
Bearings that Matter
1.3667° N, 103.7500° E

Contents

Navigating Strategy

90° N, 0° S

A distinct vision defines our mission. Destination in sight, we adopt a multi-pronged approach – towards a common aspiration.

Vision, Mission and Core Values

Vision

Limited Land • Unlimited Space.

Mission

To optimise land resources for the economic and social development.
We balance our economic and social needs while:

- ensuring the best use of State land and buildings,
- providing an effective and reliable land management system, including the issuance and guarantee of land titles and geospatial demarcation of land, and
- enabling the full use of land information for better land management and creation of new business opportunities

Core Values

- Nation First
- People Organisation
- Innovation and Dynamism
- Always Delighting Customers
- Integrity and Professionalism

Joint Message

The Singapore Land Authority (SLA) continued to do well this financial year and was able to achieve significant milestones and goals despite a rather lacklustre growth of 1.2% in the Singapore economy. Our operating income increased 15%, from $116.7 million last financial year to $134.1 million this year. The increase was due mainly to the agency fees from land sales, rental of properties as well as land information and registration services.

As the custodian of over 14,000 hectares of State land and about 5,000 properties, our priority remains to ensure that scarce land resources in Singapore are optimised for the social and economic advancement of Singapore. In Financial Year 2012, SLA achieved a 75.8% utilisation rate for State land and 98.8% occupancy rate for State properties.

In 2012, SLA made available more sites for recreational and community uses. The former Tanjong Pagar and Bukit Timah Railway Stations were both opened for ad-hoc events like exhibitions, fashion shows, fun runs and even a football tournament. The former army camps at Loewen Road Cluster with its rustic charm attracted Chanel to select it as the venue for the launch of their Cruise Collection, an event which was held for the first time in Asia.

SLA tendered out more than 40 State land and properties in 2012, some of which were rich in history and heritage, thereby allowing tenants to incorporate the unique architecture and heritage into their business plans and designs. For example, the Alkaff Mansion was converted into an F&B venue while retaining elements of its heritage while the 106-year-old black and white bungalows at No. 5 and 7 Gallop Road were recently restored to their original grandeur.

Besides making available State properties for interim use, SLA also plays a critical role in acquiring private land for public purpose. Although this causes hardship on the affected landowners, SLA, working in close partnership with the Ministry of Law and other agencies, has put in place several measures to mitigate its effects. In Financial Year 2012, about 13,000 sqm of land was acquired for the construction of the Thomson MRT line. Pearls Centre was one of the properties acquired. SLA officers engaged the affected parties from the onset of the acquisition exercise to address their concerns and continued to stay in touch with them throughout, accommodating individual requests where appropriate. As a result, almost all of the affected parties at Pearls Centre accepted SLA's compensation package.

Leveraging on technology to improve work processes for the benefit of our customers, 4G mobile connectivity, mobile application and tablet technology are used in field operations, to significantly improve data collection and processing time. Known as 4GLAMS, the system allows SLA field officers to make informed decisions quickly and take the necessary steps to resolve issues or complaints on the ground. Hosted on the Cloud where cost is calculated on a per usage basis, operational costs for 4GLAMS can therefore be kept low. The scalability provided by the Cloud is also highly flexible such that the current infrastructure can be easily expanded to accommodate other SLA mobile applications with similar GeoSpatial requirements in future.

Similarly, SLA's Integrated Information Management System or SIGMA will give single point geospatial and textual data access to staff. This way, more timely and accurate insights and analyses into land data can be made, thus benefitting our stakeholders and other agencies.

Moving forward, SLA has been tasked to lead a Whole-of-Government effort to develop and maintain a large-scale 3D national topographic map to support the increasing needs of Government agencies in operation, planning and risk management.

Meanwhile, the Whole-of-Government intelligent map portal, OneMap, has seen rapid growth and development that enables the public to access a wide range of Government information and value added services. In Financial Year 2012, three new services – BizQuery, TrafficQuery and OneMap Crowd Sourcing API – were developed using the OneMap platform. A major initiative "PopulationQuery" was launched on OneMap, by DPM Tharman Shanmugaratnum. This new service provides the public free access to graphic and visual representations of Singapore's demographic information. Together with other OneMap data such as location of schools, public facilities or property prices in that area, PopulationQuery can generate new insights and assist users in decision-making. For example, it can show the best places to set up a business, and attributes of the area when considering whether to purchase a property.

In the 2012 Pro-Enterprise Ranking Survey which ranks the business friendliness of Government agencies with regulatory functions, SLA's ranking improved from sixth in 2011 to fourth.

The past year has brought both achievements and challenges. We will continue to improve our service delivery and public engagement efforts while being steadfast and committed in achieving our goals. Looking ahead, we anticipate another exciting year. We are confident that our management and staff will continue to do their best to serve Singaporeans and Singapore.

Chairman
Chaly Mah

Chief Executive
Vincent Hoong

Members of the Authority


Chaly Mah Chee Kheong


Vincent Hoong


Lim Sim Seng


Wong Hong Kuan


George Lim


Teo Lay Lim


Chai Chin Loon


Calvin Phua


Steven Phan

Wong Mun Summ

Elaine Lim

Yeo Lian Sim

Dr Peter Rowan Kellock

Members of the Authority

Chaly Mah Chee Kheong

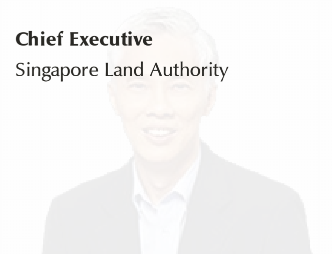
(wef 1 Aug 10)

Chairman
Singapore Land Authority
Chairman
Deloitte Singapore
Chief Executive Officer
Deloitte Asia Pacific, Deloitte Southeast Asia

Vincent Hoong

(wef 1 May 09)

Chief Executive
Singapore Land Authority



Lim Sim Seng

(wef 1 Aug 12)

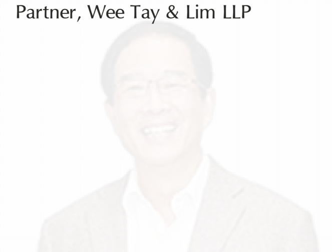
Deputy Chairman
Singapore Land Authority
Managing Director
Singapore Country Head
DBS

Wong Hong Kuan

Chief Executive
Singapore Workforce Development Agency

George Lim

Senior Counsel
Partner, Wee Tay & Lim LLP

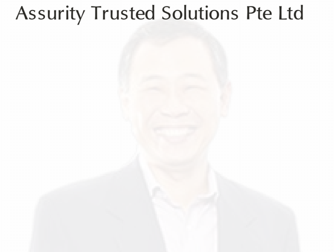


Teo Lay Lim

Country Managing Director
Accenture Singapore
Managing Partner
Sustainability APAC
Managing Partner
Analytics APAC

Chai Chin Loon

Chief Operating Officer
Assurity Trusted Solutions Pte Ltd

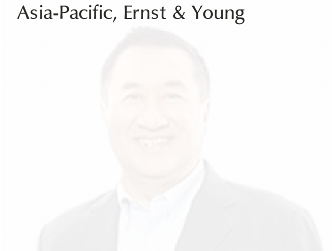


Calvin Phua

Director
Land Policy, Ministry of Law

Steven Phan

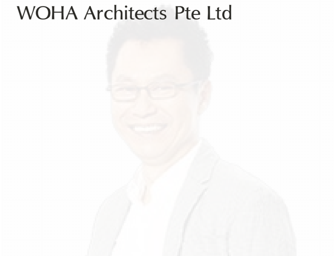
Chief Operating Officer
Asia-Pacific, Ernst & Young



Wong Mun Summ

Founding Director

WOHA Architects Pte Ltd



Elaine Lim

Managing Director

Citigate Dewe Rogerson, i.MAGE

Yeo Lian Sim

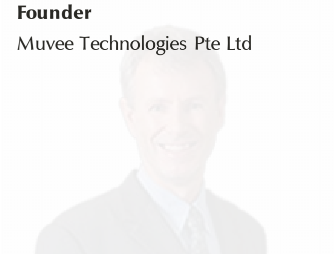
Chief Regulatory Officer

Singapore Exchange

Dr Peter Rowan Kellock

Founder

Muvee Technologies Pte Ltd



Navigating Strategy
- Vision, Mission and Core Values
- Joint Message
- Members of the Authority
- Executive Management
- Organisation Chart
- Corporate Profile

Executive Management


Vincent Hoong


Simon Ong


Bryan Chew


Yap Chung Lee


Thong Wai Lin


Soh Kheng Peng


June Celine Low


Ng Siau Yong


Mabel Pek


Chan Chin Wai

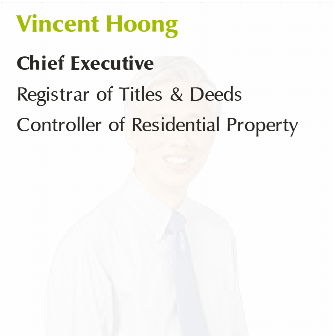

Manimegalai Vellasamy


Lee Seng Lai

Executive Management

Vincent Hoong

Chief Executive
Registrar of Titles & Deeds
Controller of Residential Property



Simon Ong

Deputy Chief Executive
Commissioner of Lands

Bryan Chew

Executive Director
Regulatory Cluster
Senior Deputy Registrar of Titles & Deeds
Deputy Controller of Residential Property

Yap Chung Lee

Director
Land Operations (Public)

Thong Wai Lin

Director
Land Sales and Acquisition
Planning and Policy

Soh Kheng Peng

Director
Land Survey Division
Chief Surveyor

June Celine Low

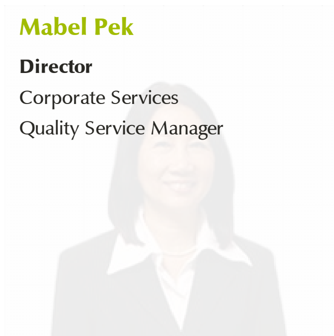
Director
Land Titles Registry
Senior Deputy Registrar of Titles & Deeds

Ng Siau Yong

Director
Geospatial

Mabel Pek

Director
Corporate Services
Quality Service Manager



Chan Chin Wai

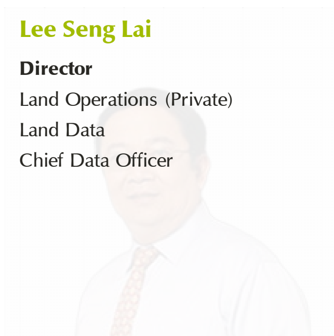
Director
Information Technology Division
Chief Information Officer

