

SINGAPORE ART MUSEUM

17/18

YEAR IN REVIEW

Close-up of students' artwork at the 2017
Think! Contemporary exhibition.

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Financial Report
FY2017/18

ABOUT SAM

The **Singapore Art Museum** focuses on international contemporary art practices, specialising in Singapore and Southeast Asia. Housed in a restored 19th century mission school, it opened its doors in 1996 as the first art museum in Singapore.

Also known as SAM, the museum is now a contemporary art museum with one of the world's most important public collections of Southeast Asian contemporary artworks, with a growing component in international contemporary art.



Gerald Leow's *Harvest*, a commissioned artwork for the SAM Front Lawn, as part of Singapore Art Week 2018.

SAM REVAMP

FY2017/18 kicked off with Minister for Culture, Community and Youth Grace Fu's announcement of a major revamp of the Singapore Art Museum buildings, to address the growing needs of contemporary art in Singapore.

In the midst of preparing for the revamp, the SAM team focused on key projects and core programming, maintaining healthy visitorship and outreach level.





EXHIBITIONS

SAM presented major exhibitions and artwork commissions in FY2017/18, featuring art from Singapore, Southeast Asia and beyond.

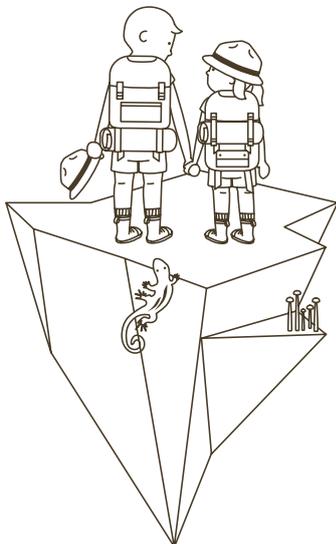
Floating Mountain (2013, 2017) by Unchalee Anantawat.
An immersive artwork installation at SAM's *Imaginarium: To the Ends of the Earth*, 2017.



A young visitor at *Lie of The Land* (2017), by Bounpaul Phothyzan.

imaginarium

To the Ends of the Earth
6 May – 27 August 2017 | SAM at 8Q



The 2017 edition of *Imaginarium*, SAM's family-friendly exhibition, took a closer look at our relationships with the environments we reside in through interactive artworks.

One of the commissioned artworks, 'Lie of the Land' by Laotian artist, Bounpaul Phothyzan, will feature in APT9 (Asia Pacific Triennale) in Queensland, Australia, in November 2018.



Visitors at Korakrit Arunanondchai and Alex Gvojcic's *There's a word I'm trying to remember, for a feeling I'm about to have (a distracted path towards extinction)*, an immersive mixed-media installation at the *Cinerama* exhibition.

CINERAMA

ART AND THE MOVING IMAGE IN SOUTHEAST ASIA
17 NOVEMBER 2017 – 25 MARCH 2018 | SAM AT 8Q

SAM presented *Cinerama: Art and the Moving Image in Southeast Asia* – an exhibition that surveyed contemporary artworks from Southeast Asia which utilise and respond to the form and medium of the moving image.

Spanning hand-drawn animation to immersive video installations, *Cinerama* featured artworks from the SAM collection, loaned artworks and new commissions.



Kamin Lertchaiprasert, *Sitting* (detail), 2004



In reaching audiences abroad and promoting SAM's curatorial endeavours further afield, SAM travelled a selection of works from the *After Utopia* exhibition – first presented in SAM in 2015 – to the **Anne and Gordan Samstag Museum of Art** in Adelaide, Australia for the **2017 OzAsia Festival**.



Gerald Leow, *Harvest*, 2018

SAM LAWN COMMISSION

HARVEST

(2018) BY GERALD LEOW

As part of Singapore Art Week 2018, SAM commissioned Singaporean artist Gerald Leow's installation *Harvest* (2018) for the SAM Front Lawn. The monumental structure echoes a *lumbung* (Malay for rice granary or barn) and harks to the history of Bras Basah – the area in which the museum is located. Constructed out of material used for crates that freight artworks, the *lumbung's* material also reflects the building's history as an art museum.



On The Cusp: Early Contemporary Art Activities in Singapore (1976 – 1996) was on view at the SAM Curve in early 2018.

**ON
THE CUSP:
EARLY
CONTEMPORARY
ART ACTIVITIES
IN SINGAPORE
(1976–1996)
Documentation from
the Koh Nguang How
Archive Collection**



Archival material from the Koh Nguang How Archive Collection.

Tracing the early contemporary art landscape in Singapore, SAM presented a curated selection of materials from artist-archivist Koh Nguang How's extensive archive at the refurbished SAM Curve.



Installation view of Nicola Anthony's *Clockwork Moons* (2017), as part of the *Human Archive Project*.

HUMAN

ARCHIVE

PROJECT

BY NICOLA ANTHONY

SAM also commissioned the *Human Archive Project* – a project by artist Nicola Anthony which comprised stories by individuals from disenfranchised communities, reinforcing art's potential to encourage and nurture social and cultural understanding.



OUTREACH

SAM's programmes serve to inspire and connect visitors of all backgrounds with the world of contemporary art.

Wanderland (2018) by Mary Bernadette Lee, an immersive and interactive installation at Tampines Regional Library. It was first presented at the 2016 edition of *Imaginarium* at SAM.



From toddler art workshops to artist talks, SAM's public outreach efforts serve to deepen their engagement with contemporary art and the ideas explored in the exhibitions.

An artist- and curator-led tour of *Cinerama: Art and the Moving Image of Southeast Asia*



SAM Late Nights brought in new audiences with free entry to the museum, casual artwork chats, and live music performances.



A child interacting with *The Standing Men*, by ADDN, shown at SAM during Singapore Night Festival 2017.



Free movie screenings at the museum, as part of Singapore Art Week 2018.



Young visitors sharing their art and craft masterpieces at one of SAM's many open houses throughout the year.



Mary Bernadette Lee's *Wanderland* (2018), re-presented at Jurong Regional Library (top) and Tampines Regional Library (bottom).



Extending beyond SAM's grounds, the museum partnered the National Library Board to present *Wanderland* by Singaporean artist Mary Bernadette Lee – a work commissioned for the 2017 edition of *Imaginarium*. An interactive installation presented alongside various programmes at the library, this is the the first of a series of projects in community spaces that will take place during the SAM revamp.

COMMUNITY

Beyond presenting and mediating artistic expression, the museum continued its efforts in engaging with communities and social organisations.



Close-up of a student's artwork at the *Think! Contemporary* exhibition in 2017.



Students from the CHIJ Our Lady Queen of Peace, introducing their artwork at the **Think! Contemporary** exhibition.

think! contemporary

A museum-based school programme that advocates learning through art

Singapore Art Museum's **Think! Contemporary Programme** – a year-long programme for primary school students that features cross-subject learning through artworks from the SAM collection – culminated in a well-received exhibition of the students' creative responses and artworks.

