



**Singapore Millennium Foundation Limited
(A Company Limited by Guarantee)**

Registration Number: 200102355R

Annual Report
Year ended 31 March 2016

Registration:

Incorporated on 7 April 2001 (Company Registration Number: 200102355R) with Memorandum and Articles of Association as its constituent documents.

Registered as a charity under the Charities Act, Cap. 37.

Charity Registration Number 001508.

Registered Address:

60B Orchard Road
#06-18 Tower 2 The Atrium@Orchard
Singapore 238891

Office Bearers:

Prof. Lim Pin	- Chairman
Mr Tan Gee Paw	- Director (Resigned on 29 April 2016)
Mr Stephen Arthur Forshaw	- Director
Ms Jacqueline Wong May Fong	- Director
Dr Ngiam Tong Tau	- Director
Prof. Lee Sing Kong	- Director
A/P Cynthia Ruth Goh	- Director
Prof. Chong Siow Ann	- Director
Mr Tan Guong Ching	- Director
A/P Lim Tit Meng	- Director

Bankers:

Citibank N.A., Singapore Branch
DBS Bank Limited
United Overseas Bank Limited

Company Secretary:

Mr Wee Chor Yong

Auditors:

KPMG LLP

Directors' statement

We are pleased to submit this annual report to the members of Singapore Millennium Foundation Limited (the "Foundation") together with the audited financial statements for the financial year ended 31 March 2016.

In our opinion:

- (a) the financial statements set out on pages FS1 to FS9 are drawn up so as to give a true and fair view of the financial position of the Foundation as at 31 March 2016 and the financial performance and cash flows of the Foundation for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50, the Singapore Charities Act, Chapter 37, and Singapore Financial Reporting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.

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

Directors

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

Prof. Lim Pin	(Chairman)
Mr Tan Gee Paw	(Resigned on 29 April 2016)
Mr Stephen Arthur Forshaw	
Ms Jacqueline Wong May Fong	
Dr Ngiam Tong Tau	
Prof. Lee Sing Kong	
A/P Cynthia Ruth Goh	
Prof. Chong Siow Ann	
Mr Tan Guong Ching	
A/P Lim Tit Meng	

Principal activities

The principal activities of Singapore Millennium Foundation Limited (the "Foundation") are to promote and advance scientific progress in Singapore, to promote and support research and development in Singapore, and to advance and improve the standard of human life and social wellbeing by supporting research. The Foundation aims to enhance Singapore's knowledge base, advance its research and development capabilities, and raise Singapore's international visibility as a centre of knowledge creation.

The Foundation is registered as a charity under the Charities Act, Chapter 37.

Review of activities during the financial year

The Foundation continues to focus on supporting research projects and initiatives that are useful and beneficial to Singapore. Currently, the following 31 projects under the areas of Ageing, Palliative Care, Pedagogy and Learning, Special Needs Education and Non-Medical Bioscience is supported by the Foundation.

	Research Project	Research Agency
1	Transformation of Science Learning Environment	National Institute of Education
2	Brain Wave Driven Computer Game: A Pedagogical Tool for Attention Deficit Children	Nanyang Technology University
3	Effective interaction designs in a multi-touch tabletop and portable computing device	Nanyang Technology University
4	Tele-Rehabilitation for Newly Disabled Homebound Older Persons Needing Supervised Physical Therapy	National University of Singapore
5	Developing sustainable culture and depuration method for value-added hepatitis A-free blood cockles' project	Tropical Marine Science Institute (NUS)
6	Survey on preferences for care at the end of life among cancer patients in Singapore	National University of Singapore
7	Rapid Detection of Food Borne Pathogens via Microfluidic Platform	National University of Singapore
8	Assessing unmet Palliative Care needs in patients with advanced cancer and their families through the development and validation of a novel palliative care needs assessment tool for Singapore	National Cancer Centre
9	Reimaging Show & Tell: Child-manipulated Robotic Puppetry for Child-centered Participatory Pedagogy in Early Childhood to Primary School education	Nanyang Technology University
10	Integrated Vertical Aeroponic farming system: Towards food security and sustainability in Singapore	National Institute of Education
11	Vertical farming and breeding of Soon Hock, <i>Oxyeleotris Marmorata</i>	Tropical Marine Science Institute (NUS)
12	Virtual Pink Dolphins-Assisted Therapy for Children with Autism	Nanyang Technology University
13	Developing soft robotic technologies for the prevention of deep vein thrombosis	National University of Singapore