Manimegalai Vellasamy

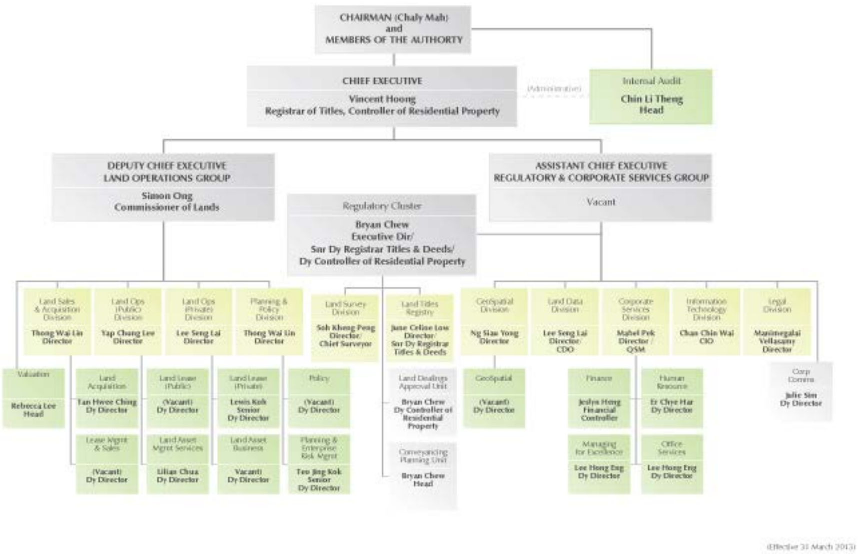
Director
Legal

Lee Seng Lai

Director
Land Operations (Private)
Land Data
Chief Data Officer



Organisation Chart



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Corporate Profile

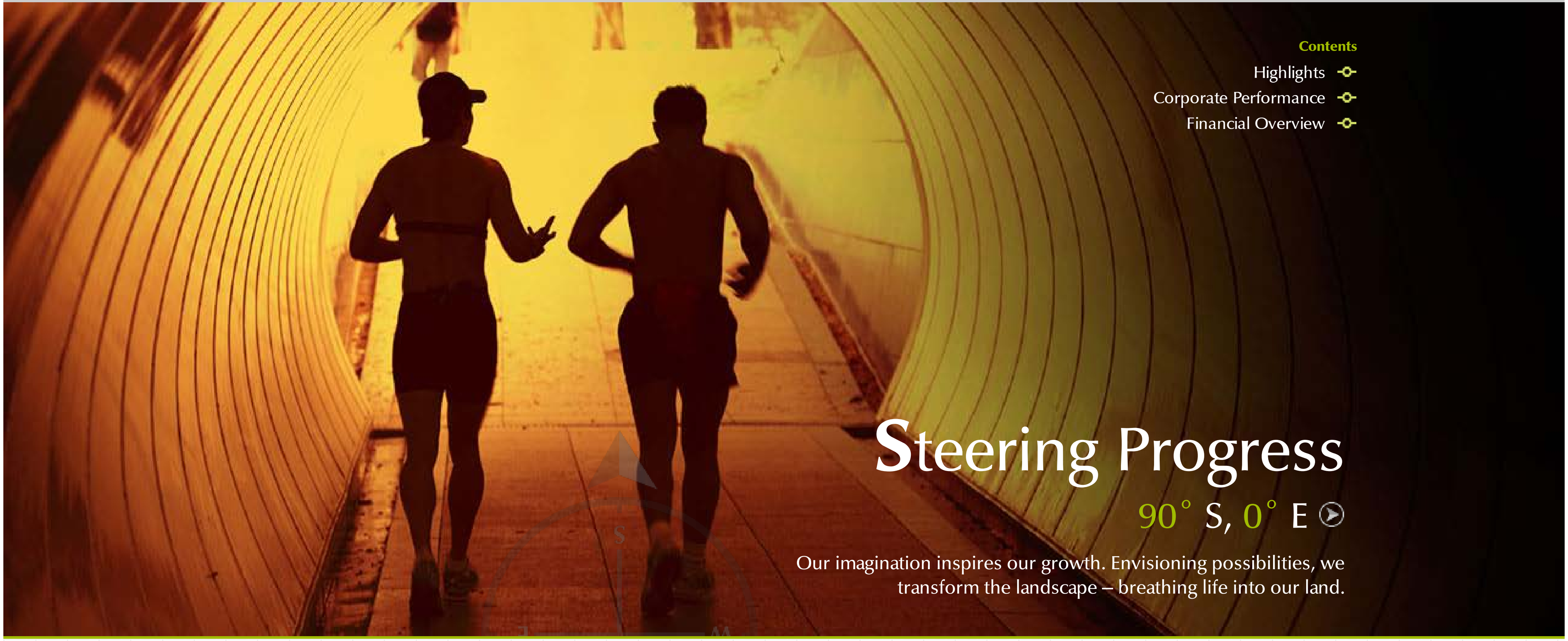
The Singapore Land Authority (SLA) is a statutory board under the Ministry of Law. Our main focus is to optimise land resources.

Formed on 1 June 2001, SLA manages about 14,000 hectares of State land and about 5,000 State properties, ranging from residential to commercial, industrial and institutional. We continue to seek creative ways of putting vacant State land and properties to interim use for economic and social purposes, and apply advanced technology to collect and market land-related information for the benefit of our customers.

SLA manages and maintains an effective and efficient property registration system. We are also responsible for the management and maintenance of the national land survey system, which defines the boundaries of properties.

SLA also spearheads the use of geospatial information through a national collaborative environment where geospatial data, policies and technologies are established and defined to foster innovation, knowledge and value creation for the Government, enterprises and community.

For more information on SLA, please visit our website at www.sla.gov.sg.



Contents

Steering Progress

90° S, 0° E

Our imagination inspires our growth. Envisioning possibilities, we transform the landscape – breathing life into our land.

Highlights

March 2012

SLA obtained Eco Office Certification in 2012 under the Eco Office Project that aims to promote a greater awareness of environmental friendly practices in the office. Since 2011, SLA had implemented several eco-friendly initiatives such as participation in Earth Hour activity, nature walk, introduction of greenery in office, switch off office lightings when not in use and monitoring of paper usage among others.

April 2012

The former Bukit Timah Railway Station (BTRS) and Tanjong Pagar Railway Station (TPRS) were opened to individuals and organisations for ad-hoc activities and events.

May 2012

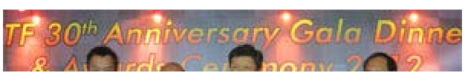
OneMap launched its map-based set of crowd sourcing tools that allows developers to use crowd sourcing in their location applications. This tool was mentioned by the United Nations Platform for Space-based information for Disaster Management and Emergency Response (UN-SPIDER).

May 2012

SLA was conferred the Public Service Achievement Award for organisational excellence achievements. The Public Service Achievement award recognised public agencies' achievement of business standards.

July 2012

120 students from 18 educational institutions took part in Spatial Challenge, which involved geospatial analysis and developing geospatial applications. Into its 5th year, the competition received endorsement from United Nations Global Geospatial Information Management (UN-GGIM), reflecting the international recognition of and support for Singapore's efforts in geospatial capacity building.



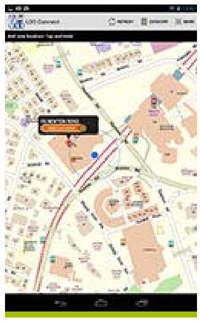
August 2012

GeoSpace, the Government's platform for data sharing

among agencies, was awarded the prestigious "Gold Medal Winner" under 'e-Government category' by Singapore Information Technology Federation (SiTF). This is GeoSpace's 6th award since inception in February 2011.

September 2012

LooConnect, a crowd sourcing tool that makes use of OneMap as a channel for the public to feedback on the cleanliness of public toilets was launched. The App enables users to add exact location and indicate cleanliness level of the toilets using their mobile devices.



Community Chest AWARD PLATINUM

October 2012

SLA received the SHARE Platinum Award during the 2012 Community Chest Awards. The Award logo was an endorsement of SLA's efforts in supporting community giving and social responsibility.

November 2012

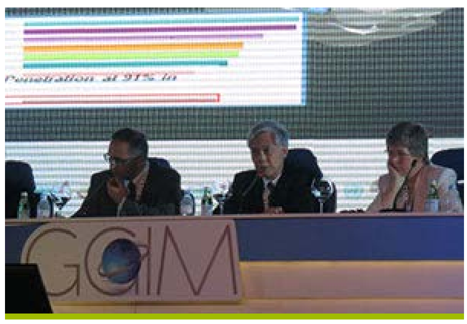
SLA and Nanyang Polytechnic signed a Memorandum of Understanding to collaborate on geospatial education, training, research and development. This strategic partnership will enable both organisations to tap into each other's expertise and resources in promoting the use of geospatial information system and technology in Singapore.

November 2012

SLA is an award winner for the PEP-SBF Pro-Enterprise Award and was ranked 4th in the 2012 Pro-Enterprise Ranking Survey.

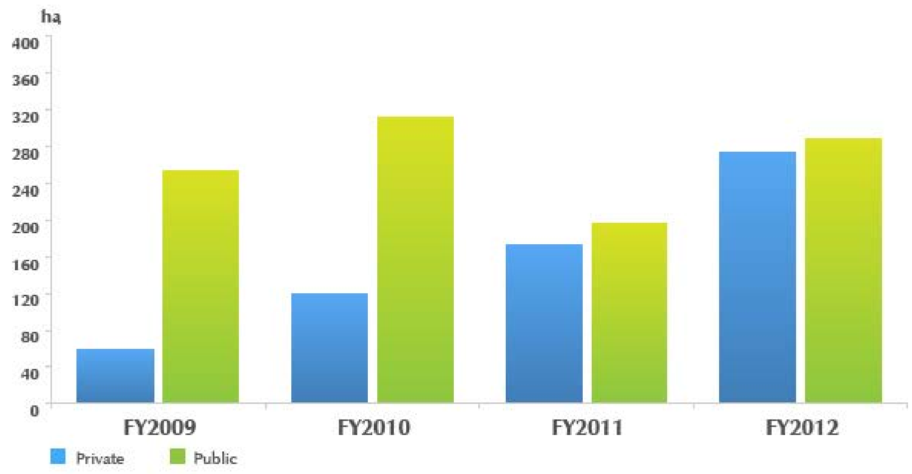
February 2013

SLA Chief Executive led a delegation to the United Nations Global Geospatial Information Management Second High Level Forum, held in Doha, where he addressed the international community on the future role of Governments in enabling geospatial information societies.

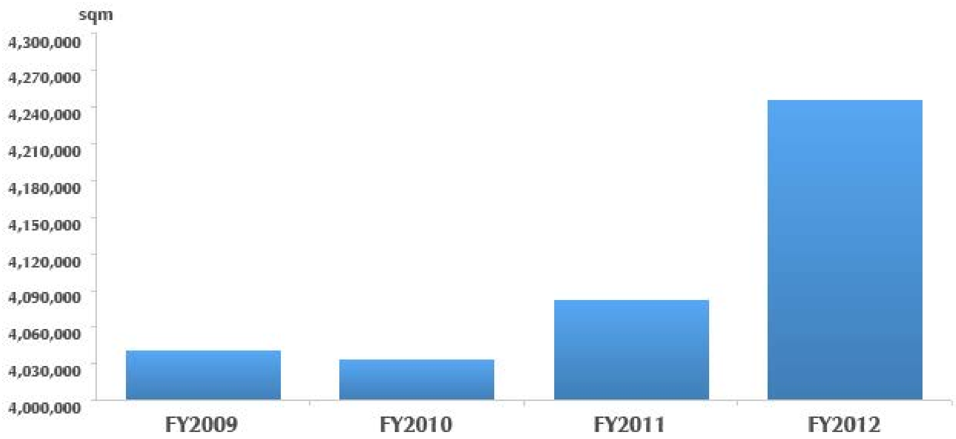


Corporate Performance

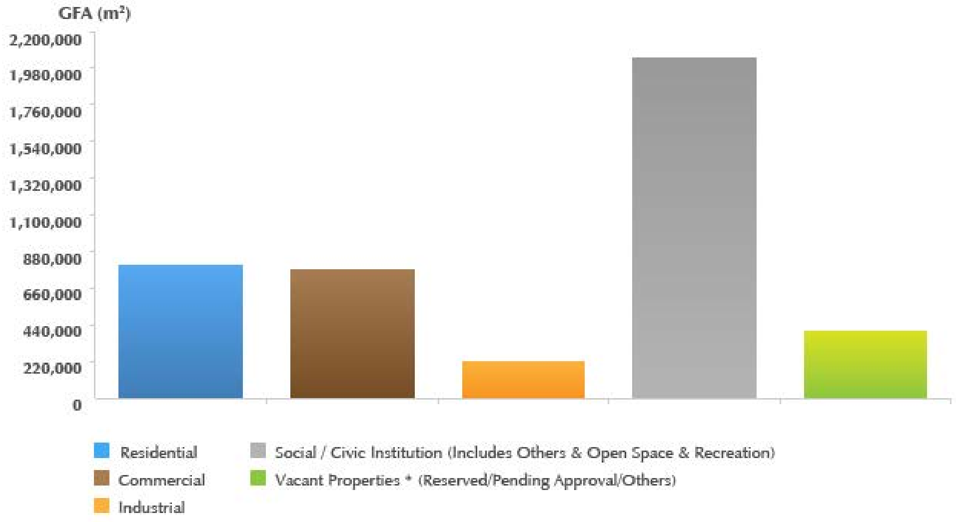
Total Area of State Land Sold to Private and Public Sector