.....

Art-based talks at schools, school workshops and access programmes also took place throughout the year, and special programmes were developed in collaboration with Ministry of Education, Singapore Teachers Academy for the Arts, National Institute of Education and the Early Childhood Development Agency.



Artworks by inmates, shown at the 10th edition of the Yellow Ribbon Community Art Exhibition at SAM.



Yellow Ribbon Community Art Exhibition 2017

***FOR BETTER ENDINGS
AND NEW BEGINNINGS***

SAM partnered the Singapore Prison Service to facilitate artistic development amongst inmates of Changi Prison, encouraging the expression of their rehabilitative journeys. The months-long programme culminated in the **Yellow Ribbon Community Art Exhibition**, at which artist-mentors to the inmates, Nicola Anthony, Kim Whye Kee and Barry Yeow, also presented a commissioned artwork.

Titled 'The Flow of Time', it was an installation that reflected on the value of each object and person, and how mistakes provide the material for building upon and moving forward into the future.



ACQUISITIONS

New acquisitions for the SAM collection shed light on current artistic production and the wider social context of the region.

Martha Atienza, *Endless Hours at Sea*, 2014, 2016. Installation view at the *Singapore Biennale 2016: An Atlas of Mirrors*, organised by the Singapore Art Museum.

THE SAM COLLECTION

The Singapore Art Museum collection comprises iconic works of contemporary Southeast Asian art, while also encompassing the wider Asian region to provide a broader cultural context for the core collection.

In FY2017/18, SAM acquired over 70 artworks, which span a broad spectrum of media and sensibilities, ranging from installation to video, photography, painting and sculpture.

Some of the new acquisitions include:

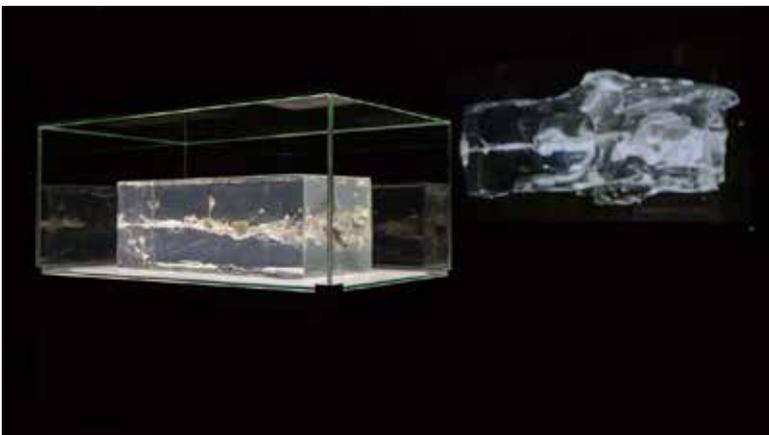


Thai artist Araya Rasdjarmrearnsook's *Jaonua: The Nothingness* (2016), a five-channel video installation commissioned for the *Singapore Biennale 2016: An Atlas of Mirrors*, brings together the range of thematic interests the artist has engaged with across the course of her career.



Ho Tzu Nyen, *EARTH* (stills), 2009-2017. Image courtesy of the artist.

Singaporean artist Ho Tzu *EARTH* (2009 – 2017), a work that was presented at various exhibitions and biennales around the world.



The Propeller Group, *AK-47 vs. M16*, 2015. Installation view at Singapore Art Museum's 2017 exhibition, *Cinerama: Art and the Moving Image in Southeast Asia*.

Vietnamese-American art collective The Propeller Group's *AK-47 vs. M16* (2015), which was first shown at the Venice Biennale in 2015, and more recently at SAM's *Cinerama* exhibition in 2017.



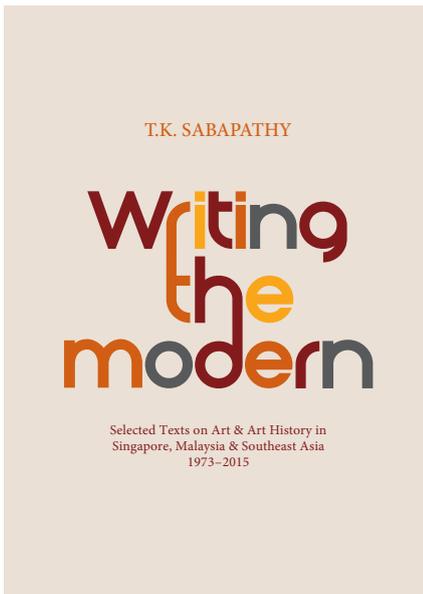
Iswanto Hartono, *Monuments*, 2017. Installation view at Oude Kerk, as part of EUROPALIA INDONESIA in 2017. Image courtesy of Oude Kerk.

Indonesian artist Iswanto Hartono's *Monuments* (2017), presented at EUROPALIA INDONESIA, a multidisciplinary festival that took place in Belgium and the Netherlands in 2017.

Comprising wax statues that were set alight over an 8-week period, the site-specific installation was a powerful reflection on Indonesia's colonial past.

PUBLICATIONS

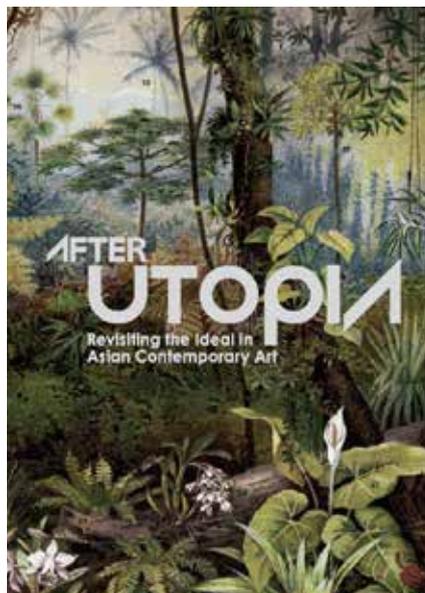
At the heart of a museum of contemporary art is its study of art that, beyond presentation and programme, is manifested in the form of the publication.



Writing the Modern: Selected Texts on Art & Art History in Singapore, Malaysia & Southeast Asia, 1973–2015

In 2018, SAM published an anthology of texts by esteemed art critic, curator and scholar of art developments and art history, T. K. Sabapathy.

Bringing together Sabapathy's most significant and influential writings for the first time, the anthology will serve as maps for an exploration of visual art development and art histories in the region.



Singapore Art Museum also published two exhibition catalogues:

Medium at Large: Shapeshifting Material & Methods in Contemporary Art
and
After Utopia: Revisiting the Ideal in Asian Contemporary Art.