	Research Project	Research Agency
14	Knowledge and preferences for treatment of end stage renal disease among elderly patients and their family caregivers	National University of Singapore
15	Bio-syringe delivery of pest control without pesticide	National University of Singapore
16	A Biomimetic and foundational study on light-enhanced calcification in the giant clam, <i>Tridacna Squamosa</i> , in association with symbiotic zooxanthellae	Tropical Marine Science Institute (NUS)
17	Enhancing sustainability in Soon Hock vertical farming through co-culturing with Pacific White Shrimp and plants in an Integrated Multi-Trophic Recirculating Aquaculture System	Tropical Marine Science Institute (NUS)
18	Online Tutor for Engineering Students (OnTEN)	Nanyang Technology University
19	Minimally-invasive, Thoracoscopic-ally Implantable Cardiac Assist Device for Palliative Care of the Elderly with Failing Hearts	National University of Singapore
20	Validating a prognostic model incorporating the palliative performance scale and biological variable in life limiting illness	Tan Tock Seng Hospital
21	Tannic Acid as P5, 173lant-Inspired "Primer" for Antifouling and Antibacterial Coatings	National University of Singapore
22	Biomimetics. Biologically Inspired Artificial Tentacles for Transnasal Procedures	National University of Singapore
23	Effective screening of food import in Singapore using highly sensitive and reliable sensing platforms based on two-dimensional nanomaterials	Nanyang Technology University
24	Engineering non-transgenic high yield, good quality and drought-tolerant "super" rice by fast-track Cas9/sgRNA-mediated 'molecular assembly breeding' platform	National University of Singapore
25	Think on Your Feet- Learning through Purposeful Collaborative Play and Movement	Nanyang Technology University
26	Smart Window of Tunable Transparency by Microscopic Crumpling of Transparent Thin Films	Nanyang Technology University

	Research Project	Research Agency
27	Creating a Collaborative Healthcare Workforce: Designing and Evaluating a Virtual Hospital for Collaborative Practice Across Higher Education Institutions in Singapore	National University of Singapore
28	Rapid, On-spot Analysis of Beta-Lactam Antibiotics in Milk and Egg Products	National University of Singapore
29	Polyploidy Assisted Breeding To Improve Yield and Nutritional Value of Leafy Vegetables to Ensure Sustainable Food Production in Singapore	Temasek Life Sciences Laboratory Limited
30	Costs and Medical Care of Patients with Advanced Serious Illness in Singapore (COMPASS) Study	Singapore Hospice Council
31	Singapore Mental Health Studies 2016	Institute of Mental Health

The Foundation also sponsors the Lee Kuan Yew Water Prize and co-sponsors the SMF-NUS Horizon Research Awards.

The LKY Water Prize recognises individuals and organisations for their outstanding contributions towards solving the world's water problems by applying innovative technologies or implementing policies or programs which benefit humanity. It is the highlight of the annual Singapore International Water Week.

The SMF-NUS Horizon Research Awards aims to accelerate the development of paradigm changing research ideas from conception to implementation. The projects under this award is now completed.

The agreement to provide Temasek Life Sciences Laboratory (TLL) a general research fund over a period of 10 years from April 2008 has been terminated as at 1 January 2016. The remaining funds has been returned with a separate endowment being set up for TLL.

The Foundation did not conduct fund-raising activities during the year under the requirements of Regulation 15 (fund-raising expenses) of the Charities Institutions of a Public Character) Regulations.

Plans for future periods

The Foundation will continue to provide funding support for its research projects, and through its annual research grant call, fund research that benefits Singapore. A strategic review on the focus areas of funding was conducted in Q4 2015. The Foundation's areas of research interest in the next financial year will continue to be in the areas of pedagogy and learning, special needs education, ageing, palliative care and non-medical bio-science.

Directors' interests

As the Foundation is a company limited by guarantee and has no share capital, no director who held office at the end of the financial year had interests in the capital of the Foundation either at the beginning or at the end of the financial year.

Neither at the end of, nor at any time during the financial year, was the Foundation a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Foundation to acquire benefits by means of the subscription to the Foundation or any other body corporate.

Since the end of the last financial year, no director has received or become entitled to receive, a benefit by reason of a contract made by the Foundation or a related corporation with the director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

There are procedures in place for Board members to declare actual or potential conflicts of interest to the rest of the Board. Board members do not vote or participate in decision-making on matters where they have a conflict of interest.

Share options

The Foundation is a company limited by guarantee and has no share capital. As such, there are no share options or unissued shares under option.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors



Prof. Lim Pin
Chairman and Director



Prof. Lee Sing Kong
Director

5 July 2016



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Independent auditor's report

Members of the Company
Singapore Millennium Foundation Limited
(A Company Limited by Guarantee)

Report on the financial statements

We have audited the accompanying financial statements of Singapore Millennium Foundation Limited (the "Foundation"), which comprise the balance sheet as at 31 March 2016, the statement of comprehensive income and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages FS1 to FS9.

Management's responsibility 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 Singapore Companies Act, Chapter 50 (the "Act"), the Singapore Charities Act, Chapter 37 (the "Charities Act"), and Singapore Financial Reporting Standards, 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.