Total Estimated Gross Floor Area (GFA) of State Properties Managed by SLA

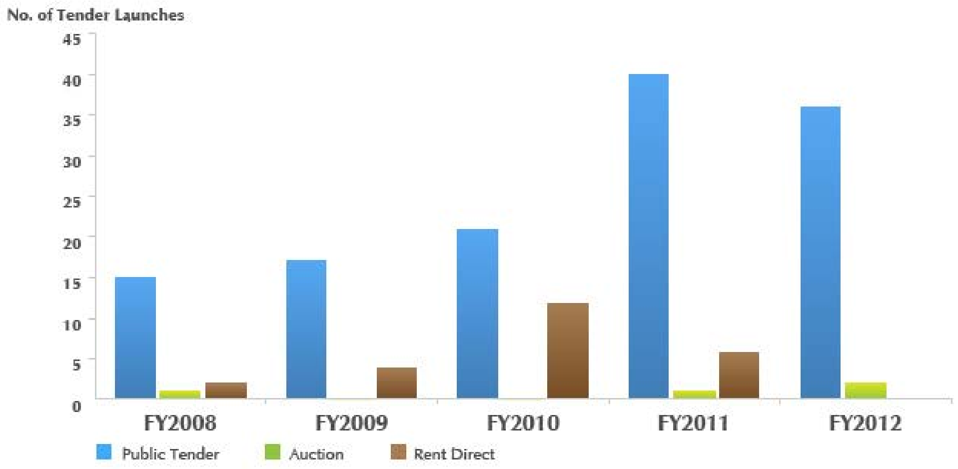


Breakdown by Use of SLA-managed Properties in Estimated Gross Floor Area (GFA) (Utilisation of State Buildings in FY2012/13)

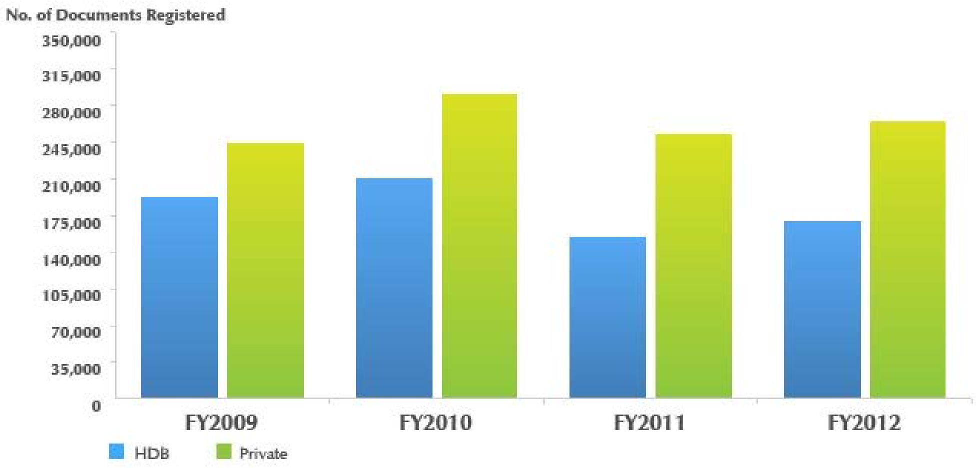


Denote (*) GFA excludes MA vacant space. The vacant properties could be put for any of the above use(s) when tenanted out.

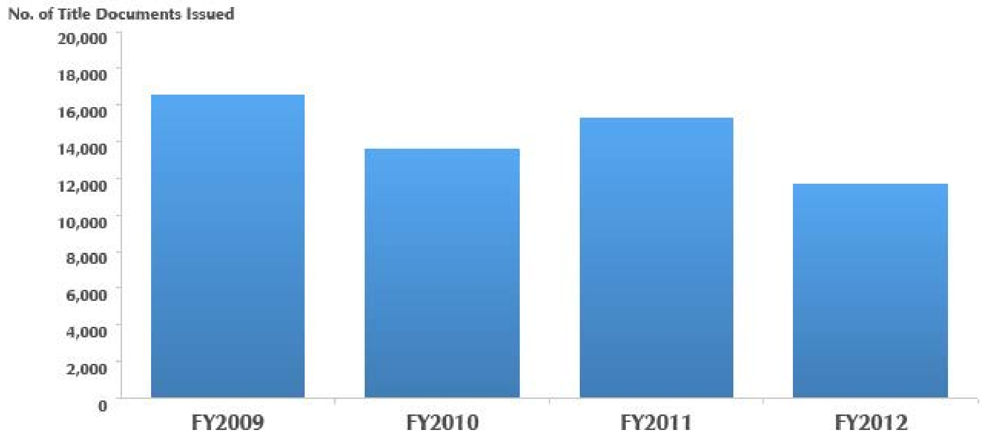
Number of State Properties Offered for Public Tender



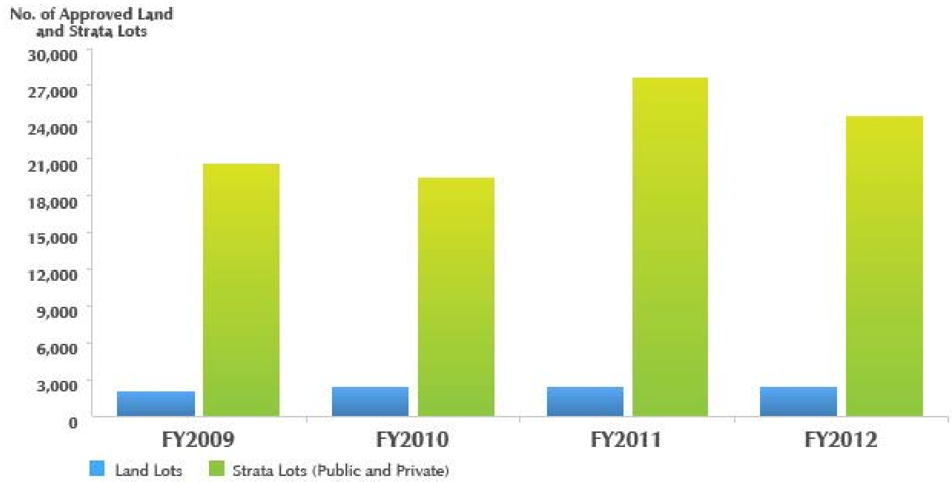
Registration of Documents Lodged for Private and HDB Properties



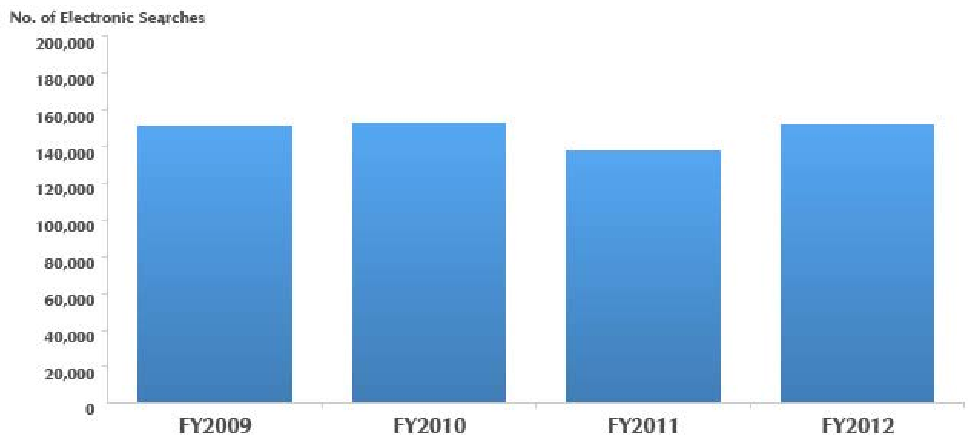
Issuance of Title Documents for Completed Private Properties



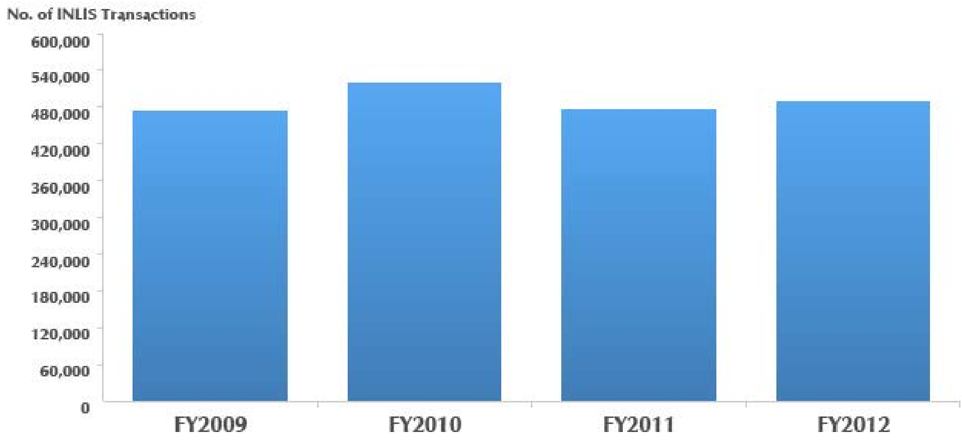
Approval of Land and Strata Lots



Electronic Searches (DIPS, STARS)



INLIS Transaction Volume



Efficiency Indicators

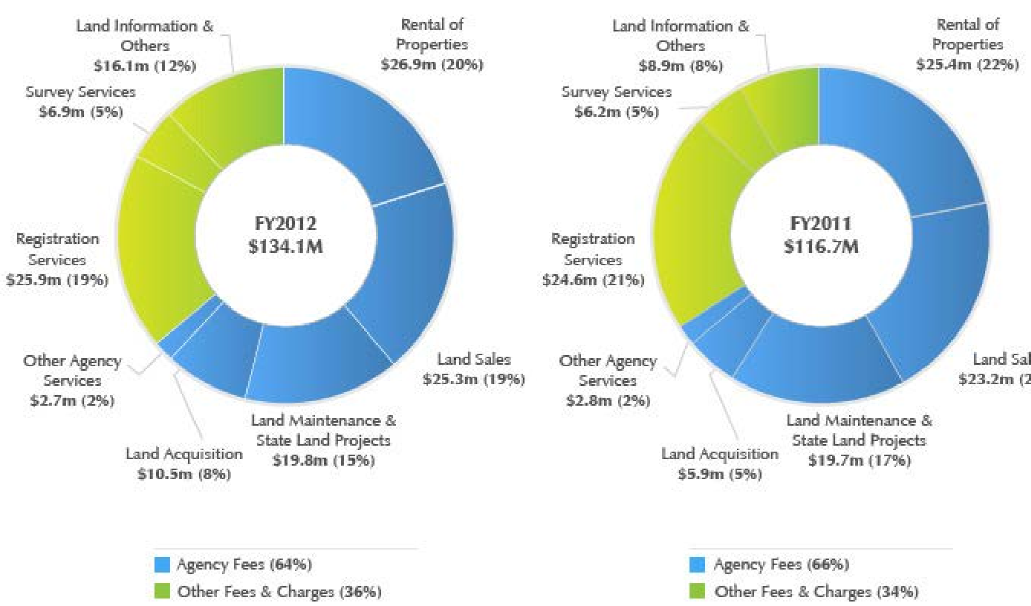
Financial Overview

Financial Results

The Authority achieved a net surplus of $37.5 million for FY2012, which has increased by 71% (or $15.6 million) over FY2011. The following chart shows a 5-year overview of the Authority's financial results:

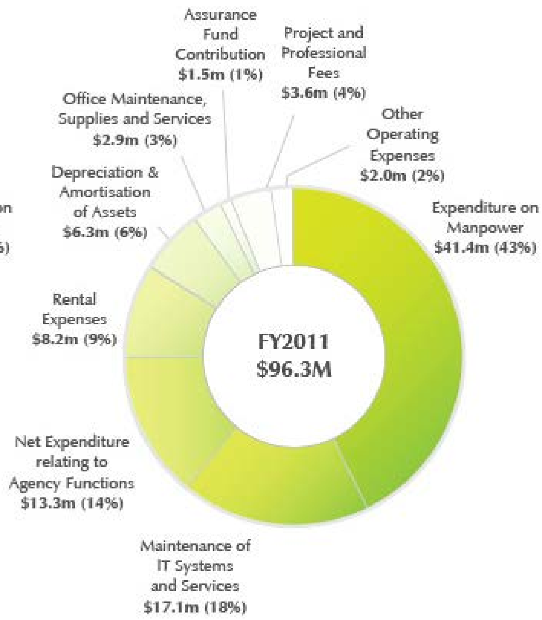
Operating Income

For FY2012, operating income totalled $134.1 million which was 15% (or $17.4 million) higher than FY2011.