A photograph of a church interior. The view is from the front of the sanctuary looking down a central aisle. The floor is covered with a patterned carpet. On either side of the aisle are rows of dark wood pews. At the front of the church, there is a large, arched stained glass window with a blue and white design. Several ornate chandeliers hang from the ceiling. The walls are white with arched doorways. The text "FINANCIALS" is overlaid in the center of the image.

FINANCIALS

17/18

SINGAPORE ART MUSUEM

(Incorporated in Singapore Registration Number: 201330746G)

ANNUAL REPORT

For the financial year ended 31 March 2018

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SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

1. Corporate Information

Singapore Art Museum ("SAM") was incorporated under the Companies Act, Cap 50 on 13 November 2013 and is a public company limited by guarantee, and a registered Charity with Institution of a Public Character (IPC) status, governed by its own Memorandum and Articles of Association.

Members of SAM

Tan Gee Keow
Jane Ittogi
Koh Seow Chuan

External auditor

PricewaterhouseCoopers LLP

Internal auditor

Ernst & Young Advisory Pte Ltd

Panel of legal advisors

Hin Tat Augustine & Partners
Infinitus Law Corporation
RHT Law Taylor Wessing LLP
Samuel Seow Law Corporation
WongPartnership LLP

Principal banker

UOB Bank Limited

Company secretary

Ms Claire Tham Li Mei, Hin Tat Augustine & Partners

Charity status

Charity Registration No. 201330746G

Charity Registration Date: 9 December 2013

SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

1. Corporate information (continued)

Company Status

Company limited by guarantee

Incorporation Date:
13 November 2013

Unique Entity Number (UEN):
201330746G

IPC Status

IPC status effective period: 12 December 2015 to 11 December 2018

Registered address

61 Stamford Road, #02-02 Stamford Court, Singapore 178892
Tel: (65) 6697 9742 Fax: (65) 6334 7919
Email: enquiries@singaporeartmuseum.sg
Website: www.singaporeartmuseum.sg

2. Board matters

2.1 Board Composition and Roles

The Board comprises thirteen directors at the date of this report, one of whom is a representative from Ministry of Culture, Community and Youth (the "MCCY"). The Board members do not receive any remuneration for their services.

SAM's Board of Directors has collective responsibility for the following:

- a. provide advice on strategic direction;
- b. establish a corporate governance framework that ensures optimal use of public funds allocated to SAM and proper review of relevant policies and procedures to safeguard the tangible and intangible assets of the SAM; and
- c. review Management's overall performance.

SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

2. Board matters (continued)

2.2 Board of Directors

<u>Name</u>	<u>Designation</u>	<u>Date of appointment</u>
Cheng Wai Wing Edmund Deputy Chairman Wing Tai Holdings Limited	Chairman	1 April 2018
Chong Siak Ching Chief Executive Officer National Gallery Singapore	Member	13 November 2013
Brian McAdoo Professor of Science Yale-NUS College	Member	1 April 2014
Zulkifli Bin Baharudin Executive Chairman Indo Trans Logistics Corporation	Member	1 April 2014
Collin Tseng Chern Yang @ Collin Liu Chern Yang Founder & Principal Consultant MATRIX Consult	Member	1 April 2015
Chiang See Ngoh Senior Vice President Banyan Tree Holdings Limited	Member	1 October 2016
Imran Bin Tajudeen Assistant Professor Department of Architecture School of Design and Environment National University of Singapore	Member	1 October 2016
Kong Lee Lee Lily Provost and Lee Kong Chian Chair Professor of Social Sciences Singapore Management University	Member	1 October 2016

SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

2. Board matters (continued)

2.2 Board of Directors (continued)

<u>Name</u>	<u>Designation</u>	<u>Date of appointment</u>
Low Eng Teong Assistant Chief Executive (Sector Development) National Arts Council	Member	1 May 2017
Timothy Chin Jun Wun Director, Arts & Heritage Division Ministry of Culture, Community & Youth	Member	17 November 2017
Heng Chen Seng Chief Investment Officer Ikhlas Capital	Member	1 April 2018
Junie Foo Kwee Joen Group Executive Director Methodist Welfare Services	Member	1 August 2018
Michelangelo Samson Managing Director/Regional Head SEA Asia Leveraged Finance Standard Chartered Bank	Member	1 August 2018
<u>Name</u>	<u>Designation</u>	<u>Date of retirement</u>
Jane Ittogi Chair Singapore Art Museum	Chair	31 March 2018
Philip Antony Jeyaretnam Global Vice Chair & Regional CEO Dentons Rodyk & Davidson LLP	Member	31 March 2018
Kenneth Whye Choe Executive Director Goldman Sachs (Singapore)	Member	31 March 2018
Yeo Whee Jim Senior Director, Arts & Heritage Ministry of Culture, Community and Youth	Member	31 October 2017

SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

2. Board matters (continued)

2.3 Executive Committee (EXCO)

The EXCO assists the Board in the stewardship and oversight of SAM and exercises such powers and/or functions on behalf of the Board on matters that have been specifically delegated to the EXCO.

Committee members in office as at the date of this report are listed as follows:

<u>Name</u>	<u>Designation</u>	<u>Date of appointment</u>
Cheng Wai Wing Edmund Deputy Chairman Wing Tai Holdings Limited	Chairman	1 April 2018
Chong Siak Ching Chief Executive Officer National Gallery Singapore	Deputy Chair	13 November 2013
Collin Tseng Chern Yang @ Collin Liu Chern Yang Founder & Principal Consultant MATRIX Consult	Member	8 June 2016
Kong Lee Lee Lily Provost and Lee Kong Chian Chair Professor of Social Sciences Singapore Management University	Member	1 June 2017
Low Eng Teong Assistant Chief Executive (Sector Development) National Arts Council	Member	1 June 2017
<u>Name</u>	<u>Designation</u>	<u>Date of retirement</u>
Jane Ittogi Chair Singapore Art Museum	Chair	31 March 2018
Chiang See Ngoh Senior Vice President Banyan Tree Holdings Limited	Member	31 March 2018
Kenneth Whye Choe Executive Director Goldman Sachs (Singapore)	Member	31 March 2018

SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

2. Board matters (continued)

2.3 Executive Committee (EXCO) (continued)

<u>Name</u>	<u>Designation</u>	<u>Date of retirement</u>
Philip Antony Jeyaretnam Global Vice Chair & Regional CEO Dentons Rodyk & Davidson LLP	Member	31 March 2018

2.4 Audit Committee (AC)

The AC assists the Board in fulfilling its oversight responsibilities in SAM's system of internal controls, financial reporting processes, the internal and external audit processes and the Enterprise Risk Management Framework.

