$'000
Rental income due:		
Within one year	1,875	1,676
More than one year but less than five years	<u>2,467</u>	<u>1,530</u>

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

22 Related party transactions

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

Other than disclosed elsewhere in the financial statements, the Group entered into the following significant transactions with its parent Ministry, MOE, and other related parties during the financial year:

	<u>Group</u>		<u>Polytechnic</u>	
	2013/2014 \$'000	2012/2013 \$'000	2013/2014 \$'000	2012/2013 \$'000
MOE				
<u>Grants</u>				
Operating grants	165,543	149,019	165,543	149,019
Development grants	12,166	1,611	12,166	1,611
Information technology and furniture and equipment grants	24,287	23,641	24,287	23,641
Other grants	2,174	667	2,174	667
Matching grants	1,762	1,677	1,762	1,677
	<u>205,932</u>	<u>176,615</u>	<u>205,932</u>	<u>176,615</u>
Subsidiary				
Management fee income from subsidiary	-	-	11	20
Re-charge of payroll costs for staff seconded to subsidiary	-	-	38	39
Charges for services rendered to subsidiary	-	-	133	206
Charges for services provided by subsidiary	-	-	(74)	(133)
	<u>-</u>	<u>-</u>	<u>(74)</u>	<u>(133)</u>
Entities affiliated to Board of Governors				
Outsourced manpower services	3,346	2,795	3,346	2,795
Rental of venue and income from workshops	150	175	150	175
	<u>150</u>	<u>175</u>	<u>150</u>	<u>175</u>

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

23 Financial instruments, financial risks and capital risks management

(a) Categories of financial instruments

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

	Group		Polytechnic	
	2013/2014 \$'000	2012/2013 \$'000	2013/2014 \$'000	2012/2013 \$'000
Financial assets				
Loans and receivables (including cash and cash equivalents)	206,183	147,247	206,018	147,169
Held-to-maturity investments	31,940	32,176	31,940	32,176
Total	<u>238,123</u>	<u>179,423</u>	<u>237,958</u>	<u>179,345</u>
Financial liabilities				
Liabilities at amortised cost	<u>25,810</u>	<u>17,952</u>	<u>25,802</u>	<u>17,940</u>

(b) Financial instruments subject to offsetting, enforceable master netting agreements and similar arrangements

The Group does not have any financial instruments which are subject to offsetting, enforceable master netting agreements or similar netting arrangements.

(c) Financial risk management policies and objectives

The Group's overall financial risk management programme seeks to minimise potential adverse effects of financial performance of the Group. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

(i) Foreign currency risk management

The Group is not exposed to significant foreign currency risk as its transactions, financial assets and liabilities are denominated in Singapore dollars.

(ii) Interest rate risk management

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

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

23 Financial instruments, financial risks and capital risks management (cont'd)

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

(ii) Interest rate risk management (cont'd)

The interest rates for cash placed with Accountant-General's Department disclosed in Note 9 to the financial statements are based on deposit rates determined by financial institutions with which cash are deposited and are expected to move in tandem with market interest rate movements.

Reasonable changes in interest rates for cash placed with Accountant-General's Department would not have a material effect on the Group's income and expenditure and equity.

(iii) Credit risk management

Credit risk refers to the risk that students and non-students will default on their obligations to repay the amount owing to the Group, resulting in financial loss to the Group. The Group has adopted procedures in monitoring collections from students and in monitoring default of payments from students and non-students.

At the reporting date, there is no significant concentration of credit risk. Concentration of credit risk relating to trade receivables is limited due to the Group's varied customer base. Credit risk of grant receivables is remote as claims made are within funding guidelines and it is unlikely that the Government will default on payment. Cash and cash equivalents are placed with banks and financial institutions which are regulated.

The cash with Accountant-General's Department under Centralised Liquidity Management ("CLM") are placed with high credit quality financial institutions and are available upon request. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

Further details of credit risk on trade and other receivables are disclosed in Note 8.

(iv) Liquidity risk management

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

REPUBLIC POLYTECHNIC AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2014

23 Financial instruments, financial risks and capital risks management (cont'd)

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

(v) Fair value of financial assets and financial liabilities

The fair value of held-to-maturity investments is disclosed in Note 7 to the financial statements. The carrying amounts of financial assets and liabilities approximate their fair values due to the relatively short-term maturity of these financial instruments unless otherwise disclosed.

The fair values of quoted equity investments that are traded on active liquid markets are determined with reference to quoted market prices and are categorised into Level 1 of the fair value hierarchy. There were no significant transfers between Level 1 and Level 2 of the fair value hierarchy in the period.

(d) Capital risk 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.

24 Comparative figures

With effect from the current financial year, the Group prepares consolidated financial statements in which it consolidates its investment in subsidiary in accordance to SB-FRS 27 *Consolidated and Separate Financial Statements*. As a result, the statement of financial position, statement of changes in accumulated surplus and the related notes to the financial statements have been presented at Group level for the current year. The comparative figures for the two preceding financial years have been presented on a similar basis.