Operating Expenditure

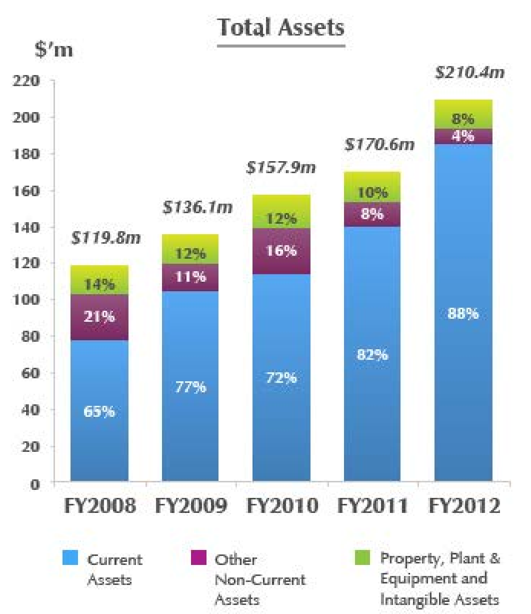
Operating expenditure for FY2012 was $101.0 million, an increase of 5% (or $4.7 million) from FY2011.

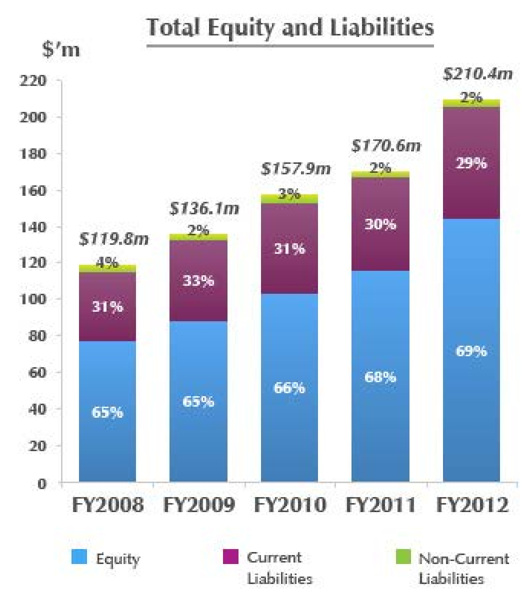


Financial Position

As at 31 March 2013, total assets have increased by 23% (or $39.8 million) to $210.4 million.

Total liabilities stood at $64.5 million, compared with $53.8 million as at 31 March 2012. The increase of 20% (or $10.7 million) was mainly due to higher payables for capital expenditure and the increase in provision for contribution to Government Consolidated Fund. Equity amounted to $145.9 million as at 31 March 2013 which was $29.1 million higher than a year ago. This was mainly attributable to the net surplus of $37.5 million for FY2012.





5-Year Financial Summary

Description	FY2012	FY2011	Increase / (Decrease)		FY2010	FY2009	FY2008
	$'000	$'000	$'000	%	$'000	$'000	$'000
INCOME & EXPENDITURE							
Operating Income	134,080	116,701	17,379	15%	110,950	100,934	92,509
Less : Operating Expenditure	100,962	96,267	4,695	5%	91,519	90,098	91,879
Operating Surplus	**33,118**	**20,434**	**12,684**	**62%**	**19,431**	**10,836**	**630**
Add : Non-Operating Income	**12,079**	**5,973**	**6,106**	**102%**	**3,953**	**4,043**	**1,837**
Gross Surplus	**45,197**	**26,407**	**18,790**	**71%**	**23,384**	**14,879**	**2,467**
Less : Statutory Contribution	**7,701**	**4,489**	**3,212**	**72%**	**4,006**	**2,532**	**446**
Net Surplus	**37,496**	**21,918**	**15,578**	**71%**	**19,378**	**12,347**	**2,021**
CAPITAL EXPENDITURE	**7,239**	**4,429**	**2,810**	**63%**	**6,873**	**5,237**	**9,742**
BALANCE SHEET							
Property, Plant and Equipment	6,242	6,412	(170)	- 3%	7,259	8,155	8,621
Intangible Assets	11,186	10,338	848	8%	12,128	8,592	7,558
Other Non-Current Assets	8,044	13,452	(5,408)	- 40%	24,505	14,508	25,432
Current Assets	184,967	140,393	44,574	32%	114,055	104,852	78,180
Total Assets	**210,439**	**170,595**	**39,844**	**23%**	**157,947**	**136,107**	**119,791**
Equity	145,904	116,759	29,145	25%	104,117	87,263	77,623
Non-Current Liabilities	3,260	2,896	364	13%	4,428	3,304	5,532
Current Liabilities	61,275	50,940	10,335	20%	49,402	45,540	36,636
Total Equity & Liabilities	**210,439**	**170,575**	**39,844**	**23%**	**157,947**	**136,107**	**119,791**

Contents

Corporate Governance

Elevating Standards

0° N, 90° E

A collective focus drives our efforts. Pushing today's boundaries, we redefine tomorrow's horizon – towards greater achievements.

Corporate Governance

SLA Board

The Singapore Land Authority Act (Cap.301) provides for the appointment of a Chairman, a Deputy Chairman and up to 20 other Board members.

The current 13-member Board comprises persons appointed from both the public and private sectors, with expertise and experience in the following diverse fields: architecture, law, information technology, communications, business management, accounting practice, finance, regulatory compliance and government. Other than the SLA Chief Executive who is also a Board member, the rest are non-executive members.

The Board has appointed from amongst its members, four Board Committees (the Human Resource, Audit, Investment and Appeals Committee), each with its own specific terms of reference.

Human Resource Committee

The Human Resource Committee comprises the SLA Chairman, Mr Chaly Mah and three other Board members (one of whom is the SLA Chief Executive). It reviews and approves the promotion of management staff (department heads and above), bonus and increment framework and approves the succession plan for key posts.

(Effective 1 August 2011)

Chairman
Mr Chaly Mah

Members
Mr Vincent Hoong
Ms Teo Lay Lim
Mr Wong Mun Summ

Audit Committee

The Audit Committee is chaired by Mr Steven Phan and includes three other Board members. The main function of this committee is to assist the Board in discharging its statutory and oversight responsibilities. It meets with SLA's internal and external auditors to review their audit plans, audit observations and the annual audited financial statements. It also reviews, with the internal and external auditors, the results of their evaluation of SLA's internal control systems.

(Effective 1 August 2011)

Chairman
Mr Steven Phan

Members
Mr Chai Chin Loon
Mr Wong Hong Kuan
Ms Yeo Lian Sim

Investment Committee

The Investment Committee is chaired by Mr Lim Sim Seng and includes four other Board members (one of whom is the SLA Chief Executive). The Committee oversees SLA's investment activities and yield, and reviews changes in the investment mandate for the Board's and Minister's approval.

(Effective 1 August 2011)

Chairman
Mr Lim Sim Seng

Members
Mr Vincent Hoong
Dr Peter Rowan Kellock
Mrs Elaine Lim
Mr Calvin Phua

Appeals Committee

The Appeals Committee comprises the SLA Chairman, Mr Chaly Mah, and includes two other Board members (one of whom is the SLA Chief Executive). The Committee looks into appeals concerning staff promotion.

(Effective 1 August 2011)

Chairman
Mr Chaly Mah

Members
Mr Vincent Hoong
Mr George Lim

ERM Framework

SLA has implemented the Enterprise Risk Management (ERM) framework within the organisation. The ERM framework is a structured process to better anticipate, identify and manage risks that may have an impact on business objectives and stakeholders' value. The ERM process comprises the following:

- Identify and assess risks
- Develop the organisation's risk profile and response
- Monitor and report risks and controls

The risks, controls and the risk management process will be integrated with SLA's internal audit plan.

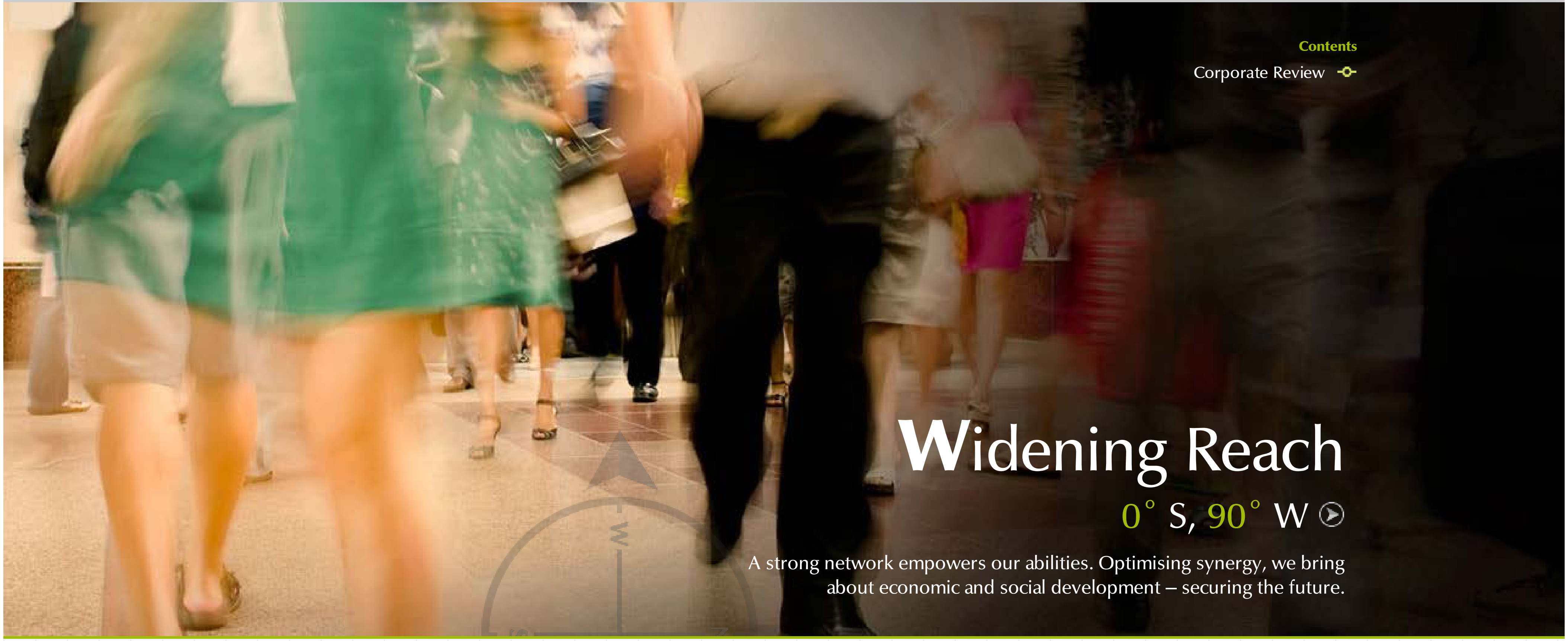
Risk management within SLA will be a continuous and developing process. The risks, controls, and their indicators will be reviewed on a regular basis to ensure their relevance to the changing business environment.

Internal Audit Function

The Internal Audit Department is an independent function that reports directly to the Chairman of the Audit Committee, and administratively to the Chief Executive. A risk-based approach is used to develop the annual audit plan to ensure that all divisions/departments within SLA are reviewed at appropriate intervals to ascertain whether they are being properly managed in a manner that is consistent with Corporate objectives and a high standard of governance practice. The audit plans are reviewed and approved by the Audit Committee.

External Audit Function

PricewaterhouseCoopers was appointed by the Minister for Law in consultation with the Auditor-General for audit of SLA's annual financial statements. The Auditors present its audit plan annually to the Audit Committee. Arising from the audit, the Auditors also report to the Audit Committee, its findings on significant audit, accounting and internal control issues and also recommend improvements.