Committee members in office as at the date of this report are listed as follows:

<u>Name</u>	<u>Designation</u>	<u>Date of appointment</u>
Collin Tseng Chern Yang @ Collin Liu Chern Yang Founder & Principal Consultant MATRIX Consult	Chairman	1 April 2015
Timothy Chin Jun Wun Director, Arts & Heritage Division Ministry of Culture, Community & Youth	Member	17 November 2017
Chong Siak Ching Chief Executive Officer National Gallery Singapore	Member	5 April 2018
Brian McAdoo Professor of Science Yale-NUS College	Member	17 July 2018
Heng Chen Seng Chief Investment Officer Ikhlas Capital	Member	17 July 2018

SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

2. Board matters (continued)

2.4 Audit Committee (AC) (continued)

<u>Name</u>	<u>Designation</u>	<u>Date of retirement</u>
Kong Lee Lily Provost and Lee Kong Chian Chair Professor of Social Sciences Singapore Management University	Member	17 July 2018
Catherine Loh Chief Executive Officer Community Foundation of Singapore	Member	6 April 2018
Yeo Whee Jim Senior Director, Arts & Heritage Ministry of Culture, Community and Youth	Member	31 October 2017

2.5 Acquisition Committee

The Acquisition Committee advises on matters relating to artwork purchase and donation, as well as SAM's collection strategy.

Committee members in office as at the date of this report are listed as follows:

<u>Name</u>	<u>Designation</u>	<u>Date of appointment</u>
Michaelangelo Samson Managing Director/Regional Head SEA Asia Leveraged Finance Standard Chartered Bank	Chairman	1 August 2018
Kenneth Whye Choe Executive Director Goldman Sachs (Singapore)	Member	1 July 2014
Peter Schoppert Managing Director NUS Press Pte Ltd	Member	1 July 2014
Tay Swee Lin Director F.B. Consultants LLP	Member	1 July 2014

SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

2. Board matters (continued)

2.5 Acquisition Committee (continued)

<u>Name</u>	<u>Designation</u>	<u>Date of appointment</u>
Brian McAdoo Professor of Science Yale – NUS college	Member	2 February 2016
Michelle Lim Assistant Professor School of Art, Design and Media Nanyang Technological University	Member	1 July 2016
Woo Yew Kong, Ian Artist	Member	1 July 2016
Imran Bin Tajudeen Assistant Professor Department of Architecture School of Design and Environment National University of Singapore	Member	30 March 2017
Low Eng Teong Assistant Chief Executive (Sector Development) National Arts Council	Member	30 May 2018
Dr John Chia Oncologist Oncocare Cancer Centre	Member	1 July 2018
<u>Name</u>	<u>Designation</u>	<u>Date of retirement</u>
Melani Setiawan Sonologist and Art Writer	Member	30 June 2018

SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

2. Board matters (continued)

2.6 Nomination and Remuneration Committee (NRC)

The NRC makes recommendations to the Board and management on all appointments and re-appointments of the Board, as well as review and endorse the remuneration policy of SAM and the appointment and remuneration of key positions.

Committee members in office as at the date of this report are listed as follows:

<u>Name</u>	<u>Designation</u>	<u>Date of appointment</u>
Cheng Wai Wing Edmund Deputy Chairman Wing Tai Holdings Limited	Chairman	1 April 2018
Chong Siak Ching Chief Executive Officer National Gallery Singapore	Member	13 November 2013
Collin Tseng Chern Yang @ Collin Liu Chern Yang Founder & Principal Consultant MATRIX Consult	Member	8 June 2016
Kong Lee Lee Lily Provost and Lee Kong Chian Chair Professor of Social Sciences Singapore Management University	Member	1 June 2017
Low Eng Teong Assistant Chief Executive (Sector Development) National Arts Council	Member	1 June 2017

SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

2. Board matters (continued)

2.7 Building Project Committee (BPC)

The BPC assists the Board in reviewing and providing guidance on all matters relating to the project development, such as its construction progress, contract administration, project and exhibition planning and design, project-financial matters, and the system of audits and risk management.

Committee members in office as at the date of this report are listed as follows:

<u>Name</u>	<u>Designation</u>	<u>Date of appointment</u>
Cheng Wai Wing Edmund Deputy Chairman Wing Tai Holdings Limited	Chairman	1 April 2018
Chong Siak Ching Chief Executive Officer National Gallery Singapore	Member	18 October 2016
Zulkifli Bin Baharudin Executive Chairman Indo Trans Logistics Corporation	Member	18 October 2016
Ronny Tan Board Member Sentosa Development Corporation & President, Sentosa Golf Club	Member	18 October 2016
Teh Joo Heng Principal Teh Joo Heng Architects	Member	25 September 2017
Yeo Kang Shua Assistant Professor Singapore University of Technology & Design	Member	25 September 2017
Imran Bin Tajudeen Assistant Professor Department of Architecture School of Design and Environment National University of Singapore	Member	23 March 2018

SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

2. Board matters (continued)

2.7 Building Project Committee (BPC) (continued)

<u>Name</u>	<u>Designation</u>	<u>Date of appointment</u>
Sushma Goh Director Architecture, Infrastructure Design & Engineering Group Land Transport Authority	Member	16 April 2018
Timothy Chin Jun Wun Director, Arts & Heritage Division Ministry of Culture, Community & Youth	Member	23 July 2018

2.8 Remuneration

The Directors do not receive remuneration from the Company. The annual remuneration of the Company's three highest paid staff by remuneration bands is as follows:

	2018	2017
	\$	\$
\$200,000 to below \$300,000	-	-
\$100,000 to below \$200,000	2	3
\$0 to below \$100,000	1	-
	3	3

3. Conflict of interest

SAM's Memorandum and Articles of Association state that a Director should ensure he does not place himself in a position whereby, directly or indirectly his duties or interests might be in conflict with his duties or interests as a Director. Disclosure of interests is required should a Director be in conflict with his duties and interests as a Director. He should not participate or vote on the matter.

SAM has put in place a Conflict of Interest Policy for Staff and a Code of Ethics for Board Directors and Board Committee Members.

SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

4. Principal activity and objectives

The objectives and principal activities of the Company are to operate a contemporary art gallery in Singapore and to deepen interest in and appreciation of contemporary art through art-related presentations, research and publications, as well as through outreach, education and public programmes.

5. Review of activities during the financial year

FY17 kicked off with the announcement of MCCY's support of SAM's retrofit, and upon the close of another successful edition of the Singapore Biennale (SB2016). In the midst of preparation and planning for the renovation and improvement of its venues – thus anticipating and expansion of SAM's future activities and impact – SAM focused on key projects and core programming, maintaining healthy visitorship and outreach levels.

SAM Museum Programming

Using SAM at 8Q as the primary space for exhibitions and programmes, FY17 programming opened with the seventh edition of SAM's popular and family-friendly exhibition, Imaginarium: To the Ends of the Earth. Presented over 114 days, the exhibition was seen by more than 91,000 visitors across all ages. The 2017 edition of Imaginarium included the commissioned artwork, 'Lie of the Land' by Laotian artist, Bounpaul Phothyzan, that will be featured in APT9 (Asia Pacific Triennale) in Queensland, Australia, in November 2018.