Auditors' responsibility

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

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

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



Opinion

In our opinion, the financial statements of the Foundation are properly drawn up in accordance with the provisions of the Act, the Charities Act, and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Foundation as at 31 March 2016 and the financial performance and cash flows of the Foundation for the year ended on that date.

Report on other legal and regulatory requirements

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

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

- (a) the use of the donation moneys was not in accordance with the objectives of the Foundation as required under Regulation 16 of the Charities (Institutions of a Public Character) Regulations; and
- (b) the Foundation has not complied with the requirements of Regulation 15 (fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
5 July 2016

Balance sheet
As at 31 March 2016

	Note	2016 \$	2015 \$
Current assets			
Interest receivable		929	–
Prepayment		4,013	–
Tax deductible grants receivable		–	1,990,502
Cash and cash equivalents	5	1,909,004	438,109
Total assets		1,913,946	2,428,611
 Accumulated fund			
	6	–	–
 Current liabilities			
Other payables	7	819,376	2,428,611
Tax deductible grants received in advance		1,094,570	–
Total liabilities		1,913,946	2,428,611
 Total accumulated fund and liabilities		 1,913,946	 2,428,611
 Members' guarantee	 8	 300	 300

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

Statement of comprehensive income
Year ended 31 March 2016

	Note	2016 \$	2015 \$
Income			
Tax deductible grants		21,674,928	22,561,524
Interest income		12,259	1,238
		21,687,187	22,562,762
 Direct Charitable Expenses			
Research grants		(21,460,957)	(22,374,280)
 Administrative and Other Expenses			
Audit fees		(3,725)	(5,362)
Miscellaneous		(4,225)	(3,360)
Professional service fee		(218,280)	(179,760)
		(226,230)	(188,482)
Total Expenses		(21,687,187)	(22,562,762)
 Surplus before income tax			
		—	—
Income tax expense	9	—	—
Surplus for the year/Total comprehensive income for the year		—	—
Accumulated fund brought forward		—	161,671
Accumulated fund utilised	6	—	(161,671)
Accumulated fund carried forward		—	—

No separate statement of changes in accumulated fund has been prepared as the surplus for the financial year would be the only component of this statement.

Statement of cash flows
Year ended 31 March 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Surplus before income tax		—	—
Adjustments for:			
Interest income		(12,259)	(1,238)
		<u>(12,259)</u>	<u>(1,238)</u>
Changes in working capital:			
Other receivables		(4,013)	—
Tax deductible grants receivable		1,990,502	(1,990,502)
Accumulated fund		—	(161,671)
Other payables		(1,609,235)	(601,927)
Tax deductible grants received in advance		1,094,570	(559,350)
Net cash from/(used in) operating activities		<u>1,459,565</u>	<u>(3,314,688)</u>
Cash flows from investing activity			
Interest received		11,330	1,677
Net cash from investing activity		<u>11,330</u>	<u>1,677</u>
Net increase/(decrease) in cash and cash equivalents		1,470,895	(3,313,011)
Cash and cash equivalents at beginning of the year		438,109	3,751,120
Cash and cash equivalents at end of the year	5	<u>1,909,004</u>	<u>438,109</u>

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

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 5 July 2016.

1 Domicile and activities

Singapore Millennium Foundation Limited (the “Foundation”) is incorporated in the Republic of Singapore. The address of the Foundation’s registered office is 60B Orchard Road, #06-18 Tower 2, The Atrium@Orchard, Singapore 238891.

The principal activities of Singapore Millennium Foundation Limited (the “Foundation”) are to promote and advance scientific progress in Singapore, to promote and support research and development in Singapore, and to advance and improve the standard of human life and social wellbeing by supporting research. The Foundation aims to enhance Singapore’s knowledge base, advance its research and development capabilities, and raise Singapore’s international visibility as a centre of knowledge creation.

The Foundation is registered as a charity under the Charities Act, Chapter 37.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”).

2.2 Basis of measurement

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

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars which is the Foundation’s functional currency.

2.4 Use of estimates, assumptions and judgements

The preparation of financial statements in conformity with 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2.5 Changes to accounting policies

On 1 April 2015, the Foundation adopted the new or amended FRS and interpretations to FRS (“INT FRS”) that are mandatory for application from that date. Changes to the Foundation’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 Foundation’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Non-derivative financial instruments

Non-derivative financial instruments comprise interest receivable, cash and cash equivalents and other payables.

Cash and cash equivalents comprise cash balances and bank deposits.

A financial instrument is recognised if the Foundation becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Foundation’s contractual rights to the cash flows from the financial assets expire or if the Foundation transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of the asset.