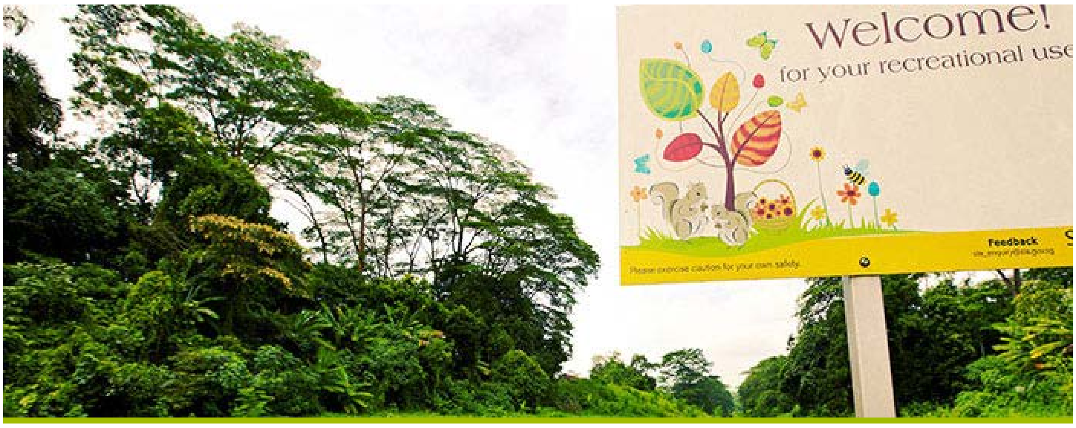
Contents
Corporate Review

Widening Reach

0° S, 90° W

A strong network empowers our abilities. Optimising synergy, we bring about economic and social development – securing the future.

Corporate Review



As the custodian of State land and properties for the Government, SLA is responsible for the management of approximately 14,000 hectares of land and 5,000 properties and ensuring that State lands and properties are optimised for social and economic developments. In 2012, SLA made more sites available for public recreational and community uses.

Expanding Uses for Buildings

The former Tanjong Pagar Railway Station, (gazetted as a national monument) and Bukit Timah Railway Station (gazetted as a conserved building) were opened for ad-hoc activities and short-term events such as Hermès' Gift of Time exhibition, Female & Nuyou Catwalk 2012 fashion show and the inaugural Nike 'FC247 Own My Ground' five-a-side football tournament. To date, more than 28 applications for use of the venues have been approved. SLA also collaborated with private organisations to hold temporary events at the former army camps at Loewen Road Cluster with Tanglin Village. The latest Chanel's first Cruise Collection 2013 event in Asia was well received and widely reported.

Extending Buildings' Life

SLA has many returned properties that could be put to interim use pending their long-term developments. SLA also has a number of unique State properties that were put up for adaptive reuse. In 2012, SLA tendered out more than 40 State land and properties. For example, the former KTM Bungalow at Spooner Road was used for childcare and kindergarten while the former Johor Battery Site was converted into an F&B venue that featured elements of heritage. SLA also completed the restoration of State properties at No. 5 and No. 7 Gallop Road. These properties are rich in history, allowing future tenants to incorporate their unique architecture and heritage into their business plans and designs.

Greater Efficiency

SLA leveraged advancements in mobile technology to improve operational efficiency and to better manage our land. Significantly reducing data collection and processing time required for field operations, the subscription to 4G capable devices and data plans enable staff on site to access data readily and make intelligent and well-informed decisions. Integrated with the Customer Feedback System, the system also allowed officers on the ground to receive and respond to public feedback more promptly, thereby improving public service delivery.

The SLA Integrated Information Management System (SIGMA) was initiated to establish a single point of access for geospatial and textual data across all SLA application systems that were developed with heterogeneous technologies and functionalities. By enhancing the discovery of data and administration of metadata on a common GIS application and services platform, SIGMA will increase officers' productivity by providing a shorter yet more accurate search of information. SIGMA is also able to build up SLA's trend analysis and decision making capabilities.

2012 also saw SLA embark on the conversion of the manual leases for HUDC flats into the digital format. Once converted, the leasehold titles will be automatically generated by the system without the need for manual typing, resulting in faster turnaround time and greater efficiency. There will be no contention for paper title documents and multiple parties can access the same record at the same time.

Advancing GeoSpatial Development

In 2012, the number of data layers in GeoSpace, a portal that allows agencies to share and access geospatial data, grew about 20% to 428 layers, reflecting the importance agencies place on the value of geospatial data and data sharing.

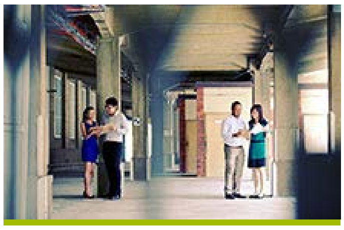
SLA continues to bring useful geospatial information and services to the public through collaborations with other Government agencies. In the year, besides developing three new services on OneMap, 14 themes and services were added – bringing the number of services and themes currently available on OneMap to 35 and 62 respectively. The OneMap Crowd Sourcing API has also empowered organisations to utilise geospatial information for their purpose. One instance is the LOO Connect App which Restroom Association (Singapore) developed to encourage public to provide feedback on public toilets.

In an effort to promote the adoption of geospatial information and technology, SLA holds annual events, such as SLA Spatial Challenges, GITEX and Geospatial 101, to facilitate knowledge sharing. Notably, the inaugural OneMap Challenge, a mobile application competition, provided a platform for developers to showcase their creativity and collaborate with potential business partners to create location-based applications that are useful to business enterprises and the general community.

Developing a Beneficial Resource

SLA has initiated the development of the Digital Terrain Model (DTM) based on satellite imagery. The eventual seamless 3D national topographic map will provide certainty for the survey industry and ensure consistency in data collected. The DTM will also provide Government agencies with the fundamental terrain dataset required in their land development and planning works. Through information sharing, better planning of public infrastructure and service becomes possible. For instance, the Public Utilities Board (PUB) will be making use of the DTM to generate a flood risk map of Singapore.

Collaborating for a Common Aspiration



SLA assisted the Government with acquisitions of land for road and rail projects to improve Singapore's transport infrastructure. Prior to any acquisition, thorough studies would be conducted to identify the best alignment to minimise the need for acquisition. This year, about 13,000 sqm of land was acquired for the construction of the Thomson line (TSL). Amongst which, Pearls Centre was affected. To mitigate the situation, SLA acquisition officers were constantly in touch with the affected owners to address their concerns and to assist them with their relocation.

For example, to help residential owners who wished to purchase HDB flats as replacement properties, SLA worked with HDB to waive the 30-month debarment period so that eligible owners were able to purchase new HDB flats immediately. Eligible owners were also given priority in the allocation of HDB flats. Other assistance measures included an increase in the quantum of advance payment and waiver of the revised Loan-To-Value limits so that owners of acquired residential properties could obtain a mortgage loan of up to 80% LTV for the purchase of a replacement residential property.

Shaping a Better Future

Looking ahead, SLA will continue to increase the usage of OneMap by introducing new services and encouraging the use of crowd sourcing by agencies and NGOs. Where DTM development is concerned, SLA will also look into the implementation of a sustainable framework that keeps the datasets current and relevant to support the ongoing climate change study and contribute to building accurate 3D City Model for Singapore – facilitating effective urban planning and decision making.

On an operational front, SLA will press on with the initiative to digitise manual leases of HDB flats. SLA also actively explores other innovative ways to elevate service standards.

Bearings that Matter

1.3667° N, 103.7500° E

Annual Report 2012/13

SINGAPORE LAND AUTHORITY

CONTENTS

INDEPENDENT AUDITOR'S REPORT TO SINGAPORE LAND AUTHORITY

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Singapore Land Authority (the "Authority"), set out on pages 3 to 32, which comprise the statement of financial position as at 31 March 2013, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Land Authority Act 2001 (No. 17 of 2001) (the "Act") and Statutory Board Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements of the Authority are properly drawn up in accordance with the provisions of the Act and Statutory Board Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Authority as at 31 March 2013 and of the results, changes in equity and cash flows of the Authority for the financial year ended on that date.

INDEPENDENT AUDITOR'S REPORT TO SINGAPORE LAND AUTHORITY (CONTINUED)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Management's Responsibility for Compliance with Legal and Regulatory Requirements

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act. This responsibility includes implementing accounting and internal controls as management determines are necessary to enable compliance with the provisions of the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We conducted our audit in accordance with Singapore Standards on Auditing. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act.

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

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

Opinion

In our opinion:

(a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Authority during the year are, in all material respects, in accordance with the provisions of the Act; and

(b) proper accounting and other records have been kept, including records of all assets of the Authority whether purchased, donated or otherwise.

PricewaterhouseCoopers LLP
Public Accountants and Certified Public Accountants

Singapore,

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2013

	Note	31 MARCH 2013 $	31 MARCH 2012 $
Assets			
Non-Current			
Property, plant and equipment	4	**6,241,725**	6,412,410
Intangible assets	5	**11,185,996**	10,337,417
Held-to-maturity financial assets	6	**8,044,441**	13,452,120
		25,472,162	30,201,947
Current			
Held-to-maturity financial assets	6	**5,282,850**	13,531,048
Financial assets at fair value through profit or loss	7	**31,685,964**	-
Derivative financial instruments	8	**145,457**	-
Trade debtors, prepayments and other receivables	9	**27,210,676**	19,852,572
Cash and cash equivalents	10	**120,642,382**	107,009,227
		184,967,329	140,392,847
Total assets		**210,439,491**	170,594,794
Equity			
Capital	3	**7,733,929**	6,965,826
Accumulated surplus		**138,169,789**	109,793,146
Total equity		**145,903,718**	116,758,972
Liabilities			
Non-Current			
Trade and other payables	11	**953,239**	767,152
Provision for pension	12	**2,306,802**	2,128,433
		3,260,041	2,895,585
Current			
Derivative financial instruments	8	**10,452**	-
Trade and other payables	11	**25,669,605**	19,479,164
Contribution to Government Consolidated Fund	13	**7,701,431**	4,489,478
Provision for Assurance Fund	14	**27,590,825**	25,992,008
Provision for pension	12	**303,419**	979,587
		61,275,732	50,940,237
Total liabilities		**64,535,773**	53,835,822
Total equity and liabilities		**210,439,491**	170,594,794

....
Chaly Mah
Chairman

....
Vincent Hoong
Chief Executive

Singapore,

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

	Note	2012/2013	2011/2012
		$	$
Income			
Agency fees		**85,189,857**	76,981,387
Other fees and charges		**48,889,761**	39,719,172
Total income		**134,079,618**	116,700,559
Less: Expenditure			
Expenditure on manpower	15	**47,009,316**	41,360,807
Maintenance of IT systems and services		**18,759,746**	17,055,367
Expenditure relating to agency functions	16	**13,847,154**	13,310,343
Rental expenses		**7,607,964**	8,236,120
Depreciation expense	4	**2,606,845**	2,428,817
Amortisation expense	5	**3,792,845**	3,905,208
Office maintenance, supplies and services		**2,986,691**	2,894,771
Assurance Fund Contribution	14	**1,598,817**	1,532,423
Project and professional fees		**1,295,305**	3,589,039
Other operating expenses	17	**1,457,227**	1,953,959
Total expenditure		**100,961,910**	96,266,854
Operating surplus		**33,117,708**	20,433,705
Non-operating income - net			
Investment income - net	18	**2,053,838**	1,356,364
Other gains	19	**5,240,379**	-
Total non-operating income - net		**7,294,217**	1,356,364
Surplus before grants		**40,411,925**	21,790,069
Government grants			
Operating grants		**4,785,149**	4,617,134
Total government grants		**4,785,149**	4,617,134
Surplus before contribution to Government Consolidated Fund		**45,197,074**	26,407,203
Less: Contribution to Government Consolidated Fund	13	**7,701,431**	4,489,478
Net surplus and total comprehensive income for the year		**37,495,643**	21,917,725

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

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

	Note	2012/2013 $	2011/2012 $
Capital			
Balance at beginning of the year		**6,965,826**	6,211,294
Equity injection	20	**768,103**	754,532
Balance at end of the year		**7,733,929**	6,965,826
Accumulated surplus			
Balance at beginning of the year		**109,793,146**	97,905,421
Total comprehensive income for the year		**37,495,643**	21,917,725
Dividend paid to Government	20	**(4,119,000)**	(5,030,000)
Special contribution to Government	20	**(5,000,000)**	(5,000,000)
Balance at end of the year		**138,169,789**	109,793,146
Total equity		**145,903,718**	116,758,972