Following Imaginarium, SAM presented Cinerama: Art and the Moving Image in Southeast Asia – an exhibition that surveyed contemporary artworks from Southeast Asia which utilise and respond to the form of the moving image, its history and developments. The exhibition encompassed works from the SAM collection, commissioned artworks as well as artworks on loan, and received close to 48,500 visitors during its run.

SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

5. Review of activities during the financial year (continued)

SAM Museum Programming (continued)

In reaching out to audiences abroad and promoting SAM's curatorial endeavours further afield, SAM travelled a selection of works from the After Utopia exhibition - first presented in SAM in 2015 - to the Anne and Gordan Samstag Museum of Art in Adelaide, Australia for the 2017 OzAsia Festival. Exploring the subject of ideals and realities, the exhibition included works by artists Shannon Lee Castleman (USA), Geraldine Javier (Philippines), Donna Ong (Singapore), and The Propeller Group (established in Vietnam). On view for just over 2 months, the exhibition received over 34,000 visitors. The exhibition reflects SAM's keen and continuing interest in partnering museums and institutions around the region, to advance and discuss the nature of contemporary art practice today.

With the retrofit of its buildings in the horizon, the museum also turned to contemplate its location in site and history with public and artist community-oriented presentations. SAM commissioned Singapore artist Gerald Leow's installation Harvest (2018) for the SAM Front Lawn, in a reference to the name of the road and precinct in which the museum is located.

SAM also invited the artist-archivist, Koh Nguang How, to present a curated selection from his extensive archive at the refurbished SAM Curve. Titled On the Cusp: Early Contemporary Art Activities in Singapore (1976 – 1996), the presentation recollected local art activities in the lead up to SAM's establishment at Bras Basah, and spoke to the vitality and importance of the contemporary art scene that founded and is at the core of SAM's work.

Engagement with Social Organisations and Communities

Beyond presenting and mediating artistic expression, the museum continued its efforts in engaging with communities and social organisations. To this end, SAM partnered with the Singapore Prison Service to facilitate artistic development amongst inmates of Changi Prison, encouraging the expression of their rehabilitative journeys through the months-long programme led by SAM curators, culminating in the 2017 edition of the Yellow Ribbon Community Art Exhibition. It was well-received, with an attendance of more than 6,200 visitors in under three weeks.

SAM also commissioned the Human Archive Project, a project by artist Nicola Anthony which comprised stories by individuals from disenfranchised communities, reinforcing art's potential to encourage and nurture social and cultural understanding.

SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

5. Review of activities during the financial year (continued)

Engagement with Social Organisations and Communities (continued)

Museum-based learning remains central to SAM's work with schools, and in 2017, the museum's Think! Contemporary programme brought students to SAM's Learning Gallery (curated especially for the study of artworks from the SAM collection) for their lessons in Art, Social Sciences, and English. The six participating schools with their dedicated teaching personnel were CHIJ Our Lady Queen of Peace, Fuchun Primary School, Geylang Methodist School (Primary), Haig Girls' School, Mayflower Primary School and St. Anthony's Primary School. The year-long programme culminated in a well-received exhibition of the creative responses and artworks by students, which revealed their learnings and discoveries through the programme.

Extending beyond SAM's grounds, the museum partnered the National Library Board to present a work commissioned for the 2017 edition of Imaginarium again, in a different setting. Mary Bernadette Lee's *Wanderland* was presented at the Tampines and Jurong Regional Libraries in March and April 2018 respectively. This interactive and engaging installation and accompanying programmes were much appreciated by both the Library's visitors and staff, and is the first of a series of projects in community spaces that will take place during the retrofit.

SAM also found a valuable partner in IPS (Institute of Policy Studies) to host the IPS-SAM Spotlight on Cultural Policy Series, which facilitated engaging discussions between the artistic and cultural community with policy administrators on topics that are crucial to the development of the arts and culture in Singapore.

Outreach through Public and Education Programmes

SAM's outreach activities are designed to provide opportunities for the encounter and experience of art, and encompass programmes for both public and schools. For schools, these activities include assembly talks where SAM education team conduct art-based talks at school venues, school workshops and access programmes, as well as programmes in collaboration with the Ministry of Education (MOE), STAR (Singapore Teachers Academy for the Arts), National Institute of Education (NIE) and the Early Childhood Development Agency (ECDA). Special programmes were also developed for our young audiences for an early start to their creative journeys, in the form of parent-and-child, children, and toddler workshops.

As for the general public, festivals and public holidays provided opportunities to celebrate and appreciate contemporary art, and SAM's Open House Days were developed for such interactions and gatherings with events and programmes customised for the occasion. In addition, exhibition-related activities, including artist and curator talks, docent and peer-led tours, screenings and workshops organised throughout the year, ensure that the public has a rich and meaningful selection of programmes to attend, and to engage with art and artists.

SINGAPORE ART MUSEUM

CORPORATE GOVERNANCE REPORT

For the financial year ended 31 March 2018

5. Review of activities during the financial year (continued)

Publications

At the heart of a museum of contemporary art is its study of art that, beyond presentation and programme, is manifested in the form of the publication. In FY2017, SAM completed the catalogues for Medium at Large: Shapeshifting Material & Methods in Contemporary Art and After Utopia: Revisiting the Ideal in Asian Contemporary Art, two exhibitions presented in 2014 and 2015 respectively.

In addition, a critical compilation of the writings of art historian T.K. Sabapathy was published – Writing the Modern: Selected Texts on Art & Art History in Singapore, Malaysia & Southeast Asia, 1973–2015 (Singapore Art Museum & NUS Press) – edited by Ahmad Mashadi, Susie Lingham, Peter Schoppert and Joyce Toh.

Further encouraging research and scholarship of art and exhibitions, SAM inked a partnership with SOTA (School of the Arts Singapore) to provide SAM publications to the institution's library, so as to deepen art knowledge in schools and to support teaching and research.

6. Reserves Policy

The objective of this Policy is to preserve the capital of the cumulative surpluses to ensure the long-term growth of the reserves while avoiding excessive risk. The cumulative reserves together with the interest and investment income generated can be drawn upon for operating purposes such as to fund any temporary deficit while waiting for committed grant receipt or the Board can designate reserves to be used for non-operating purposes including special projects that further SAM's organisational goals, vision and mission. The Board or a committee appointed by the Board has to approve the utilisation of reserves and designation for special projects. The cumulative reserves may be held in short term bank deposits with financial institutions with good credit rating and that are incorporated in Singapore. They should also be placed with banks offering competitive rates to maximise returns. Placement in fixed deposits shall be approved by CEO. Any proposed investments, other than placement in fixed deposits, shall be approved by the Board or a committee appointed by the Board. Reserves more than 2 years of the SAM's operating needs could be invested with approval from the Board or a committee appointed by the Board.