On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit and loss. Any amount in the fair value reserve relating to that asset is reclassified to profit and loss. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Foundation commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Foundation’s obligations specified in the contract expire or are discharged or cancelled.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Foundation has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

(a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables include interest receivable and cash and cash equivalents which are measured at amortised cost using the effective interest method, less any impairment losses.

(b) Non-derivative financial liabilities

Non-derivative financial liabilities are carried at amortised cost using the effective interest method. Non-derivative financial liabilities comprise other payables.

3.2 Impairment of financial assets

A financial asset not carried at fair value through profit or loss is assessed at each balance sheet date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Foundation on terms that the Foundation would not consider otherwise or indications that a debtor will enter bankruptcy or adverse changes in payment status of borrowers of the Foundation.

Loans and receivables

The Foundation considers evidence of impairment for receivables at specific asset level. All individually significant receivables are assessed for specific impairment.

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 asset's original effective interest rate.

Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

3.3 Income and expenses recognition

Expenses are recognised on an accruals basis.

Interest income is recognised based on the effective interest method.

3.4 Tax deductible grants

Tax deductible grants and contributions are recognised initially as deferred income at their fair value where there is reasonable assurance that they will be received and all required conditions associated with the grants and contributions will be complied with.

These grants and contributions that compensate the Foundation for expenses incurred are recognised in profit or loss on a systematic basis in the same periods in which the expenses are recognised.

3.5 Fund structure

Designated fund

The designated fund from Temasek Trust is available for use at the discretion of the Foundation for specific projects in furtherance of the Foundation's objectives that the Foundation has identified and earmarked.

Designated fund are funds which are part of the unrestricted general fund, but earmarked for a particular project. The designation is made for administrative purposes only and does not contain any legal restrictions in relation to the Foundation's discretion to apply the fund. Research projects are presented to the Foundation's Board for consideration. When a research project and its funding request is approved by the Foundation's Board, the approved quantum of funding will be designated and earmarked for the project.

Designated fund is accounted for as part of the Foundation's unrestricted designated fund.

4 New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2015, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Foundation. The Foundation does not plan to adopt these standards early.

5 Cash and cash equivalents

	2016	2015
	\$	\$
Cash at bank	909,004	438,109
Fixed deposits	1,000,000	—
	1,909,004	438,109

Fixed deposits bears interest at 0.39% to 1.07% per annum and repriced at intervals of 1 to 3 months upon roll-over on maturity.

6 Accumulated fund

Accumulated fund represents donations received for future utilisation of research grants.

7 Other payables

	2016	2015
	\$	\$
Accrued operating expenses	809,514	1,013,419
Other payables	9,862	1,415,192
	819,376	2,428,611

The undiscounted cash flows of accrued operating expenses and other payables are expected to be incurred within one year and approximate their carrying values.

8 Company limited by guarantee

The Foundation is a company limited by guarantee whereby every member of the Foundation undertakes to meet debts and liabilities of the Foundation in the event of its winding up, to an amount not exceeding \$100 per member.

As at 31 March 2016, the Foundation has 3 members (2015: 3 members).

9 Income tax expense

The Foundation is registered as a charity under the Charities Act, Chapter 37. With effect from Year of Assessment 2008, all registered charities are not required to file income tax returns and will enjoy automatic income tax exemption without having the need to meet the 80% spending rule. Accordingly, no provision for taxation has been made in the financial statements.

10 Financial risk management

The Board of Directors continually monitors the Foundation's risk management process to ensure that an appropriate balance between risk and control is achieved.

Given that the Foundation's principal activities is to promote research and development in Singapore through the awards of scholarships and grants, at the balance sheet date, it does not have any significant credit, liquidity and market risk exposure.

Credit risk

Credit risk is the risk of financial loss to the Foundation if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Foundation's loans and other receivables.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. The Foundation does not hold any collateral in respect of its financial assets.

Cash and cash equivalents are placed with financial institutions which are regulated.

Liquidity risk

Liquidity risk is the risk that the Foundation may encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Foundation ensures that there are adequate fund to meet its obligations. The Foundation maintains sufficient level of cash and cash equivalents through grants to meet its working capital requirements.

Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Foundation's income or the value of its investment in financial instruments.

The Foundation's exposure to changes in interest rates relates primarily to interest-earning financial assets comprising fixed deposits, which is not significant.

Fair values

Other financial assets and liabilities

The carrying amounts of current financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values because of the short period to maturity.

11 Related party transactions

For the purpose of these financial statements, parties are considered to be related to the Foundation if the Foundation has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making the financial and operating decisions, or vice versa, or where the Foundation and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel, who are the trustees/office bearers, of the Foundation are those persons having the authority and responsibility for planning, directing and controlling the activities of the Foundation. The directors are considered as key management personnel of the Foundation. The directors of the Foundation render their services on a voluntary basis and do not receive any remuneration.

Except as disclosed in the financial statements, there were no significant transactions with related parties.