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

	Note	2012/2013 $	2011/2012 $
Cash Flows from Operating Activities			
Net surplus		**37,495,643**	21,917,725
Adjustments for:			
Depreciation of property, plant and equipment	4	**2,606,845**	2,428,817
Amortisation of intangible assets	5	**3,792,845**	3,905,208
Loss on disposal of property, plant and equipment and intangible assets - net	17	**158,783**	1,054,378
Investment income - net	18	**(2,053,838)**	(1,356,364)
Operating grants		**(4,785,149)**	(4,617,134)
Assurance Fund Contribution	14	**1,598,817**	1,532,423
Contribution to Government Consolidated Fund	13	**7,701,431**	4,489,478
		46,515,377	29,354,531
Change in operating assets and liabilities:			
Trade debtors, prepayments and other receivables		**(5,230,911)**	727,302
Trade and other payables		**2,451,629**	30,305
Provision for pension		**(497,799)**	(19,830)
Deferred capital grants		**-**	(32,577)
Provision for Assurance Fund		**(1,598,817)**	(1,532,423)
Cash generated from operations		**41,639,479**	28,527,308
Contribution to Government Consolidated Fund		**(4,489,478)**	(4,005,873)
Net cash generated from operating activities		**37,150,001**	24,521,435
Cash Flows from Investing Activities			
Receipts from maturity of held-to-maturity financial assets		**13,500,000**	6,900,000
Payments for purchase of held-to-maturity financial assets		**-**	(2,750,000)
Payments for purchase of financial assets at fair value through profit or loss		**(31,300,000)**	-
Interest received		**1,379,180**	1,703,838
Proceeds from disposal of property, plant and equipment		**3,034**	23,484
Payments for purchase of property, plant and equipment		**(1,359,079)**	(1,457,956)
Payments for purchase of intangible assets		**(3,069,171)**	(5,305,054)
Net cash used in investing activities		**(20,846,036)**	(885,688)
Cash Flows from Financing Activities			
Dividend paid to Government	20	**(4,119,000)**	(5,030,000)
Special contribution to Government	20	**(5,000,000)**	(5,000,000)
Government grants received		**4,081,270**	4,380,858
Capital injection by Government	20	**768,103**	754,532
Net cash used in financing activities		**(4,269,627)**	(4,894,610)
Net increase in cash and cash equivalents		**12,034,338**	18,741,137
Cash and cash equivalents at beginning of the year		**81,017,219**	62,276,082
Cash and cash equivalents at end of the year	10	**93,051,557**	81,017,219

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

1 GENERAL

Singapore Land Authority (the "Authority"), a Statutory Board under the Ministry of Law ("MinLaw"), was established in Singapore under the Singapore Land Authority Act 2001 (No. 17 of 2001) (the "Act") on 1 June 2001. The Authority's registered office is at 55 Newton Road #12-01, Revenue House, Singapore 307987.

The principal activities of the Authority are to:

(a) optimise land resources for the social and economic development of Singapore;

(b) manage all state land and buildings, land acquisitions, leases sales and leases;

(c) develop, maintain and market national land information;

(d) issue title to land, register instruments and deeds and approve cadastral surveys; and

(e) make available land for residential, commercial, educational, institutional, social and other related purposes.

There have been no significant changes in the nature of these activities during the financial year.

The Authority receives reimbursement from MinLaw of between 98% and 100% of certain direct expenditure relating to management of state land and buildings.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements have been prepared in accordance with the provisions of the Act and Statutory Board Financial Reporting Standards ("SB-FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below. The accounting policies have been consistently applied by the Authority and are consistent with those used in the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Significant Accounting Estimates and Judgements

The preparation of these financial statements in conformity with SB-FRS requires management to exercise its judgement in the process of applying the Authority's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements are disclosed below.

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Provision for pension

The defined retirement benefits obligations due to pensionable officers are determined based on the last drawn salaries of the respective pensionable officers and the pensionable officers' cumulative service period served with the Authority at the time of retirement, assuming that all pensionable officers work till the age of 62 years and opt for fully commuted gratuity on retirement. The cost of defined pension plan and the present value of the pension obligation are estimated by management based on the actuarial valuations performed by an independent firm of professional actuaries. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Changes in the actuarial assumptions used in computing the pension benefits could result in a revision of the provision for the financial year.

Further details are provided in Note 12 to the financial statements.

2.3 Interpretations and Amendments to Published Accounting Standards effective in 2012/2013

On 1 April 2012, the Authority adopted the new or amended SB-FRS and Interpretations to SB-FRS ("INT SB-FRS") that are mandatory for application from that date. Changes to the Authority's accounting policies have been made as required, in accordance with the transitional provisions in the respective SB-FRS and INT SB-FRS.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Income Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Authority and the revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognised.

(a) Income from agency fees, service income, processing and registration fees are recognised when services are rendered.

(b) Interest income is recognised using the effective interest method.

2.5 Property, Plant and Equipment and Depreciation

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

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Cost may includes the projected cost of dismantlement, removal or restoration if such obligation is incurred as a consequence of acquiring the asset.

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 Authority and the cost of the item can be measured reliably.

Assets taken over from the former land departments, namely Land Office, Singapore Land Registry, Survey Department and Land Systems Support Unit, and the existing Computer Information Systems Department ("CISD") in MinLaw were valued on the following bases at the dates of transfer:

(a) Assets under construction were valued at cost.

(b) Other assets were transferred at their book values.

Assets under construction represent computerisation projects, addition and alteration works which have been capitalised and are stated at cost. These include cost of hardware and other direct costs. Assets under construction are not depreciated until such time as the relevant phases are completed and the assets are put into operational use.

Property, plant and equipment are depreciated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Furniture and fittings, office equipment and office renovation	3 - 6 years
IT equipment	3 - 5 years
Motor vehicles	7 years
Plant and machinery	5 - 7 years

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Property, Plant and Equipment and Depreciation (continued)

The estimated useful lives and depreciation method are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in the income and expenditure when the changes arise.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

2.6 Intangible Assets and Amortisation

Intangible assets acquired, which comprise computer software and application system are initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other directly attributable cost of preparing the asset for its intended use. Direct expenditure including employee costs, which enhances or extends the performance of computer software beyond its specifications and which can be reliably measured, is added to the original cost of the software. Costs associated with maintaining the computer software are recognised as an expense when incurred.

Intangible assets are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to income and expenditure using the straight-line method over their estimated useful lives of three to five years.

Assets under construction represent computerisation projects which have been capitalised and are stated at cost. These include cost of software and other direct costs. Assets under construction are not depreciated until such time as the relevant phases are completed and the assets are put into operational use.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each balance sheet date. The effects of any revision are recognised in income and expenditure when the changes arise.

Gains and losses on disposal of intangible assets are classified under 'other operating expenses' in income and expenditure.

2.7 Impairment of Non-Financial Assets

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

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in income and expenditure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Impairment of Non-Financial Assets (continued)

An impairment loss for an asset other than goodwill 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 any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.8 Financial Assets

(a) Classification

The Authority classifies its financial assets within the scope of SB-FRS 39 in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity, and available-for-sale. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and in the case of assets classified as held-to-maturity, re-evaluates this designation at each balance sheet date.

(i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented investment strategy. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are presented as current assets if they are either held for trading or are expected to be realised within 12 months after the balance sheet date.

(ii) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Authority's management has the positive intention and ability to hold to maturity. If the Authority were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. They are presented as non-current assets, except for those maturing within 12 months after the balance sheet date which are presented as current assets.

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "trade debtors, prepayments and other receivables" (Note 9) and "cash and cash equivalents" (Note 10) on the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Financial Assets (continued)

(a) Classification (continued)

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose off the assets within 12 months after the balance sheet date.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Authority commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Authority has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in income and expenditure. Any amount in other comprehensive income relating to that asset is reclassified to income and expenditure.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Authority are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

(c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately as expenses.

(d) Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity financial assets are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss including the effects of currency translation, interest and dividends, are recognised in income and expenditure when the changes arise.

Interest and dividend income on available-for-sale financial assets are recognised separately in income. Changes in the fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in income and expenditure and the other changes are recognised in other comprehensive income and accumulated in the fair value reserve. Changes in fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Financial Assets (continued)

(e) Impairment

The Authority assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

(i) Loans and receivables/Held-to-maturity financial assets

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. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in income and expenditure.

The impairment allowance is reduced through income and expenditure in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(ii) Available-for-sale financial assets

In addition to the objective evidence of impairment described in Note 2.8(e)(i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial asset is impaired. If any evidence of impairment exists, the cumulative loss that was previously recognised in other comprehensive income is reclassified to income and expenditure. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss previously recognised as an expense. The impairment losses recognised as an expense on equity securities are not reversed through income and expenditure.

2.9 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and at bank, cash and short-term deposits held by the fund manager and the Accountant-General's Department under the Centralised Liquidity Management scheme for Statutory Boards and Ministries. The short-term deposits are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value, except those which are managed by the fund manager.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Financial Liabilities

Financial liabilities include trade payables to non-related and related parties, other payables and accruals, payable on purchase of investments managed by the fund manager, retention payable and deposits payable. Financial liabilities are recognised on the balance sheet when, and only when, the Authority becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in income and expenditure when the liabilities are derecognised as well as through the amortisation process. The liabilities are derecognised when the obligation under the liability is discharged or cancelled or expired.

2.11 Provisions

Provisions are recognised when the Authority 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 amount has been reliably estimated.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in income and expenditure as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in income and expenditure when the changes arise.

2.12 Employee Benefits

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

(a) Pensions and other post employment benefits

(i) Defined contribution plans

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Employee Benefits (continued)

(a) Pensions and other post employment benefits (continued)

(ii) Contributions to Civil Service Pension Fund ("CSPF")

The Authority has employees who are pensionable under the CSPF scheme.

Following the CSPF's decision to decentralise the management of the Government Pension Fund, the Authority assumed the responsibility of managing the pension entitlements of certain officers from 1 June 2001. These officers are those who did not opt for the CPF scheme launched in 1955 and continued to be entitled to pension benefits under the CSPF scheme.

Upon retirement, the pension entitlements of these officers will be met by both CSPF and the Authority in proportion to their length of service before and after the establishment of the Authority on 1 June 2001. Accordingly, pension payable to pensionable officers prior to 1 June 2001 are excluded in arriving at the Authority's pension liabilities.

The Authority's net obligation in respect of defined benefit pension plans under the CSPF scheme is calculated separately for each defined benefit plan by estimating the present value of the amount for future benefit that employees have earned in return for their service in the current and prior periods. The discount rate of 1.3% per annum has been used by reference to 5-year Singapore Government Bond. The calculation is performed taking into account factors such as mortality rates, retirement and withdrawal patterns, as well as wage escalations. As these assumptions may not be satisfied exactly as the fund progresses, a review is conducted once every three years.

Actuarial gains and losses are recognised in the period in which they occur.

(b) Employee leave entitlement

Employees' entitlement to annual leave is recognised when it accrues to the employees. A provision is made for the estimated liability for unconsumed leave as a result of services rendered by employees up to the balance sheet date.

(c) Termination compensation

Termination benefits are those benefits which are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Authority recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Functional and Presentation Currency

Items included in the financial statements of the Authority are measured using the currency of the primary economic environment in which the Authority operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Authority.

2.14 Foreign Currency Transactions

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 income and expenditure. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Currency translation differences on these items are included in the fair value reserve.

Foreign exchange gains and losses impacting income and expenditure are presented under 'non-operating income'.

2.15 Leases

Operating leases – where the Authority is the lessee

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in the income and expenditure on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in income and expenditure when incurred.

2.16 Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Authority will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Government grants relating to assets are credited to a deferred capital grant account and classified as liability. The amount is released to income and expenditure over the expected useful life of the relevant asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Contribution to Government Consolidated Fund

In lieu of income tax, the Authority is required to make contribution to the Government Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act. The annual contribution to the Fund is made based on the prevailing statutory corporate income tax rate and recognised as an expense in income and expenditure when incurred.

2.18 Recognition of Equity Injection

Equity injected by the Government for project funding, which is subject to the Capital Management Framework (see Note 3) for Statutory Boards, is recognised in the financial year when the Authority's parent Ministry, Ministry of Law approves the claims for reimbursement of project expenditure.