SINGAPORE ART MUSEUM

DIRECTORS' STATEMENT

For the financial year ended 31 March 2018

The directors present their statement to the members together with the audited financial statements for the financial year ended 31 March 2018.

In the opinion of the directors,

- (a) the financial statements as set out on pages 21 to 40 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2018 and the financial performance, changes in equity and cash flows of the Company for the financial year covered by the financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors in office at the date of this statement are as follows:

Cheng Wai Wing Edmund
Chong Siak Ching
Brian McAdoo
Zulkifli Bin Baharudin
Collin Tseng Chern Yang @ Collin Liu Chern Yang
Chiang See Ngoh
Imran Bin Tajudeen
Kong Lee Lee Lily
Low Eng Teong
Timothy Chin Jun Wun
Heng Chen Seng
Junie Foo Kwee Joen
Michelangelo Samson

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares or debentures

The Company is a company limited by guarantee and has no share capital or debentures. Therefore, there are no matters to be disclosed under Section 9 of the Twelfth Schedule of the Companies Act, Cap 50.

SINGAPORE ART MUSEUM

DIRECTORS' STATEMENT

For the financial year ended 31 March 2018

Share options

The Company is a company limited by guarantee and has no share capital or debentures. Therefore, there are no matters to be disclosed under Section 7 and Section 2 of the Twelfth Schedule of the Companies Act, Cap 50.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors,



Cheng Wai Wing Edmund
Director

14 August 2018



Collin Tseng Chern Yang @
Collin Liu Chern Yang
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SINGAPORE ART MUSEUM

For the financial year ended 31 March 2018

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying financial statements of Singapore Art Museum. (the "Company") are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act"), the Singapore Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Singapore Financial Reporting Standards ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2018 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

What we have audited

The financial statements of the Company comprise:

- the statement of comprehensive income for the year ended 31 March 2018;
- the balance sheet as at 31 March 2018;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

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

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

Independence

We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

Management is responsible for the other information. The other information comprises all the sections of the annual report but does not include the financial statements and our auditor's report thereon.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SINGAPORE ART MUSEUM

Responsibilities of Management and Directors for the Financial Statements

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

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

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SINGAPORE ART MUSEUM

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

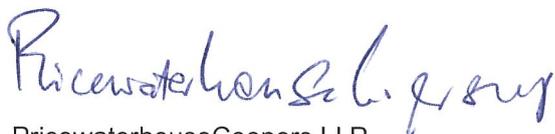
We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act and the Charities Act and Regulations.

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

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



PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 14 August 2018

SINGAPORE ART MUSEUM

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2018

	Note	2018 \$	2017 \$
Income			
Rental income		421,138	687,607
Donation income		247,437	459,469
Service income		203,281	266,122
Admission fees		103,667	754,825
Other income		125,048	169,360
		<u>1,100,571</u>	<u>2,337,383</u>
Expenses			
- Employee compensation	4	(5,200,824)	(5,183,833)
- Exhibition expenses		(844,132)	(4,088,481)
- Depreciation of property, plant and equipment	9	(242,504)	(291,787)
- IT expenses		(352,692)	(306,772)
- Publicity and public relations		(858,611)	(1,241,017)
- Rental on operating leases		(2,413,756)	(2,341,161)
- Repairs and maintenance		(887,639)	(1,180,390)
- Security services		(747,724)	(865,492)
- Utilities		(616,409)	(679,839)
- Allowance for impairment of trade receivables			
- non-related party	7	-	(76,335)
- Others		(1,308,070)	(2,083,631)
Total expenses		<u>(13,472,361)</u>	<u>(18,338,738)</u>
Deficit before grants		<u>(12,371,790)</u>	<u>(16,001,355)</u>
Grants			
- Deferred capital grants amortised	13	107,806	137,615
- Operating grants		11,465,400	11,640,000
- Other grants		1,467,833	5,520,535
		<u>13,041,039</u>	<u>17,298,150</u>
Net surplus and total comprehensive income		<u>669,249</u>	<u>1,296,795</u>

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

SINGAPORE ART MUSEUM

BALANCE SHEET

As at 31 March 2018

	Note	2018 \$	2017 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	7,455,459	4,843,009
Trade receivables	7	349,938	402,221
Other receivables		64,455	8,704
Other current assets	8	272,933	343,343
		<u>8,142,785</u>	<u>5,597,277</u>
Non-current assets			
Property, plant and equipment	9	462,183	632,204
		<u>8,604,968</u>	<u>6,229,481</u>
LIABILITIES			
Current liabilities			
Other payables	10	1,654,163	2,362,803
Grants received in advance	11	2,543,991	850,421
Deferred donations	12	969,355	205,241
		<u>5,167,509</u>	<u>3,418,465</u>
Non-current liabilities			
Provision for reinstatement cost	14	288,918	288,918
Deferred capital grants	13	206,629	249,435
		<u>495,547</u>	<u>538,353</u>
		<u>5,663,056</u>	<u>3,956,818</u>
NET ASSETS			
		<u>2,941,912</u>	<u>2,272,663</u>
EQUITY			
Accumulated surplus		2,941,912	2,272,663
Total equity		<u>2,941,912</u>	<u>2,272,663</u>

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

SINGAPORE ART MUSEUM

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2018

	Accumulated <u>surplus</u> \$
At 1 April 2017	2,272,663
Total comprehensive income	<u>669,249</u>
At 31 March 2018	<u>2,941,912</u>
At 1 April 2016	975,868
Total comprehensive income	<u>1,296,795</u>
At 31 March 2017	<u>2,272,663</u>

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

SINGAPORE ART MUSEUM

STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Deficit before grants		(12,371,790)	(16,001,355)
Adjustments for:			
- Depreciation		242,504	291,787
- Donation income		(247,437)	(459,469)
		<u>(12,376,723)</u>	<u>(16,169,037)</u>
Change in working capital:			
- Trade receivables		276,553	(103,236)
- Other receivables		(55,751)	16,240
- Other current assets		70,410	(10,358)
- Other payables		(708,640)	245,701
Net cash used in operating activities		<u>(12,794,151)</u>	<u>(16,020,690)</u>
Cash flows from investing activities			
Additions of property, plant and equipment (Note A)		(72,483)	(511,460)
Net cash used in investing activities		<u>(72,483)</u>	<u>(511,460)</u>
Cash flows from financing activities			
Grants received		14,467,533	14,075,566
Donations received		1,011,551	409,434
Net cash provided by financing activities		<u>15,479,084</u>	<u>14,485,000</u>
Net increase/(decrease) in cash and cash equivalents		2,612,450	(2,047,150)
Cash and cash equivalent as at beginning of financial year		<u>4,843,009</u>	<u>6,890,159</u>
Cash and cash equivalent as at end of financial year	6	<u>7,455,459</u>	<u>4,843,009</u>

Note A

For the financial year ended 31 March 2017, provision for reinstatement cost of \$288,918 was included under additions of property, plant and equipment.