3 CAPITAL

Operating assets and completed computerisation projects were transferred at net book value to the Authority when it was established. The values of these assets were settled by loan, cash and grant, and the remaining by way of equity injection from the Government. The shares are held by the Minister for Finance, the body incorporated by the Minister for Finance (Incorporation) Act. Based on the Capital Management Framework ("Framework"), fresh funds needed for projects can be provided by the Government in the form of equity injections. Under the Framework, the Authority will draw on accumulated surpluses and existing equity, debt, or additional equity injection from the Government. In return for the equity, the Government expects an annual return in the form of dividends. The dividends would be based on the cost of equity applied to the equity base, taking into account the investments the Authority had made to build additional capacity, and be capped at the Authority's annual accounting surplus.

Capital management

The Authority's objectives when managing capital are to safeguard the Authority's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise value. In order to maintain or achieve an optimal capital structure, the Authority considers the future capital requirements, prevailing and projected operating cash flows, projected capital expenditure and projected strategic investment opportunities.

The Authority is not subject to externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

4 PROPERTY, PLANT AND EQUIPMENT

	FURNITURE AND FITTINGS, OFFICE EQUIPMENT AND OFFICE RENOVATION	IT EQUIPMENT	MOTOR VEHICLES	PLANT AND MACHINERY	ASSETS UNDER CONSTRUCTION	TOTAL
	$	$	$	$	$	$
Cost						
At 1 April 2011	7,132,846	8,987,240	433,476	1,163,030	255,046	17,971,638
Additions	799,941	105,386	139,975	84,051	371,204	1,500,557
Disposals	(472,932)	(2,227,359)	(58,343)	(314,470)	(63,003)	(3,136,107)
Reclassifications	-	529,997	-	-	(529,997)	-
Transfer from intangible assets	-	477,542	-	-	-	477,542
At 31 March 2012	7,459,855	7,872,806	515,108	932,611	33,250	16,813,630
Additions	**2,400**	**177,429**	**161,881**	**224,080**	**1,715,344**	**2,281,134**
Disposals	**(232,720)**	**(313,307)**	**(58,342)**	**(52,162)**	**-**	**(656,531)**
Reclassifications	**51,000**	**663,038**	**-**	**-**	**(714,038)**	**-**
Transfer from intangible assets	**-**	**314,343**	**-**	**-**	**-**	**314,343**
At 31 March 2013	**7,280,535**	**8,714,309**	**618,647**	**1,104,529**	**1,034,556**	**18,752,576**
Accumulated depreciation						
At 1 April 2011	3,228,072	6,495,976	312,745	675,878	-	10,712,671
Depreciation for the year	1,265,641	1,027,888	27,636	107,652	-	2,428,817
Disposals	(339,186)	(2,209,468)	(58,343)	(314,470)	-	(2,921,467)
Transfer from intangible assets	-	181,199	-	-	-	181,199
At 31 March 2012	4,154,527	5,495,595	282,038	469,060	-	10,401,220
Depreciation for the year	**1,359,072**	**1,077,595**	**52,269**	**117,909**	**-**	**2,606,845**
Disposals	**(168,675)**	**(230,285)**	**(58,342)**	**(39,912)**	**-**	**(497,214)**
At 31 March 2013	**5,344,924**	**6,342,905**	**275,965**	**547,057**	**-**	**12,510,851**
Net book value						
At 31 March 2013	**1,935,611**	**2,371,404**	**342,682**	**557,472**	**1,034,556**	**6,241,725**
At 31 March 2012	3,305,328	2,377,211	233,070	463,551	33,250	6,412,410

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

5 INTANGIBLE ASSETS

	SOFTWARE AND APPLICATION SYSTEMS	ASSETS UNDER CONSTRUCTION	TOTAL
	$	$	$
Cost			
At 1 April 2011	27,737,123	3,810,314	31,547,437
Additions	498,535	2,775,347	3,273,882
Disposals	(877,817)	(811,487)	(1,689,304)
Reclassifications	4,552,303	(4,552,303)	-
Transfer to property, plant and equipment	-	(477,542)	(477,542)
At 31 March 2012	31,910,144	744,329	32,654,473
Additions	**437,292**	**4,520,975**	**4,958,267**
Disposals	**(229,964)**	**-**	**(229,964)**
Reclassifications	**1,922,042**	**(1,922,042)**	**-**
Transfer to property, plant and equipment	**-**	**(314,343)**	**(314,343)**
At 31 March 2013	**34,039,514**	**3,028,919**	**37,068,433**
Accumulated amortisation			
At 1 April 2011	19,419,129	-	19,419,129
Charge for the year	3,905,208	-	3,905,208
Disposals	(826,082)	-	(826,082)
Transfer to property, plant and equipment	(181,199)	-	(181,199)
At 31 March 2012	22,317,056	-	22,317,056
Charge for the year	**3,792,845**	**-**	**3,792,845**
Disposals	**(227,464)**	**-**	**(227,464)**
At 31 March 2013	**25,882,437**	**-**	**25,882,437**
Net book value			
At 31 March 2013	**8,157,077**	**3,028,919**	**11,185,996**
At 31 March 2012	9,593,088	744,329	10,337,417

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

6 HELD-TO-MATURITY FINANCIAL ASSETS

	31 MARCH 2013	31 MARCH 2012
	$	$
Bonds	**13,327,291**	22,983,168
Credit linked notes	**-**	4,000,000
	13,327,291	26,983,168
Balance is made up of:		
Financial assets maturing within one year	**5,282,850**	13,531,048
Financial assets maturing after one year	**8,044,441**	13,452,120
	13,327,291	26,983,168
Effective yields at the balance sheet date:		
Bonds	**2.31%**	2.38%
Credit linked notes	**-**	1.95%

As at 31 March 2013, the bonds held are issued by statutory boards and corporations with maturity dates which range from 11 April 2013 to 18 March 2021. They are classified as held-to-maturity financial assets under SB-FRS 39 and the accounting policies of these financial assets are stated in Note 2.8. At the balance sheet date, the fair value of the held-to-maturity financial assets amounted to $13,667,325 (31 March 2012: $27,202,000).

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

As at 31 March 2013, the financial assets designated as at fair value through profit or loss are managed by an external fund manager. The financial assets are managed in accordance with a documented and approved investment mandate.

	31 MARCH 2013	31 MARCH 2012
	$	$
Financial assets designated as at fair value through profit or loss at inception		
Quoted securities:		
Fixed income	**28,846,128**	-
Equities	**2,839,836**	-
	31,685,964	-
Others:		
Foreign currency contracts (Note 8)	**135,005**	-
Interest and dividend receivables and other receivables from sale of investments (Note 9)	**766,297**	-
Cash at bank (Note 10)	**169,959**	-
Fixed deposits (Note 10)	**700,000**	-
Payables on purchase of investments (Note 11)	**(1,096,747)**	-
Net carrying amounts under fund management	**32,360,478**	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

8 DERIVATIVE FINANCIAL INSTRUMENTS

The financial derivatives used by the fund manager are foreign currency contracts. As part of risk management activities, foreign currency contracts are entered by the fund manager for hedging purposes. As at balance sheet date, the notional amounts of the foreign currency contracts held by the fund manager are as follows:

	31 MARCH 2013	31 MARCH 2012
	$	$
Notional amounts	**28,357,387**	-
Fair value:		
Assets	**145,457**	-
Liabilities	**(10,452)**	-
	135,005	-

9 TRADE DEBTORS, PREPAYMENTS AND OTHER RECEIVABLES

	31 MARCH 2013	31 MARCH 2012
	$	$
Trade receivables from:		
Non-related parties	**431,591**	623,580
Related parties [Note 22(b)]	**22,602,296**	15,499,542
	23,033,887	16,123,122
Receivables from the fund manager (Note 7)	**766,297**	-
Other receivables	**46,176**	111,923
Advance to managing agents	**1,800,000**	1,800,000
Prepayments	**1,179,373**	1,222,277
Interest receivable	**346,228**	559,170
Deposits	**38,715**	36,080
	27,210,676	19,852,572

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

10 CASH AND CASH EQUIVALENTS

	31 MARCH 2013	31 MARCH 2012
	$	$
Cash and deposits held by Accountant-General's Department	**119,772,423**	107,009,227
Cash and deposits held in trust by the fund manager (Note 7)	**869,959**	-
	120,642,382	107,009,227

Deposits held by Accountant-General's Department earn interest at respective short-term deposit rates, ranging from 0.55% to 0.63% (2011/2012: 0.59% to 0.69%) per annum. Included in the cash and deposits are deposits of $27,590,825 (31 March 2012: $25,992,008) relating to Provision for Assurance Fund (Note 14).

For the purpose of presentation in the cash flow statement, cash and cash equivalents comprise the following:

	31 MARCH 2013	31 MARCH 2012
	$	$
Cash and deposits (as above)	**120,642,382**	107,009,227
Less: Deposits relating to Provision for Assurance Fund (Note 14)	**(27,590,825)**	(25,992,008)
Cash and cash equivalents per cash flow statement	**93,051,557**	81,017,219

11 TRADE AND OTHER PAYABLES

	31 MARCH 2013	31 MARCH 2012
	$	$
Trade payables to:		
Non-related parties	**10,750,242**	5,444,030
Related parties [Note 22(b)]	**3,756,401**	4,077,963
	14,506,643	9,521,993
Other payables and accruals	**9,005,144**	8,375,393
Payable on purchase of investments managed by the fund manager (Note 7)	**1,096,747**	-
Retention payable	**514,082**	1,052,387
Deferred income	**1,093,759**	944,752
Deposits payable	**406,469**	351,791
	26,622,844	20,246,316
Not later than one year	**25,669,605**	19,479,164
Later than one year but not more than five years	**953,239**	767,152
	26,622,844	20,246,316

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

11 TRADE AND OTHER PAYABLES (CONTINUED)

At 31 March 2013, included in trade and other payables are payables for property, plant and equipment and intangible assets of $1,472,195 (31 March 2012: $550,140) and $3,251,924 (31 March 2012: $1,362,828) respectively.

12 PROVISION FOR PENSION

	31 MARCH 2013	31 MARCH 2012
	$	$
Present value of unfunded obligations	**2,610,221**	3,108,020
Balance at beginning of year	**3,108,020**	3,127,850
Provision for the year (Note 15)	**304,000**	336,000
Utilisation during the year	**(801,799)**	(355,830)
Balance at end of year	**2,610,221**	3,108,020
Not later than one year	**303,419**	979,587
Later than one year but not more than five years	**354,476**	516,495
Later than five years	**1,952,326**	1,611,938
	2,306,802	2,128,433
	2,610,221	3,108,020
The amounts recognised in income and expenditure are as follows:		
Current service cost	**263,000**	294,000
Interest cost	**41,000**	42,000
	304,000	336,000

The principal assumptions used in determining the Authority's pension obligations are:

(a) all pensioners under the CSPF scheme will retire at the exact age of 62,

(b) the discount rate of the pension fund is 1.3% per annum and the expected rate of salary increase is 3% per annum; and

(c) the mortality rate is based on Singapore Mortality Table S97/02.

Pension payable to pensionable officers prior to the establishment of the Authority on 1 June 2001 will be borne by MinLaw and is excluded from the amount stated above.

13 CONTRIBUTION TO GOVERNMENT CONSOLIDATED FUND

In lieu of income tax, the Authority is required to make contribution to the Government Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act. The annual contribution to the Fund is made based on the prevailing statutory corporate income tax rate of 17% for the year 2012/2013 (2011/2012: 17%).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

14 PROVISION FOR ASSURANCE FUND

	31 MARCH 2013	31 MARCH 2012
	$	$
Balance at beginning of year	**25,992,008**	24,459,585
Provision for the year	**1,598,817**	1,532,423
Balance at end of year	**27,590,825**	25,992,008

The Assurance Fund is established in accordance with Section 151(1) of the Land Titles Act (Cap 157). 5% of the fees collected by the Registrar under the Act is set apart to constitute the Assurance Fund. The Provision for Assurance Fund at 31 March 2013 amounted to $27,590,825 (31 March 2012: $25,992,008) and can only be utilised in accordance with this Act. The amount in this fund is placed as deposits with the Accountant-General's Department (Note 10).