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

SINGAPORE ART MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Singapore Art Museum (the "Company") is incorporated on 13 November 2013 in the Singapore. The address of its registered office is 61 Stamford Road, #02-02 Stamford Court, Singapore 178892.

The principal activity of the Company is to operate a contemporary art gallery in Singapore and to deepen interest in and appreciation of contemporary art through art-related presentations, research and publications, as well as through outreach, education and public programmes.

The Company is registered as a charity under the Charities Act, Chapter 37 on 9 December 2013.

The comparative figures presented are for the year ended 31 March 2017.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("SFRS"). The financial statement have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with SFRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. There are no areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements.

Interpretations and amendments to published standards effective in 2018

On 1 April 2017, the Company adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

SINGAPORE ART MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. Significant accounting policies (continued)

2.2 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Donations for general purposes are recognised as income upon receipt.

Donations with restriction and/or conditions attached are recognised as income if the restrictions and conditions are under the Company's purview and it is probable that these restrictions and conditions would be met. Otherwise, these donations are recognised and taken to the "deferred donations" account until the above criteria are fulfilled or when the restrictions and/or conditions are met.

Admission fees are recognised as income upon the sale of tickets to visitors at the museums.

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

Income from rendering of services is recognised when the services have been rendered.

2.3 Employee compensation

Defined contribution plans

The Company's contributions to defined contribution plans are recognised as employee compensation expense when the contributions are due.

2.4 Operating lease payments

Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

2.5 Property, plant and equipment

Property, plant and equipment are recognised at cost less accumulated depreciation and accumulated impairment losses.

The projected cost of dismantlement, removal or restoration is recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purpose other than to produce inventories.

SINGAPORE ART MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. Significant accounting policies (continued)

2.5 Property, plant and equipment (continued)

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Construction-in-progress are not depreciated. Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	<u>Useful lives</u>
Furniture and fittings	2 - 8 years
Office equipment	2 - 6 years
Mechanical and electrical equipment	8 years
Audio visual equipment	2 - 8 years
Health & Safety equipment	5 years
Computer equipment	3 years

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

2.6 Impairment of non-financial assets

Property, plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss.

SINGAPORE ART MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. Significant accounting policies (continued)

2.7 Loans and receivables

Cash and cash equivalents

Trade and other receivables

Cash and cash equivalents and trade and other receivables are initially recognised at their fair values plus transaction costs and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

The Company assesses at each balance sheet date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

2.8 Grants

Government grants are recognised at their fair value when there is reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grants for the purchase of depreciable assets are taken to the deferred capital grant account. The deferred capital grants are recognised in the profit or loss over the periods necessary to match the depreciation of the related assets purchased with the grants. Upon the disposal of the assets, the balance of the related deferred capital grants is recognised in profit or loss to match the net book value of the assets written off.

Government grants in respect of the current year's operating expenses are recognised as income in the same year.

Other grants are recognised as income over the period necessary to match the intended costs. Such grants which are received but not utilised are included in the grants received in advance account.

SINGAPORE ART MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. Significant accounting policies (continued)

2.9 Other payables

Other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). Otherwise, they are presented as non-current liabilities.

Other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.10 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation to settle as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions for asset dismantlement, removal or restoration are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amounts have been reliably estimated.

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

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

SINGAPORE ART MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. Significant accounting policies (continued)

2.11 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.12 Currency translation

The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

Transactions in a currency other than Singapore Dollar ("foreign currency") are translated into Singapore Dollar using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

3. Members' guarantee

The Company is limited by guarantee whereby each member of the Company undertakes to meet the debts and liabilities of the Company, in the event of its liquidation, to an amount not exceeding \$10 per member.

As at 31 March 2018, the Company has 3 members (2017: 3 members).

4. Employee compensation

	2018	2017
	\$	\$
Wages and salaries	4,415,041	4,446,610
Employer's contribution to Central Provident Fund	785,783	737,223
	<u>5,200,824</u>	<u>5,183,833</u>

SINGAPORE ART MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

5. Income tax expense

The Company is registered as a charity under the Singapore Charities Act. With effect from Year of Assessment 2008, all registered charities will enjoy automatic income tax exemption and the Company is exempted from filing income tax returns.

6. Cash and cash equivalents

	2018	2017
	\$	\$
Cash at bank and on hand	<u>7,455,459</u>	<u>4,843,009</u>

7. Trade receivables

	2018	2017
	\$	\$
Trade receivables		
- non-related parties	349,938	478,556
Less: Allowance for impairment of trade receivables		
- non-related party	-	(76,335)
	<u>349,938</u>	<u>402,221</u>

8. Other current assets

	2018	2017
	\$	\$
Deposits	241,187	298,587
Prepayment	31,746	44,756
	<u>272,933</u>	<u>343,343</u>

SINGAPORE ART MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

9. Property, plant and equipment

	Furniture and fittings \$	Office equipment \$	Mechanical and electrical equipment \$	Audio visual equipment \$	Health & Safety equipment \$	Computer equipment \$	Asset Under Construction \$	Total \$
<u>Cost</u>								
At 1 April 2017	318,368	599,577	3,350	192,401	5,000	218,026	100,000	1,436,722
Additions	-	4,146	-	-	-	3,337	65,000	72,483
At 31 March 2018	318,368	603,723	3,350	192,401	5,000	221,363	165,000	1,509,205
<u>Accumulated depreciation</u>								
At 1 April 2017	91,538	405,595	489	130,940	83	175,873	-	804,518
Depreciation charge	100,787	87,166	419	36,776	1,000	16,356	-	242,504
At 31 March 2018	192,325	492,761	908	167,716	1,083	192,229	-	1,047,022
Net book value								
At 31 March 2018	126,043	110,962	2,442	24,685	3,917	29,134	165,000	462,183
<u>Cost</u>								
At 1 April 2016	29,450	521,478	3,350	192,401	-	178,583	-	925,262
Additions	288,918	78,099	-	-	5,000	39,443	100,000	511,460
At 31 March 2017	318,368	599,577	3,350	192,401	5,000	218,026	100,000	1,436,722
<u>Accumulated depreciation</u>								
At 1 April 2016	16,963	287,830	70	92,618	-	115,250	-	512,731
Depreciation charge	74,575	117,765	419	38,322	83	60,623	-	291,787
At 31 March 2017	91,538	405,595	489	130,940	83	175,873	-	804,518
Net book value								
At 31 March 2017	226,830	193,982	2,861	61,461	4,917	42,153	100,000	632,204

SINGAPORE ART MUSEUM**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2018***10. Other payables**

	2018	2017
	\$	\$
Other payables	411,114	717,201
Accrued operating expenses	1,243,049	1,645,602
	<u>1,654,163</u>	<u>2,362,803</u>

11. Grants received in advance

	2018	2017
	\$	\$
Beginning of financial year	850,421	3,898,558
Grants received during the year	14,467,533	14,075,566
Transferred to income statement	(12,708,963)	(16,984,260)
Transferred to deferred capital grants (Note 13)	(65,000)	(139,443)
End of financial year	<u>2,543,991</u>	<u>850,421</u>

12. Deferred donations

	2018	2017
	\$	\$
Beginning of financial year	205,241	255,276
Donations received	1,011,551	409,434
Transferred to income statement	(247,437)	(459,469)
End of financial year	<u>969,355</u>	<u>205,241</u>

13. Deferred capital grants

	2018	2017
	\$	\$
Beginning of financial year	249,435	247,607
Transferred from Grant – CMF (Note 11)	65,000	139,443
Amortised to income statement	(107,806)	(137,615)
End of financial year	<u>206,629</u>	<u>249,435</u>

The Company has obtained approval from National Art Council to utilise the Culture Matching Funds (“CMF”) for capital grants related operations.

SINGAPORE ART MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

14. Provision for reinstatement cost

The provision comprises of provision for reinstatement costs, which represents the present value of the estimated costs that will be incurred to reinstate the premises leased from external party to its original condition upon expiry of the lease.

	2018	2017
	\$	\$
Provision for reinstatement cost	288,918	288,918

15. Commitments

(a) Operating lease commitments where the Company is a lessee

The Company leases office premises under operating lease agreements.

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

	2018	2017
	\$	\$
Not later than one year	2,452,908	1,221,756
More than one year	2,575,250	856,158
	5,028,158	2,077,914

(b) Operating lease commitments where the Company is a lessor

The Company leases out retail space to non-related parties under non-cancellable operating leases. The lessees are required to pay either absolute fixed annual increase to the lease payments or contingent rents computed based on their sales achieved during the lease period.

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

	2018	2017
	\$	\$
Not later than one year	262,520	180,000

SINGAPORE ART MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

16. Key management personnel compensation

Key management personnel compensation is as follows:

	2018	2017
	\$	\$
Wages and salaries	235,094	153,812
Post-employment benefits - Contribution to Central Provident Fund	28,929	18,727
	<u>264,023</u>	<u>172,539</u>

17. Charities Act and Regulations

As required for disclosure under regulation 17 of the Charities (Institutions of a Public Character) Regulations, the Company has received tax deductible donations of \$101,104 (2017:\$ 327,648) for the financial year ended 31 March 2018.

18. Financial risk management

Financial risk factors

The Company's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Company's financial performance.

The information presented below is based on information received by the management team.

(a) Market risk

(i) Currency risk

The Company's operations are not exposed to significant foreign currency risks as it has no significant transactions denominated in foreign currencies.

(ii) Interest rate risk

The Company has interest-bearing assets in cash at bank. These interest bearing assets are short-term in nature, therefore, any future variations in interest rates will not have a material impact on the results of the Company.

SINGAPORE ART MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

18. Financial risk management (continued)

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company adopts the policy of dealing only with counterparties of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Company adopts the policy of dealing with financial institutions and other counterparties with high credit ratings.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented on the balance sheet. The Company's major classes of financial assets are cash at bank, deposits and trade and other receivables.

(i) *Financial assets that are neither past due nor impaired*

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade and other receivables that are neither past due nor impaired are substantially counterparties with good collection track record with the Company.

The age analysis of trade receivables past due but not impaired is as follows:

	2018 \$	2017 \$
Past due less than 3 months	53,475	3,658
Past due 3 to 6 months	-	16,853
	<u>53,475</u>	<u>20,511</u>

The carrying amount of trade receivables individually determined to be impaired the movement in the related allowance for impairment are as follows:

	2018 \$	2017 \$
Past due less than 3 months	-	13,676
Past due 3 to 6 months	-	62,659
	-	76,335
Less: Allowance for impairment	-	(76,335)
	<u>-</u>	<u>-</u>
Beginning of financial year	76,335	-
Allowance (utilised)/made	(76,335)	76,335
End of financial year	<u>-</u>	<u>76,335</u>

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For the financial year ended 31 March 2018

18. Financial risk management (continued)

(c) Liquidity risk

The table below analyses non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than <u>1 year</u> \$
At 31 March 2018	
Other payables	<u>1,943,081</u>
At 31 March 2017	
Other payables	<u>2,651,721</u>

(d) Capital risk

The Company is limited by guarantee with no share capital and is mainly funded by government grants. The Company is not subject to any externally imposed capital requirements.

(e) Financial instruments by category

The aggregate carrying amounts of loans and receivables and financial liabilities at amortised cost are as follows:

	2018 \$	2017 \$
Loans and receivables	8,111,039	5,552,521
Financial liabilities at amortised cost	<u>1,943,081</u>	<u>2,651,721</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

19. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1 April 2018 and which the Company has not early adopted:

- FRS 115 Revenue from contracts with customers (effective for annual periods beginning on or after 1 January 2018)

This is the converged standard on revenue recognition. It replaces FRS 11 Construction contracts, FRS 18 Revenue, and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Company has undertaken a detailed assessment of how the financial statements would be affected by the new accounting standards. Based on management's assessment, management is of the view that the adoption of this new accounting standard will not result in a material impact to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

19. New or revised accounting standards and interpretations (continued)

- FRS 109 Financial instruments (effective for annual periods beginning on or after 1 January 2018)

The complete version of FRS 109 replaces most of the guidance in FRS 39. FRS 109 retains the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income (OCI) and fair value through Profit or Loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI. There is now a new expected credit losses model that replaces the incurred loss impairment model used in FRS 39.

For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in OCI, for liabilities designated at fair value, through profit or loss.

FRS 109 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes.

The new standard also introduces expanded disclosure requirements and changes in presentation.

The Company has undertaken a detailed assessment of how the financial statements would be affected by the new accounting standards. Based on management's assessment, management is of the view that the adoption of this new accounting standard will not result in a material impact to the financial statements.

- FRS 116 Leases (effective for annual periods beginning on or after 1 January 2019)

FRS 116 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

SINGAPORE ART MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

19. New or revised accounting standards and interpretations (continued)

- FRS 116 Leases (effective for annual periods beginning on or after 1 January 2019) (continued)

The standard will affect primarily the accounting for the Company's operating leases. As at the reporting date, the Company has non-cancellable operating lease commitments of \$5,028,158 (Note 15 (a)). However, the Company has yet to determine to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Company's surplus and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under FRS 116.

Management is reviewing the impact on which the adoption of the above FRSs are anticipated to have on the financial statements of the Company in the period of their initial adoption.

20. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Singapore Art Museum on 14 August 2018.