15 EXPENDITURE ON MANPOWER

	2012/2013	2011/2012
	$	$
Salaries and bonuses	**39,965,906**	35,021,678
CPF and medisave contributions	**4,968,048**	4,195,933
Staff benefits	**974,258**	1,030,590
Staff development and scholarship expenditure	**797,104**	776,606
CSPF (Pension) contributions (Note 12)	**304,000**	336,000
	47,009,316	41,360,807

16 EXPENDITURE RELATING TO AGENCY FUNCTIONS

	2012/2013	2011/2012
	$	$
Gross expenditure:		
Maintenance of state land	**11,045,162**	10,876,301
Maintenance of buildings	**28,381,542**	25,062,200
Valuation service	**3,479,220**	3,526,310
Legal service	**16,698**	32,698
Miscellaneous services	**11,900**	890
	42,934,522	39,498,399
Reimbursement of pass-through costs	**(29,087,368)**	(26,188,056)
	13,847,154	13,310,343

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

17 OTHER OPERATING EXPENSES

	2012/2013	2011/2012
	$	$
Included in other operating expenses are:		
Net loss on disposal of assets	**158,783**	1,054,378
Goods & Services Tax expenses	**652,649**	508,105
Board members' allowances	**182,832**	162,670
Corporate development and communication expenses	**167,288**	131,856
Bank charges	**68,201**	64,920

18 INVESTMENT INCOME - NET

	2012/2013	2011/2012
	$	$
Income from funds with fund manager:		
Gain/(loss) from sale of investments	**(130,185)**	-
Interest income	**683,601**	-
Dividends	**43,120**	-
Realised gain on foreign exchange hedges	**191,943**	-
Net fair value gain on investments	**316,377**	-
	1,104,856	-
Other interest income:		
Held-to-maturity financial assets	**422,963**	705,672
Deposits with Accountant's General Department	**587,398**	650,692
	2,115,217	1,356,364
Less: Fund management expenses	**(61,379)**	-
	2,053,838	1,356,364

19 OTHER GAINS

Other gains of $5,240,379 (2011/2012: Nil) was received by the Authority from third parties during the financial year from legal proceedings commenced by the Authority.

20 ENQUITY INJECTION, DIVIDEND AND SPECIAL CONTRIBUTION

The Capital Management Framework was extended to the Authority in 2008/2009 through an equity injection of $1,000. In 2012/2013, a further $768,103 (2011/2012: $754,532) was injected into the Authority for project funding. The recognition of equity injection is based on the accounting policy of the Authority as stated in Note 2.18. In accordance with the Capital Management Framework, the Authority declared and paid a dividend of $4,119,000 (2011/2012: $5,030,000) to the Government. During the year, the Authority also made a special contribution of $5,000,000 (2011/2012: $5,000,000) to the Government.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

21 COMMITMENTS

(a) Capital commitments

Estimated amounts committed for future capital expenditure at the balance sheet date but not recognised in the financial statements are as follows:

	31 MARCH 2013	31 MARCH 2012
	$	$
Amount approved and contracted for	**11,827,057**	13,921,872

(b) Operating lease commitments

Where the Authority is the lessee
Future minimum lease payable under non-cancellable leases contracted for at the balance sheet date but not recognised as liabilities are as follows:

	31 MARCH 2013	31 MARCH 2012
	$	$
Not later than one year	**7,833,631**	7,833,631
Later than one year but not more than five years	**5,232,695**	13,066,326
	13,066,326	20,899,957

(c) Other commitments

Under the Authority's Scholarship Programme and Education Scheme, the Authority has an obligation to fund the scholars' and employees' educational expenses. At the balance sheet date, the total committed expenditure is estimated at $106,853 (2011/2012: $244,316).

22 RELATED PARTY TRANSACTIONS

(a) Remuneration of key management personnel

	2012/2013	2011/2012
	$	$
Short-term salaries and benefits	**4,298,301**	3,953,142

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Authority. The Chief Executive, Deputy Chief Executive and Directors are considered key management personnel of the Authority.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

22 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Sale and purchase of goods and services

Related parties refer to Ministries, Organs of State and other statutory boards, in accordance with the requirements of SB-FRS and may be individuals or corporate entities. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

The Authority had the following significant transactions with its parent Ministry, Ministry of Law, and other related parties during the year:

	2012/2013	2011/2012
	$	$
Agency fees and recoveries from		
-Ministry of Law	**111,705,736**	106,219,563
-Land Transport Authority of Singapore	**5,828,967**	2,244,859
Title registration, search and survey fees income from		
-Housing and Development Board	**5,264,385**	4,943,999
Rental of premises and valuation services provided by		
-Inland Revenue Authority of Singapore	**(11,029,692)**	(11,712,649)
Land (including properties) management and maintenance services provided by		
-Housing and Development Board	**(6,398,362)**	(6,290,881)
-Sentosa Development Corporation	**(3,529,262)**	(3,241,220)
IT services provided by		
-Info-Communications Development Authority	**(5,516,843)**	(5,316,317)
-Ministry of Finance	**(1,063,758)**	(768,506)

Balances with related parties at 31 March 2013 are disclosed in Notes 9 and 11 respectively.

(c) Other transactions

During the financial year, professional fees of $59,100 (2011/2012: $176,869) relating to risk management and advisory services were paid to a Company in which a director of the Authority has an interest. These professional services were approved and awarded in accordance with the Authority's standard approval process. The director had made full disclosure of his interest and abstained from the approval process.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Authority is exposed to a variety of financial risks: market risk (including currency risk, price risk and interest rate risk), liquidity risk and credit risk. For the funds placed with the fund manager, the exposure to market risk is capped at the Authority's cost of funds invested, in accordance with the principal protected nature of the approved investment mandate. The risk management objective is to minimise and manage the Authority's exposure to these financial risks which are summarised below:

23.1 Market Risk

(a) Currency risk

The Authority has exposure to currency risk arising from the investments denominated in foreign currencies (see Note 7). The foreign currency exposure has been significantly reduced through hedges and the exposure to the foreign currency risk is not expected to have any material impact on the net surplus for the financial year.

The Authority's currency exposure that arises from the financial assets and liabilities managed by the external fund manager is as follows:

	SGD	USD	CNH	Others	Total
	$	$	$	$	$
At 31 March 2013					
Financial assets					
Financial assets at fair value through profit or loss	1,963,440	24,218,669	2,630,548	2,873,307	31,685,964
Receivables from the fund manager (Note 9)	1,551	133,196	618,517	13,033	766,297
Cash and deposits held in trust by the fund manager (Note 10)	869,959	-	-	-	869,959
	2,834,950	24,351,865	3,249,065	2,886,340	33,322,220
Financial liabilities					
Payables on purchase of investments managed by the fund manager (Note 11)	-	(496,701)	(600,046)	-	(1,096,747)
Net financial assets	2,834,950	23,855,164	2,649,019	2,886,340	32,225,473
Less: Net financial assets denominated in the functional currency	(2,834,950)	-	-	-	(2,834,950)
Less: Foreign currency contracts	-	(23,028,940)	(3,197,770)	(1,995,672)	(28,222,382)
Currency exposure	**-**	**826,224**	**(548,751)**	**890,668**	**1,168,141**

The Authority has no significant currency exposure at 31 March 2012.

If the United States Dollar ("USD") and Chinese Renminbi ("CNH") strengthen/weaken against the SGD by 5% and 5% respectively with all other variables including tax rate being held constant, the Authority's net surplus for the year ended 31 March 2013 would increase/decrease by $41,311 and decrease/increase $27,438 respectively.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

23.1 Market Risk (continued)

(b) Price risk

The Authority is exposed to securities price risk as a result of the financial assets at fair value through profit or loss. The securities are listed in the following countries:

	31 MARCH 2013	31 MARCH 2012
	$	$
Singapore	**2,593,574**	-
Asia	**9,772,441**	-
Australia	**3,898,773**	-
United States	**7,127,915**	-
Europe	**4,526,454**	-
United Arab Emirates	**2,448,269**	-
Qatar	**1,318,538**	-
	31,685,964	-

If prices change by 5% with all other variables being held constant, the Authority's net surplus for the year ended 31 March 2013 would increase/decrease by $141,992 (31 March 2012: Nil).

(c) Interest rate risk

The surplus funds are managed internally by the Authority and placed with the external fund manager for investments. There is no exposure to interest rate risk because the investments in fixed income securities are based on interest rates that are fixed at the purchase dates.

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

A 50 bsp change in interest rates for deposits placed with the Accountant-General's Department would not have a material impact on the net surplus for the year.

23.2 Liquidity Risk

Liquidity risk arises in the general funding of the Authority's operating activities. It includes the risk of not being able to fund operating activities at settlement dates and liquidate positions in a timely manner at reasonable price. The Authority monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance operations.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

23.2 Liquidity Risk (continued)

The following table analyses the maturity profile of the Authority's financial liabilities based on contractual discounted cash flows:

	WITHIN 1 YEAR	AFTER 1 YEAR BUT WITHIN 5 YEARS	MORE THAN 5 YEARS	TOTAL
	$	$	$	$
At 31 March 2013				
Trade and other payables	**24,630,701**	**898,384**	**-**	**25,529,085**
At 31 March 2012				
Trade and other payables	18,534,412	767,152	-	19,301,564

23.3 Credit Risk

The Authority's exposure to credit risk is primarily attributable to its cash and cash equivalents, investments, trade and other receivables. Cash and cash equivalents are mainly deposits placed with the Accountant-General's Department, whilst the financial assets at fair value through profit or loss are managed by the fund manager of a high credit-rating financial institution. Bonds held-to-maturity are of good credit rating.

The credit risk with respect to receivables is low as the balances are mostly with government agencies such as Ministries and other Statutory Boards. In addition, receivable balances are monitored on an ongoing basis and as a result, the Authority's exposure to bad debts is not significant.

The maximum credit risk that the Authority is exposed to is represented by the carrying amounts of its financial assets as stated in the balance sheet.

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

	31 MARCH 2013	31 MARCH 2012
	$	$
Not due	**22,738,396**	16,072,088
Past due but not impaired	**295,491**	51,034
	23,033,887	16,123,122
The age analysis of trade receivables past due but not impaired is as follows:		
Past due up to 1 month	**295,491**	51,034

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

23.4 Fair Value Measurements

The Authority classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The following table presents the financial assets measured at fair value and classified by level of fair value measurement hierarchy:

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
	$	$	$	$
At 31 March 2013				
Financial assets at fair value through profit or loss	**2,839,836**	**28,846,128**	-	**31,685,964**
Derivative financial instruments	**135,005**	-	-	**135,005**
At 31 March 2012				
Financial assets at fair value through profit or loss	-	-	-	-
Derivative financial instruments	-	-	-	-

The fair value of financial instruments traded in active markets (such as equities securities and foreign currencies contracts) is determined based on quoted current bid prices at the balance sheet date. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market (such as over-the-counter securities) is based on prices quotes by dealers. These instruments are included in Level 2.

No financial instruments of the Authority are included in Level 3 as at balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

23.5 Financial Instruments by Category

The aggregate carrying amounts of the different categories of financial instruments are as follows:

	31 MARCH 2013	31 MARCH 2012
	$	$
Held-to-maturity financial assets	**13,327,291**	26,983,168
Financial assets at fair value through profit or loss	**31,685,964**	-
Derivative financial instruments - assets	**145,457**	-
Derivative financial instruments - liabilities	**10,452**	-
Loans and receivables	**144,873,685**	123,839,522
Financial liabilities at amortised cost	**25,529,085**	19,301,564

24 CONTINGENT ASSET

In addition to other gains disclosed in Note 19, the Authority is continuing to recover monies from third parties through legal proceedings. If successful, the Authority is expected to receive an additional amount of $1.4 million, based on its best estimate at the date of these financial statements.

25 NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

The mandatory amendments to existing standards that have been published, and are relevant for the Authority's accounting periods beginning on or after 1 April 2013 or later periods and which the Authority has not early adopted are:

- Amendments to SB-FRS 1 Presentation of Financial Statements (effective for annual periods beginning on or after 1 July 2012)

- SB-FRS 19 Employee Benefits (effective for annual periods beginning on or after 1 January 2013)

- SB-FRS 32 Offsetting of Financial Assets and Financial Liabilities (effective for annual periods beginning on or after 1 January 2014)

- SB-FRS 107 Disclosures - Offsetting Financial Assets and Financial Liabilities (effective for annual periods beginning on or after 1 January 2013)

The management anticipates that the adoption of the above amendments to SB-FRS in the future periods will not have a material impact on the financial statements of the Authority in the period of their initial adoption.

26 AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the financial year ended 31 March 2013 were authorised for issue by the Board of Directors of the Authority on 26 June 2013.

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